



NATIONAL CONFERENCE *of* STATE LEGISLATURES

*The Forum for America's Ideas*

**A Summary of Selected State Reports on Fiscal/Economic Impacts of Immigrants**

**June, 2013**

This document provides select examples of fiscal and economic impacts of immigrants at the state, local and regional levels. The fiscal studies typically examine income and sales tax contributions of foreign-born, compared to costs of education, health care and corrections. A few examine broader economic impacts such as job creation and business development of the foreign born.

Of the 21 studies briefly summarized here, nine were performed by nonprofits; six by universities; one by a Federal Reserve Bank (New England region); one commission authorized by a state legislature (Maryland); two by state agencies (Mississippi and Texas) and two by economic consulting firms.

Besides presenting the fiscal and economic impacts of immigrants, some studies also provide policy recommendations based on their research results. For example, in the report on immigrants in New England prepared by the Federal Reserve Bank of Boston, the authors provide some policy options on promoting economic growth. The report notes: "To attract skilled immigrants, special initiatives may be needed, such as recruiting foreign students and encouraging them to stay when they graduate from local colleges or universities. In order to attract immigrant entrepreneurs (native entrepreneurs, too), local governments can use tax breaks and other incentives that reduce the cost of doing business. Federal immigration laws can be used to recruit immigrant investors. By creating a Regional Center, authorities can devise community investment projects and attract immigrant investors under a special provision of the immigrant-investor visa program."

This compilation summarizes fiscal impact studies in Arizona, Arkansas, Colorado, Florida, Georgia, Iowa, Maryland, Minnesota, Mississippi, Missouri, New Mexico, New York, North Carolina, Oklahoma, Oregon, Texas, and Virginia Washington D.C., and Saint Louis; and an article on the New England region.

**Arizona**

[Gans, Judith. \*Immigrants in Arizona: Fiscal and Economic Impacts\*. Udall Center for Studies in Public Policy. 2007.](#)

This study examines the fiscal and economic impacts of immigrants in Arizona. In 2004, the total net state fiscal impact of immigrant was positive: \$940 million. The total state tax revenue from immigrant workers was around \$2.4 billion, with \$1.5 billion coming from unauthorized workers, and \$860 million from naturalized citizens. The fiscal cost of education, health care, and law enforcement was \$1.4 billion.

Immigrants contributed to the economy through labor participation and consumption. In 2004, about \$44 billion, 12 percent of the state's economic output can be attributed to immigrant workers (\$15 billion for naturalized citizens and \$29 billion for non-citizens). This includes \$14.9 billion in labor income and \$5.2 billion in other income in the state, resulting in approximately 400,000 full-time equivalent jobs.

In 2004, 14 percent of Arizona's workforce was immigrants. While a large proportion of immigrant workers were low-skilled workers, immigrant workers were over-represented in medicine and science.

## **Arkansas**

[Appold, Stephen J., Randy Capps, Michael Fix, Ying Huang, Fafael A. Jimeno S., James H. Johnson, Jr., John D. Kasarda, and Kristen McCabe, \*A Profile of Immigrants in Arkansas\*, Migrant Policy Institute, University of Arkansas, Kenan Institute of Private Enterprise, University of North Carolina at Chapel Hill, January 2013.](#)

This three-volume report examines the demographic trends of immigrants in Arkansas, their economic and fiscal impacts, and a profile of the Marshallese community in Arkansas.

Arkansas ranked fourth among states in immigrant population growth from 2000-2010. In 2010, approximately 5 percent of Arkansas's residents were foreign-born, 42 percent of whom were unauthorized immigrants. From 2000 to 2010, Arkansas's foreign-born population grew by 82 percent.

Immigrant workers accounted for 7 percent of Arkansas's labor force, clustered in both low-skilled and high-skilled occupations. Between 2008 and 2010, immigrant workers comprised 13 percent of manufacturing workers, 16 percent of construction workers and 9 percent of agriculture workers. Between 2006 and 2010, approximately 17 percent of physicians and surgeons were foreign-born.

