

A Closer Look: The Contributions of Hispanic and Latino Immigrants to Virginia's Economy

By Laura Goren and Michael Cassidy

Hispanic and Latino immigrants living in Virginia are an important part of the state's economy and future. Most working-age adults are employed; most have lived in the United States for many years; and many are homeowners. This paper documents the ways immigrant Latino and Hispanic Virginians are woven into the fabric of our communities, the significant economic contributions they make to the commonwealth, and the ongoing challenges they face.

There were over 700,000 Hispanic and Latino Virginians in 2013, up from about 500,000 in 2007. A little under half of them—316,000—are immigrants, which means they were born in a foreign country

Methodology Note

This report is based on estimates from the Census Bureau's American Community Survey (ACS). Because the ACS survey is administered throughout the year, ACS estimates can be considered the average characteristics of an area over the course of a year, including households that may reside in the area for at least two months but not for the entire year and including people of all immigration statuses. However, ACS data likely undercounts undocumented immigrants by about 10 percent. This report does not adjust for that potential undercount because we do not have sufficient information to provide accurate adjustments.

The report generally defines Hispanic and Latino immigrants as all foreign-born residents of Virginia who self-identify as Hispanic and/or Latino. However, due to data limits the analysis of where Hispanic and Latino immigrants were born and where they live within Virginia is based solely on country of birth, rather than self-identity.



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and are now living here. That's a third of all foreign-born Virginians.

The growth in Latino and Hispanic Virginians accounts for a substantial share of the overall growth in Virginia's population. Over one-third—38 percent—of Virginia's total population growth since 2007 has been due to the growing number of Latino and Hispanic Virginians.

Almost 70 percent of the state's immigrants who were born in Latin America live in Northern Virginia. Another 10 percent live in the Richmond metro area, and 9 percent live in the Virginia Beach/Hampton Roads metro area. The Harrisonburg and Roanoke metro areas are each home to another 2 percent of Virginians who were born in Latin America, and the remainder live in other metro areas and rural Virginia.

But if we look at immigrants from Latin America as a share of the population of different regions, rather than looking at different region's share of Latin American immigrants, we see that immigrants from Latin America are an important part of

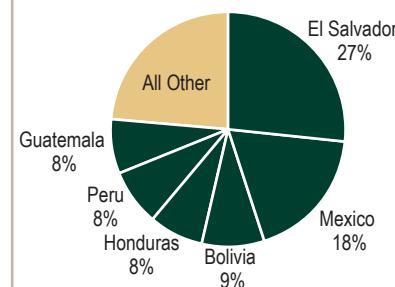
the community and economy in some of Virginia's smaller metro areas as well. Virginians born in Latin America are 5 percent of all residents of the Harrisonburg metro area, and 4 percent of all residents of the Winchester area.

Diversity of Origin, But A Shared Commitment to Life in the US

Virginia's immigrants from Latin America are not only living in a wide range of places across the state, they are from a wide range of countries.

Diverse Origins

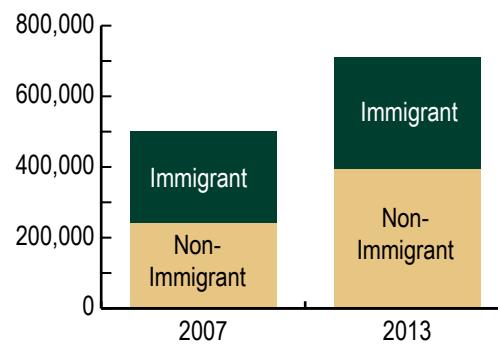
Countries of Birth for Virginia Immigrants from Latin America



Source: American Community Survey, 2009-2013

More Latinos, More Virginians

Number of Latino Immigrants and Non-Immigrants in Virginia



Source: TCI analysis of 2007 and 2013 American Community Survey 1yr data

Latino Share of Virginia's Population Growth, 2007 to 2013



More than one in four foreign-born Hispanic and Latino residents of Virginia were born in El Salvador, 18 percent are from Mexico, and another 19 percent are from other parts of Central America, primarily Honduras and Guatemala.

But 28 percent of Virginia's Hispanic/Latino immigrants are from South America (mostly Bolivia and Peru), and another 9 percent are from the Caribbean (this does not include Virginians who were born in Puerto Rico, since Puerto Ricans are not considered to be foreign-born). This mix is very different from in the United States as a whole, where people born in Mexico make up more than half of foreign-born Hispanics and Latinos, and representation is far lower from other parts of Central America.

And they've been here for a long time. Two-thirds of foreign-born Hispanic and Latino Virginians have been in the United States for more than a decade, and 29 percent have been in the US for more than 20 years. The long lengths of tenure in the United States for Hispanic/Latino immigrants living in Virginia likely contributes to their significant economic contributions, as they have had time to put down roots and adapt their job skills to the needs of their communities.

