

COMMUNITY EDUCATION CENTER • IMMIGRATION POLICY CENTER • INTERNATIONAL EXCHANGE CENTER • LEGAL ACTION CENTER

April 2015

NEW AMERICANS IN SOUTH CAROLINA: The Political and Economic Power of Immigrants, Latinos, and Asians in the Palmetto State

Immigrants, Latinos, and Asians account for large and growing shares of the economy and population in the state of South Carolina. Immigrants (the foreign-born) make up 4.8% of the state's population and over one-third of immigrants in South Carolina are naturalized U.S. citizens who are eligible to vote. "New Americans"—immigrants and the children of immigrants—account for 4.5% of all registered voters in the state. Latinos and Asians (both foreign-born and native-born) wield \$8 billion in consumer purchasing power. At last count, businesses owned by Latinos and Asians had sales and receipts of \$4.6 billion and employed more than 29,000 people. At a time when the economy is still recovering, South Carolina can illafford to alienate such a critical component of its labor force, tax base, and business community.

Immigrants and their children are growing shares of South Carolina's population and electorate.

- **The foreign-born share** of South Carolina's population rose from 1.4% in 1990, to 2.9% in 2000, to 4.8% in 2013, according to the U.S. Census Bureau. South Carolina was home to 231,278 immigrants in 2013, which is more than the entire population of Birmingham, Alabama.
- 38.8% of immigrants (or 89,661 people) in South Carolina were naturalized U.S. citizens in 2013 —meaning that they are eligible to vote.
- Unauthorized immigrants comprised roughly 2% of the state's population (or 95,000 people) in 2012, according to a report by the Pew Hispanic Center.
- 4.5% (or 111,032) of all registered voters in South Carolina 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.8

Roughly 1 in 15 South Carolinians are Latino or Asian—and they vote.

The **Latino share of South Carolina's population** grew from 0.9% in 1990, to 2.4% in 2000, to 5.3% (or 253,360 people) in 2013. The **Asian share of the population** grew from 0.6% to 1990, to 0.9% in 2000, to 1.4% (or 65,048 people) in 2013, according to the U.S. Census Bureau.

- In South Carolina, **84.6% of children with immigrant parents were U.S. citizens** in 2009, according to data from the Urban Institute. ¹⁵
- In <u>2009</u>, **87% of children in Asian families** in South Carolina were U.S. citizens, as were **88.2% of children in Latino families**. ¹⁶

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

- The 2014 purchasing power of South Carolina's Latinos totaled \$5.1 billion—an increase of 1,285% since 1990. Asian buying power totaled \$2.9 billion—an increase of 839% since 1990, according to the Selig Center for Economic Growth at the University of Georgia. 17
- Immigration boosts housing values in communities. From 2000 to 2010, according to the <u>Americas Society/Council of the Americas</u>, the value added by immigration to the price of the average home was \$1,857 in Greenville County; \$814 in Richland County; and \$940 in Charleston County. 18
- South Carolina's 6,658 **Asian-owned businesses had sales and receipts of \$2.7 billion and employed 19,977 people** in 2007, the last year for which data is available. ¹⁹ The state's 5,971 **Latino-owned businesses had sales and receipts of \$1.9 billion and employed 9,273 people** in 2007, according to the <u>U.S. Census Bureau's Survey of Business Owners.</u> ²⁰
- From 2006 to 2010, there were 11,869 new immigrant business owners in South Carolina, and new immigrant business owners had total net business income of \$522 million (which is 5.3% of all net business income in the state), according to Robert Fairlie of the University of California, Santa Cruz. 21
- In 2010, 6% of all business owners in South Carolina were foreign-born, according to the <u>Fiscal Policy Institute</u>. ²²

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

- Immigrants comprised **6.3% of the state's workforce** in <u>2013</u> (or 147,138 workers), according to the U.S. Census Bureau. ²³
- Unauthorized immigrants comprised 3% of the state's workforce (or 70,000 workers) in 2012, according to a report by the Pew Hispanic Center.²⁴
- Latinos in South Carolina paid \$533 million in federal taxes and \$224 million in state/local taxes in 2013, according to the Partnership for a New American Economy. In particular, foreign-born Latinos paid \$241 million in federal taxes and \$114 million in state/local taxes.²⁵
 - The federal tax contribution of South Carolina's Latino population included \$393 million to Social Security and \$92 million to Medicare in 2013.

Foreign-born Latinos contributed \$199 million to Social Security and \$47 million to Medicare that year. ²⁶

Unauthorized immigrants pay taxes.

- Unauthorized immigrants in South Carolina paid \$33.4 million in state and local taxes in 2010, including \$25.4 million in sales taxes, \$3.8 million in state income taxes, and \$4.3 million in property taxes, according to data from the Institute for Taxation and Economic Policy.²⁷
- Were unauthorized immigrants in South Carolina to have legal status, they would pay \$40.7 million in state and local taxes, including \$26.9 million in sales taxes, \$9.5 million in state income taxes, and \$4.3 million in property taxes.²⁸
- If all unauthorized immigrants were removed from South Carolina, the state would lose \$1.8 billion in economic activity, \$782.9 million in gross state product, and approximately 12,059 jobs, even accounting for adequate market adjustment time, according to a report by the Perryman Group. ²⁹

Immigrants are important to South Carolina's economy as students.