The study shows that immigrants have a slightly negative impact on Arkansas's state budget. In 2010, the tax contributions from immigrants were \$524 million, while state expenditures generated by immigrant households (education, health care and corrections) were about \$555 million, which implied a net cost of \$31 million in total, about \$127 per immigrant household member.

The report finds that immigrants have a large economic impact on the Arkansas economy. In 2010, immigrants contributed \$3.9 billion to Arkansas's economy through consumer expenditures and tax contributions. Subtracting the state fiscal expenditure (\$555 million), the net economic benefit of immigrants to Arkansas was \$3.4 billion.

## **Colorado**

[Fairley, Elena and Rich Jones. \*Colorado's Undocumented Immigrants: What they pay, what they cost in taxes\*, The Bell Policy Center, April, 2011.](#)

In 2011, Fairley and Jones updated two 2006 studies by the Bell Policy Center. Previous studies argued that costs associated with unauthorized immigrants were approximately \$225 million each year, and the revenues generated by those unauthorized immigrants amounted to \$159 million, which left a 14 to 30 percent revenue shortfall to state and local government. Fairley and Jones now estimate that the fiscal impact of unauthorized immigrants is slightly positive to Colorado state government. The costs associated with unauthorized immigrants are mainly concentrated in three areas: K-12 education, emergency medical care and incarceration, estimated by the researchers' at approximately \$116.6 million per year. On the other hand, those unauthorized immigrants contribute to Colorado state tax revenues via sales taxes, proper taxes and personal income taxes, about \$167.5 million annually, which would fully cover the expenses they impose on the state: a \$ 50.1 million net benefit per year.

## **Florida**

[Eisenhauer, Emily, Alex Angee, Cynthia Hernandez, Yue Zhang. \*Immigrants in Florida: Characteristics and Contributions\*", Research Institute on Social and Economic Policy, Florida International University, May 2007.](#)

This report presents statistics about immigrants in Florida and their contributions to the state's economy. Between 2002 and 2004 immigrant workers created greater net benefits than their native-born counterparts. Immigrant workers comprise 25 percent of Florida's labor force. Eisenhower et al. compared the costs of government services and tax revenues generated between immigrant workers and non-immigrant workers. In 2005, the median wage for immigrant workers was \$20,000, compared to \$23,400 for non-immigrants. On average, immigrant workers contribute approximately \$1,500 per capita annual gains compared to \$1,390 by non-immigrant workers. Between 2002 and 2004, on average, immigrant workers paid about \$3,258 into tax system, while receiving approximately \$3,258 public benefits. Immigrant workers are slightly more likely to be entrepreneurs: approximately 26 percent of immigrant workers are self-employed, compared to 23 percent of self-employed non-immigrant workers.

## **Georgia**

[\*An Analysis of the Economic Impact of Undocumented Workers on Business Activity in the US with Estimated Effects by State and by Industry. The Perryman Group. April 2008.\*](#)

This study focuses on the economic impact of unauthorized immigrants in the United States and by select states and industries, as well as the estimated costs and benefits analysis of eliminating all unauthorized immigrant workers. The results suggest that unauthorized labor plays a vital role in U.S. business growth.

It cites that without the unauthorized workforce in Georgia (using 2007 dollars for monetary value), in a static scenario, the state would lose \$7,120 in expenditures per capita, \$2,639 in output losses per capita, and \$1,699 in income losses per capita. The static scenario estimates represent the immediate losses resulting from enforcement-only programs. In a dynamic scenario, expenditure losses per capita would be \$2,234, \$992 for output losses per capita, and \$622 for income losses per capita. The dynamic scenario estimates represent losses after market adjustments and new hiring has occurred.

The fiscal impact of unauthorizedimmigrant workers varies by different levels of governments. The overall taxes unauthorized immigrants pay into the system is greater than the amount of benefits they receive. However, many states and local public entities experience a net deficit because the costs of certain public services (education, health care, law enforcement, etc.) exceed the tax revenues they collect from unauthorized immigrant workers.