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It also means many Hispanic and Latino immigrant Virginians have been living in the United States long enough to become naturalized citizens, a process that usually requires many years of residence and passing a test on U.S. history, culture, and government. About three in ten

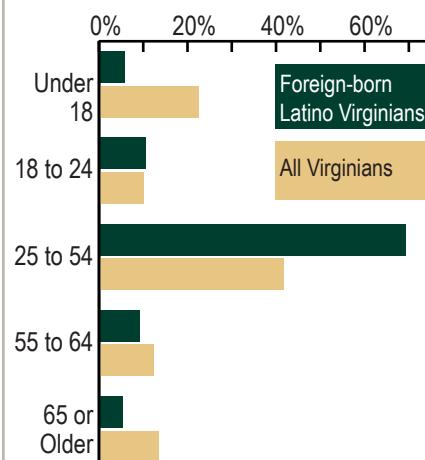
of foreign-born Hispanic and Latino Virginians are naturalized U.S. citizens, a slightly lower rate than in the United States as a whole.

Highly Employed

In addition to being important members of Virginia communities, foreign-born Hispanic/Latino Virginians are a significant part of the state's economy, too. Most Hispanic/Latino immigrants living in Virginia are of working-age, which helps contribute to high rates of employment. Over three-quarters of foreign-born Hispanic/Latino residents of Virginia are between the ages of 25 and 64, compared to 73 percent of other foreign-born residents of Virginia and just 51 percent of non-immigrant Virginians. This helps drive the fact that 74 percent of all immigrant Hispanic/Latino Virginians over the age of 16 are currently employed, a share that is substantially higher than that of non-immigrant Virginians.

Working Age

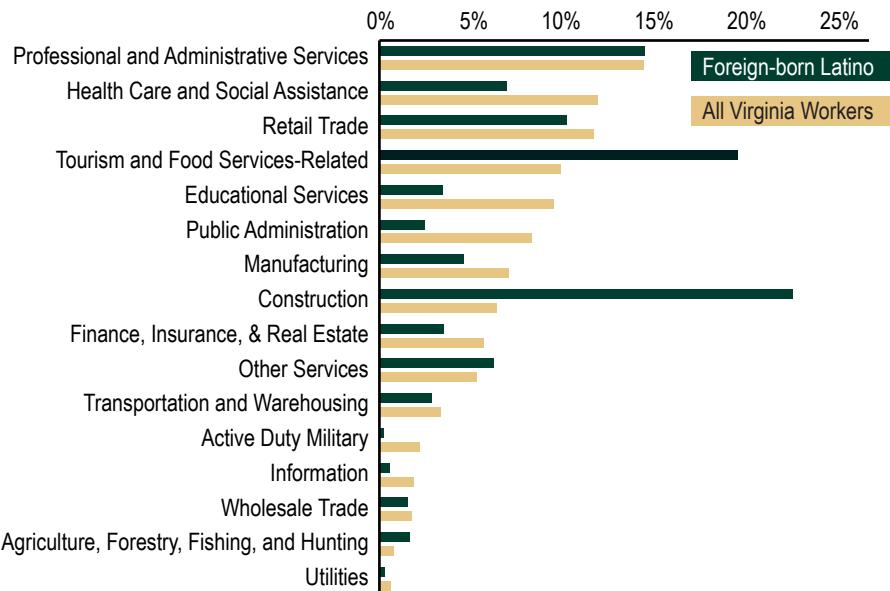
Share of foreign-born Latino Virginians and all Virginians by age



Source: TCI analysis of ACS 2013 via IPUMS-USA

Latino Immigrants Work in Virginia's Major Industries

Share of Latino foreign-born employment and all employment in Virginia



Source: TCI analysis of ACS 2013 data retrieved via IPUMS-USA

Hispanic/Latino immigrants work in every major Virginia industry, but are particularly important parts of Virginia's Construction industry and the tourism-related Arts/Entertainment/Recreation/Accommodation/Food Services industry. Hispanic/Latino immigrants are somewhat under-represented in the public administration and information industries.

In addition to being an important part of all of Virginia's major industries, Hispanic/Latino immigrants are an important part of Virginia's small business community. There are over 19,000 self-employed immigrant Hispanic and Latino Virginians. That's more than 1 out of every 12 working Hispanic/Latino immigrants, and it's 6 percent of all Virginia entrepreneurs. And there's another 5,500 non-immigrant Hispanic/Latino entrepreneurs, many of whom may be part of families that include immigrants.

Big Challenges: Language, Education, Income, Health Insurance

Despite the important economic contributions being made by Hispanic/Latino immigrants, however, there are also many challenges facing these workers and their families in Virginia.

One in six Hispanic and Latino immigrants lives in a family whose income is below the poverty line, far higher than the share of all Virginians. Incomes in households headed by foreign-born Hispanic/Latino Virginians tend to be somewhat lower than those of other Virginia households. In particular, very few households headed by Hispanic/Latino immigrants are among the 29 percent of all Virginia households with incomes above \$100,000. However, there are also a significant number of middle-income immigrant-headed Hispanic and Latino households with incomes between \$50,000 and \$75,000 a year.

Part of the reason household incomes are somewhat lower for Hispanic/Latino immigrant-headed households may be due to relatively lower levels of education among these workers. Almost 4 in 10 foreign-born Hispanic and Latino adults over the age of 24 has less than a high school education, while just 15 percent have at least a bachelor's degree. These rates are very different than those of all Virginians over the age of 24, among whom just 12 percent have less than a high school education and 36 percent have at

least a bachelor's degree. And they're also sharply lower than those of non-Hispanic immigrant Virginians.

