

January 2012

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

Immigrants, Latinos, and Asians account for growing shares of the economy and population in Iowa. Immigrants (the foreign-born) make up 4.6% 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 tens of million of dollars in tax revenue and consumer purchasing power. Moreover, Latinos and Asians (both foreign-born and native-born) wield \$4.9 billion in consumer purchasing power, and the businesses they own had sales and receipts of more than \$1.2 billion and employed more than 13,000 people at last count. At a time when the economy is in a slump, Iowa 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 Iowa's population and electorate.*

- **The foreign-born share** of Iowa's population rose from 1.6% in [1990](#),<sup>1</sup> to 3.1% in [2000](#),<sup>2</sup> to 4.6% in [2010](#),<sup>3</sup> according to the U.S. Census Bureau. Iowa was home to 139,477 immigrants in [2010](#),<sup>4</sup> which is more than the total population of [Springfield, Illinois](#).<sup>5</sup>
- **37.1% of immigrants (or 51,709 people) in Iowa were naturalized U.S. citizens in [2010](#)**<sup>6</sup>—meaning that they are eligible to vote.
- **2.6% (or 42,389) of registered voters** in Iowa 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](#).<sup>7</sup>

*1 in 15 Iowans are Latino or Asian.*

- The **Latino share of Iowa's population** grew from 1.2% in [1990](#),<sup>8</sup> to 2.8% in [2000](#),<sup>9</sup> to 5% (or 152,494 people) in [2010](#).<sup>10</sup> The **Asian share of the population** grew from 0.9% in [1990](#),<sup>11</sup> to 1.3% in [2000](#),<sup>12</sup> to 1.7% (or 51,848 people) in [2010](#),<sup>13</sup> according to the U.S. Census Bureau.
- **Latinos accounted for 1.3% (or 20,000) of Iowa voters** in the 2008 elections, and Asians 0.7% (11,000), according to the [U.S. Census Bureau](#).<sup>14</sup>
- In Iowa, **85.2% of children with immigrant parents were U.S. citizens in [2009](#)**, according to data from the Urban Institute.<sup>15</sup>

- In [2009](#), **88.1% of children in Asian families** in Iowa were U.S. citizens, as were **91.4% of children in Latino families**.<sup>16</sup>

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

- **The 2010 purchasing power of Latinos in Iowa totaled \$2.9 billion**—an increase of 827.2% since 1990. **Asian buying power totaled \$2 billion**—an increase of 637.1% since 1990, according to the [Selig Center for Economic Growth](#) at the University of Georgia.<sup>17</sup>
- Iowa's 2,834 **Asian-owned businesses had sales and receipts of \$782.6 million and employed 10,130 people** in 2007, the last year for which data is available.<sup>18</sup> The state's 2,455 **Latino-owned businesses had sales and receipts of \$455.7 million and employed 3,289 people** in 2007, according to the U.S. Census Bureau's Survey of Business Owners.<sup>19</sup>

*Unauthorized immigrant families are integral to Iowa's economy as taxpayers.*

- Unauthorized immigrants in Iowa paid **\$73.6 million** in state and local taxes in [2010](#), according to data from the Institute for Taxation and Economic Policy,<sup>20</sup> which includes:
  - \$16.4 million in state income taxes.
  - \$3.6 million in property taxes.
  - \$53.6 million in sales taxes
- Iowa employers and unauthorized workers paid **between \$50.3 million and \$77.8 million** in Social Security and Medicare taxes to the federal government in [2007](#)<sup>21</sup>— benefits these workers will never collect.

*Immigrants are integral to Iowa's economy as workers.*

- Immigrants comprised **5.6% of the state's workforce** in [2010](#) (or 92,066 workers), according to the U.S. Census Bureau.<sup>22</sup>
- Unauthorized immigrants comprised **3.2% of the state's workforce** (or 55,000 workers) in [2010](#), according to a report by the Pew Hispanic Center.<sup>23</sup>
- If all unauthorized immigrants were removed from Iowa, **the state would lose \$1.4 billion in economic activity, \$613.4 million in gross state product, and approximately 8,819 jobs**, even accounting for adequate market adjustment time, according to a report by the [Perryman Group](#).<sup>24</sup>

*Immigrants are integral to Iowa's economy as students.*

- Iowa's 9,647 **foreign students contributed \$245.4 million** to the state's economy in tuition, fees, and living expenses for the 2009-2010 academic year, according to [NAFSA: Association of International Educators](#).<sup>25</sup>

### *Immigrants excel educationally.*

- The number of immigrants in Iowa with a college degree **increased by 43.2%** between 2000 and 2009, according to [data](#) from the Migration Policy Institute.<sup>26</sup>
- In Iowa, **30.7% of foreign-born persons** who were naturalized U.S. citizens in [2009](#) had a **bachelor's or higher degree**, compared to 24.7% of noncitizens. At the same time, only 25.1% of naturalized citizens lacked a high-school diploma, compared to 42.3% of noncitizens.<sup>27</sup>
- In Iowa, **87% of children with immigrant parents** were considered “English proficient” as of [2009](#), according to data from the Urban Institute.<sup>28</sup>
- The English proficiency rate among **Asian children in Iowa was 91.5%**, while for **Latino children it was 87%**, as of [2009](#).<sup>29</sup>

### Endnotes

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

<sup>2</sup> Ibid.

<sup>3</sup> 2010 American Community Survey (1-Year Estimates).

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Rob Paral and Associates, *The New American Electorate: The Growing Political Power of Immigrants and Their Children* (Washington, DC: Immigration Policy Center, American Immigration Law Foundation, October 2010).

<sup>8</sup> U.S. Census Bureau, *The Hispanic Population: 2000*, May 2001.

<sup>9</sup> Ibid.

<sup>10</sup> 2010 American Community Survey (1-Year Estimates).

<sup>11</sup> U.S. Census Bureau, *The Asian Population: 2000*, February 2002.

<sup>12</sup> Ibid.

<sup>13</sup> 2010 American Community Survey (1-Year Estimates).

<sup>14</sup> U.S. Electoral College, [2008 Presidential Election: Popular Vote Totals](#).

<sup>15</sup> [The Urban Institute](#), data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.

<sup>16</sup> Ibid.

<sup>17</sup> Jeffrey M. Humphreys, *The Multicultural Economy 2010* (Athens, GA: Selig Center for Economic Growth, University of Georgia, 2010).

<sup>18</sup> U.S. Census Bureau, *Estimates of Business Ownership by Gender, Ethnicity, Race, and Veteran Status: 2007*, June, 2011.

<sup>19</sup> Ibid.

<sup>20</sup> The Immigration Policy Center, *Unauthorized Immigrants Pay Taxes, Too* (Washington, DC: April 2011).

<sup>21</sup> Beth Pearson and Michael F. Sheehan, *Undocumented Immigrants in Iowa: Estimated Tax Contributions and Fiscal Impact* (Mount Vernon, IA: The Iowa Policy Project, October 2007).

<sup>22</sup> 2010 American Community Survey (1-Year Estimates).

<sup>23</sup> 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.

<sup>24</sup> 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.

<sup>25</sup> NAFSA: Association of International Educators, *The Economic Benefits of International Education to the United States for the 2009-2010 Academic Year: A Statistical Analysis* (Washington, DC: NAFSA: Association of International Educators, 2010).

<sup>26</sup> Migration Policy Institute Data Hub, [Iowa: Language & Education](#).

<sup>27</sup> Ibid.

<sup>28</sup> [The Urban Institute](#), data from the Integrated Public Use Microdata Series datasets drawn from the 2005 - 2009 American Community Survey.

<sup>29</sup> Ibid.