[\*Coffey, Sarah Beth. Undocumented Immigrants in Georgia: Tax Contribution and Fiscal Concerns. The Georgia Budget and Policy Institute. January 2006.\*](#)

The average unauthorized family in Georgia pays from \$2,340 to \$2,470 in state, local, income, and property taxes combined (based on an estimated unauthorized population of 228,000 to 250,000). State, local, income and sales tax contributions from unauthorized immigrants in Georgia are estimated between \$215.6 million and \$252.5 million.

## **Iowa**

[\*Pearson, Beth and Michael Sheehan. Undocumented Immigrants in Iowa: Estimated Tax Contributions and Fiscal Impact. Iowa Policy Project. October 2007.\*](#)

The Iowa Policy Project estimated that each unauthorized immigrant family pays \$1,671 a year, amounting to a total of tax payments for unauthorized immigrants in Iowa between \$40 and \$62 million a year, assuming a 50 percent payment rate.

In terms of the cost of K-12 education for unauthorized immigrants, the Iowa Policy Project determined that between 5,445 and 8,415 unauthorized immigrants are between the ages of 5 and 18. Using the per-pupil education cost in Iowa of \$6,497, costs to the state for providing K-12 education to unauthorized immigrants is between \$35 million and \$54 million (2005).

According to the study, the tax payments made by unauthorized immigrants are 80 percent of the taxes paid by legally documented families with similar incomes; however, unauthorized immigrants do not qualify for as many services.

## **Maryland**

[Commission to Study the Impact of Immigrants in Maryland, \*The Impact of Immigrants in Maryland\*, Final Report, February 8, 2012.](#)

The Maryland legislature authorized a commission to gain a broader understanding of the economic and fiscal issues surrounding immigration and to provide recommendations to the legislature (HB1602, June 2008).

In 2010, 13.9 percent of Maryland's residents were foreign-born. Between 2000 and 2010, Maryland's work force grew by 15.2 percent and foreign-born workers accounted for 57.1 percent of its work force growth. From 2000 to 2010, foreign-born workers' share of the labor force increased by 5.9 percentage points (12 percent in 2000 versus 17.9 percent in 2010). Foreign-born workers are overrepresented in some high-skilled occupations. For example, in 2006, foreign-born workers accounted for 27 percent of Maryland's scientists, 21 percent of health care practitioners and 19 percent of mathematicians and computer specialists. Meanwhile, low-skilled immigrant workers also play an important supporting role in the growth of industries such as construction, personal services and tourism in Maryland.

## **Missouri**

[Ehresman, Ruth. \*Undocumented Workers: Impact on Missouri's Economy\*. The Missouri Budget Project. June 2006.](#)

In 2005, the tax contributions from unauthorized immigrant workers including sales, income (from \$25 to \$50 million) and property tax (from \$4 to \$7 million), were estimated between \$29 million and \$57 million (based on a 50 percent compliance rate with employers). This study estimated the cost for educating the children of unauthorized immigrant workers as between \$17.5 and \$32.6 million in 2005.

## **Minnesota**

[Fennelly, Katherine and Anne Huart, \*The Economic Impact of Immigrants in Minnesota\*, Hubert H. Humphrey Institute of Public Affairs, University of Minnesota, March, 2010.](#)

This report includes chapters on Minnesota's demographics, characteristics of immigrants, measuring costs and benefits, and costs attributed to immigrants.

In 2008, there were 386,380 foreign-born residents in Minnesota (about 45 percent of whom were naturalized citizens), comprising 7.45 percent of the region's population. Immigrant workers represented 8.5 percent of Minnesota's labor force. Minnesota has been experiencing an aging population. Between 2000 and 2006 about 49.4% of Minnesota's counties experienced population decline, and immigrants have accounted for a majority of the growth in the labor force in Minnesota.

Immigrant workers have been playing an important role in the economy of Minnesota. It is estimated that Minnesota would lose over 24,000 permanent jobs and \$1.2 billion in personal income in the absence of immigrant workers. Immigrant-owned businesses generated \$331 million in net income to Minnesota in 2000. Immigrants in Minnesota are also active in becoming entrepreneurs: since 1990 the number of Hispanic-owned business has grown about 350 percent.<sup>1</sup>

## **Mississippi**

[Bryant, Phil, \*The Impact of Illegal Immigration on Mississippi: Costs and Population Trends\*, State of Mississippi, Office of the State Auditor, February 21, 2006.](#)

This 2006 study is prepared by the performance audit division of the state of Mississippi. Accordingly, the report first presents the unauthorized immigrant population residing in Mississippi, and then it turns to estimates of costs and tax contributions generated by unauthorized immigrants. The report also summarizes the policies and studies focusing on unauthorized immigrants in other states. Based on the findings, the report provides policy recommendations.