Additionally, while 47 percent of Hispanic/Latino immigrants living in Virginia speak English at least "very well," that means 53 percent don't. One way to make sure everyone is able to find a job that matches their skills and ability would be to make sure immigrant workers who don't speak English "very well" are also able to succeed. This means making sure workers can get appropriate language training, and making sure Virginia's workforce development and adult education programs are structured in a way that's accessible to workers who may speak English less than fluently.

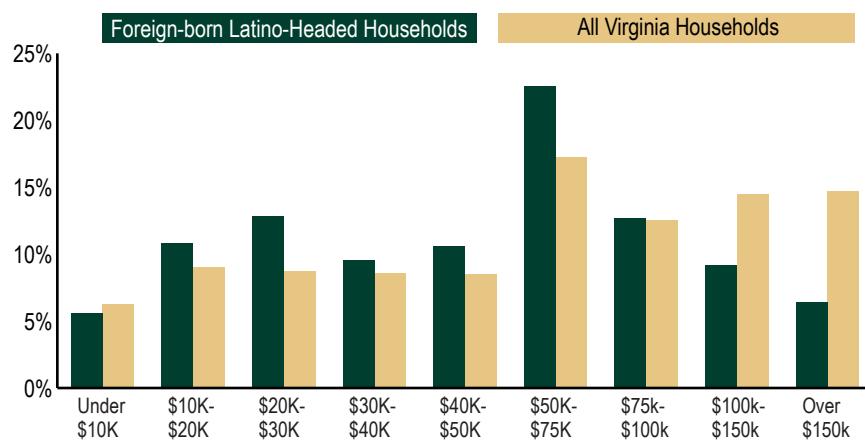
High poverty levels and low incomes present particular challenges for Hispanic/Latino immigrants in Virginia because so many live in the high-cost Northern Virginia, where rent, child care, and other costs far outpace national averages.

More than 40 percent of households headed by Hispanic/Latino immigrants pay more than 35 percent of their income toward housing costs, which means they're paying a higher share of their income toward housing than most experts consider affordable. By comparison, just 24 percent of all Virginia households and 27 percent of non-Hispanic immigrant households are paying that high a share. Low incomes and high housing costs may be why only 4 in 10 households headed by foreign-born Hispanic and Latino Virginians are homeowners, compared to two thirds of all Virginia households.

Another significant challenge is that, despite high employment levels, more than half of all foreign-born Hispanic/Latino Virginians have no form of health insurance, compared to just 12 percent of all Virginians. Part of the reason Hispanic/

Few Immigrant Latino-Headed Households Have High Incomes

Share of households in Virginia by income



Latino immigrants living in Virginia have very low levels of health coverage. The state chooses to impose even higher limits than the federal government on access to public coverage for legal immigrants. But that's not likely the whole story, since even non-immigrant Hispanic/Latino Virginians have somewhat lower rates of health coverage than their non-Hispanic peers. Although this data was gathered before the major coverage expansions of the Affordable Care Act, the magnitude of uninsured non-citizens likely remains unchanged. That's in part because Virginia has resisted national health reform and so hasn't enacted the kinds of policy

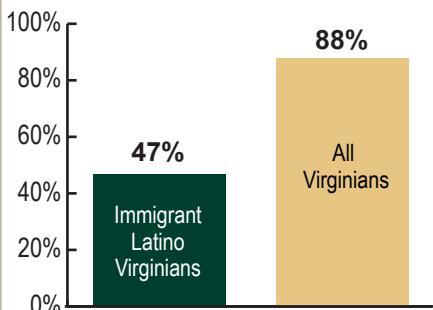
solutions, such as expanding Medicaid eligibility, that can help connect more low-income working families to health coverage. Additionally, undocumented immigrants are ineligible for essentially all of the coverage expansions, and even lawfully present non-citizens face significant barriers to coverage. As a result, many non-citizens are likely still to be uninsured.

that hurts everyone. Lawmakers should consider the ways in which we can use public policy to make sure all Virginians have the opportunity to succeed and build a secure life. It's the right thing to do not just for these workers and families, but for all of our communities.

While challenges exist, Hispanic and Latino immigrants living in Virginia are critical to the economic health and vitality of the state. But the challenges they face hinder their efforts to succeed, and

Health Coverage Rates are Low

Share of Virginians with any form of health insurance



Source: TCI analysis of ACS 2013 via IPUMS-USA

The Commonwealth Institute

The Commonwealth Institute for Fiscal Analysis provides credible, independent and accessible information and analyses of state public policies with particular attention to the impacts on low- and moderate-income persons. Our products inform state economic, fiscal, and budget policy debates and contribute to sound decisions that improve the well-being of individuals, communities and Virginia as a whole.

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Part of the analysis in this report relies on data extracted from the Integrated Public Use Microdata Series (IPUMS), Version 5.0, developed by the University of Minnesota. Where used, we have referenced this source as IPUMS.

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