- South Carolina's 5,215 **foreign students contributed \$125.8 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. ³⁰
- Foreign students contribute to South Carolina's metropolitan areas. From 2008 to 2012, according to the <u>Brookings Institution</u>, 2,579 foreign students paid \$36 million in tuition and \$26 million in living costs in the Columbia metropolitan area. In the Anderson metro area, 2,307 foreign students paid \$38 million in tuition and \$26 million in living costs.³¹
- Foreign students also contribute to innovation in South Carolina. In 2009, "non-resident aliens" comprised 31.5 percent of masters degrees and 43.3 percent of doctorate degrees in science, technology, engineering, and mathematics (STEM) fields, according to the Partnership for a New American Economy.³²

Naturalized citizens excel educationally.

- In South Carolina, **35.1% of foreign-born persons** who were naturalized U.S. citizens in **2011** had a bachelor's or higher degree, compared to 20.7% of noncitizens. At the same time, only 14.6% of naturalized citizens lacked a high-school diploma, compared to 35.7% of noncitizens.³³
- The number of immigrants in South Carolina with a college degree **increased by 87.8%** between 2000 and 2011, according to data from the Migration Policy Institute.³⁴
- In South Carolina, **83.1% of children with immigrant parents** were considered "English proficient" as of <u>2009</u>, according to data from the Urban Institute. ³⁵

The English proficiency rate among Asian children in South Carolina was 92.9%, while for **Latino children it was 79%**, as of 2009.³⁶

Endnotes

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

- ³ 2013 American Community Survey (1-Year Estimates).
- ⁴ Ibid.
- ⁵ Ibid.
- ⁶ Ibid.
- ⁷ Jeffrey S. Passel, D'Vera Cohn, and Molly Rohal, <u>Unauthorized Immigrant Totals Rise in 7 States, Fall in 14: Decline in Those</u> From Mexico Fuels Most State Decreases (Washington, DC: Pew Hispanic Center, November 18, 2014), p. 30.

 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. 30.
- U.S. Census Bureau, The Hispanic Population: 2000, May 2001.
- 10 Ibid.
- ¹¹ 2013 American Community Survey (1-Year Estimates).
- ¹² U.S. Census Bureau, *The Asian Population:* 2000, February 2002.
- ¹⁴ 2013 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 2014* (Athens, GA: Selig Center for Economic Growth, University of Georgia, 2014), pp. 22, 24.
- ¹⁸ Jacob Vigdor, *Immigration and the Revival of American Cities: From Preserving Manufacturing Jobs to Strengthening the* <u>Housing Market</u> (New York City, NY: Americas Society/Council of the Americas, 2013).

 19 U.S. Census Bureau, <u>Estimates of Business Ownership by Gender, Ethnicity, Race, and Veteran Status: 2007</u>, June 2011.
- ²¹ Robert W. Fairlie, Open for Business: How Immigrants are Driving Small Business Creation in the United States (New York
- City, NY: Partnership for a New American Economy, 2012), p. 32.

 ²² David Dyssegaard Kallick, *Immigrant Small Business Owners: A Significant and Growing Part of the Economy* (New York City, NY: Fiscal Policy Institute, 2012), p. 24.
 ²³ 2011 American Community Survey (1-Year Estimates).
- ²⁴ Jeffrey S. Passel, D'Vera Cohn, and Molly Rohal, *Unauthorized Immigrant Totals Rise in 7 States, Fall in 14: Decline in* Those From Mexico Fuels Most State Decreases (Washington, DC: Pew Hispanic Center, November 18, 2014), p. 30.
- 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 City, NY: Partnership for a New American Economy, 2014). ²⁶ Ibid.
- ²⁷ Institute on Taxation and Economic Policy, <u>Undocumented Immigrants' State and Local Tax Contributions</u> (Washington, DC: July 2013).
- ²⁸ Ibid.
- ²⁹ The Perryman Group, <u>An Essential Resource: An Analysis of the Economic Impact of Undocumented Workers on Business</u> Activity in the US with Estimated Effects by State and by Industry (Waco, TX: April 2008).
- NAFSA: Association of International Educators, The Economic Benefits of International Students to the U.S. Economy: <u>Academic Year 2013-2014</u> (Washington, DC: 2014).
- Neil Ruiz, The Geography of Foreign Students in U.S. Higher Education: Origins and Destinations (Washington, D.C.: The Brookings Institution, 2014).
- ³² Partnership for a New American Economy, Help Wanted: The Role of Foreign Workers in the Innovation Economy (New York City, NY: Partnership for a New American Economy, 2013), p. 21.
- ³³ Migration Policy Institute Data Hub, South Carolina: Language & Education.
- ³⁵ The Urban Institute, data from the Integrated Public Use Microdata Series datasets drawn from the 2005 2009 American Community Survey.
- ³⁶ Ibid.