The report asserts that unauthorized immigrants impose a net deficit on Mississippi's budget: a \$25 million annual revenue gap generated by unauthorized immigrants (about \$510 per unauthorized immigrant). The estimate is based on the assumption that there are 4,900 unauthorized immigrants residing in Mississippi. The revenues mainly come from sales taxes (approximately \$41 million) and income taxes (approximately \$3 million). The costs associated with unauthorized immigrants total an estimated \$69 million annually and include education (including educational costs of unauthorized immigrants' American-born children), health care, incarceration costs and remittance loss.

## **New England**

[Orrenius, Pia M. and Madeline Zavodny, \*The Role of Immigrants in the New England Economy\*, Federal Reserve Bank of Boston, Communities & Banking, Spring 2012, Volume 23, No.2.](#)

This article notes that even though immigrants residing in New England make up a smaller share of labor force than the national level, they have a greater share of the work force growth. This benefits New England's economy since New England, along with Midwestern states, has been experiencing population loss for the past several decades. The article discusses the characteristics of immigrants in New England and their contributions to local economic growth by adding high skills, innovation and entrepreneurship.

The share of foreign-born population differs across New England states. In 2009, three states had a high concentration of foreign-born residents: Connecticut (13.1 percent), Massachusetts (14.3 percent), and Rhode Island (12.7 percent). Other other states had a low proportion of foreign-born population: Maine (3.3 percent), New Hampshire (5.2 percent), and Vermont (3.3 percent).

Foreign-born residents in New England tend to be more educated than the immigrants nationally. Compared to the national immigrant population, immigrants residing in New England are more likely to finish high school (46 percent to 44 percent) and earn a college degree (33 percent to 27 percent).

Immigrant workers in New England are more likely to be employed than their native-born counterparts. Immigrant workers are overrepresented in STEM fields (science, technology, engineering, and mathematics). Among high-skilled workers, immigrants are more than twice as likely to receive patents as

---

<sup>1</sup> This includes native-born Hispanic Americans. Business ownership rate is not reported separately for immigrants and studies usually use Hispanic ethnicity as a proxy to Hispanic immigrants.

their native counterparts. Immigrants are also active in entrepreneurship in New England: more than one-quarter of biotechnology firms were founded by immigrants.

## **New Mexico**

[\*Undocumented Immigrants in New Mexico: State Tax Contributions and Fiscal Concerns. New Mexico Voices for Children, Fiscal Policy Project. May 2006.\*](#)

This study estimates that the cost of education for unauthorized students is between \$47 million and \$69 million, using one study from the Pew Center and one from the INS. Each study found a different estimate of tax payments made by unauthorized immigrants.

For unauthorized immigrants who have been in the U.S. fewer than 10 years, both studies show they generated positive fiscal gains for New Mexico's state government. The Pew Center found \$69.26 million were paid in taxes. Using this estimate, the state made \$1.814 million from immigrant taxes after the cost of education. The INS estimated \$50.371 million were paid in taxes by unauthorized immigrants, so the government gained \$1.25 million after the cost of education.

[\*Immigrants and the New Mexico Economy: Working Hard for Low Wages, New Mexico Voice for Children, New Mexico Fiscal Policy Project. June 2008.\*](#)

This study presents the positive economic contribution of the foreign-born population to New Mexico's economy and argues that the impact of the foreign-born population on health care and social security at the national level is relatively small.

Immigrants compose 10 percent of New Mexico's total population: 29 percent of them are naturalized citizens and the rest are non-citizens. Compared to native-born residents in New Mexico, the labor force participation rate of foreign-born population is higher (63.7 percent for foreign-born population versus 62.4 percent for natives). Immigrant workers are more likely to be self-employed and cluster in low-paid sectors such as services and construction industries than their native counterparts. In 2006, 12 percent of native-born families were living under the poverty line, while the number for foreign-born families was 26 percent (15 percent for naturalized citizens' families and 33 percent for non-citizens' families).

## **New York**

[\*Fiscal Policy Institute, A Profile of Immigrants in the New York State Economy, November 2007.\*](#)

This study first provides an overall role of immigrants in the New York State economy, and then looks specifically at immigrants with different characteristics: immigrant residents in New York City, upstate and downstate; authorized and unauthorized immigrants, and different race and ethnic groups within immigrants.

In 2005, approximately 21 percent of residents in New York State were foreign-born, and accounted for 26 percent of labor force. About three quarters of New York State's foreign-born residents are concentrated in New York City. Immigrants were 37 percent of New York's residents. Immigrants residing in New York City tend to have higher labor force participation rate, (64 percent, compared to 60 percent of native-born). Between 2003 and 2004, there were about 635,000 unauthorized immigrants in the New York State, representing 16 percent of immigrants in the state.

In 2006, immigrant workers in New York contributed approximately 22.4 percent (\$229 billion) of New York's Gross Domestic Product (GDP). Foreign-born residents are nearly as likely to be home-owners as native-born. In 2005, about 34 percent of foreign-born residents live in owner-occupied homes, compared to 39 percent for native-born New York residents.

Immigrant families contribute to the growth of middle class in New York City: they are most likely to be middle class families. There are no significant differences between the median income of immigrant families and native-born families in New York.

Immigrants are also contributing to entrepreneurship in New York City: between 1992 and 2002, the number of Hispanic-owned firms doubled and the number of Asian-owned firms grew about four-fold. Between 1994 and 2004, neighborhoods with large numbers of immigrants experienced higher growth rate in both employment and in number of business than the average numbers of New York City.

## **North Carolina**

[Johnson, James H. and John D. Kasarda. \*The Economic Impact of the Hispanic Population on the State of North Carolina\*. The University of North Carolina. January 2006.](#)

This study looks beyond comparisons of tax contributions and costs of services for Hispanic populations, and examines the implications of Hispanic workers on the total economic output and competitiveness of the state. It provides breakdowns of Hispanic self-employed workers by industry, average personal wages and salary earnings, taxes paid by Hispanics, etc. (The study includes all Hispanics, whether citizen, legal, or unauthorized.)

The study estimates that Hispanics spent \$9 billion in North Carolina in 2004. Total tax contributions from the Hispanic population are estimated at \$756 million annually. State costs were estimated at \$817 million annually (K-12 education - \$467 million; health care - \$299 million; and corrections - \$51 million). This leaves the state with a net cost of \$61 million. The report notes that these costs should be put in context of the broader contributions of Hispanics to the state's economic output and cost competitiveness [20]

## **Oklahoma**

[\*A Computable General Equilibrium \(CGE\) Analysis of the Impact of the Oklahoma Taxpayer and Citizen Protection Act of 2007\*. The Economic Impact Group, LLC. Edmonton, Oklahoma: March 24, 2008.](#)

In March 2008, the Economic Impact Group analyzed the possible effects of decline in the Oklahoma workforce, from low to high outflow of foreign born workers, after the passage of SB 1804. If 25,000 foreign-born workers leave the state (low impact), in the short run (no offsetting in migration) the outflow would produce a 0.58 percent reduction in the Oklahoma Gross State Product (GSP), or \$785.5 million (relative to 2006 production levels). If 50,000 foreign born workers leave the state (medium impact), GSP would decline by 1.32 percent, or \$1.8 billion. If 90,000 foreign born workers leave the state (high impact), GSP would decline by 2.27 percent, or \$3 billion. According to the study, the 50,000 worker outflow is the most plausible scenario; 50,000 foreign born workers would constitute approximately 3 percent of the Oklahoma labor force.

## **Oregon**

[Oregon Center for Public Policy, \*Issue Brief: Undocumented Workers are Taxpayers, too\*, January 25, 2012.](#)

The study calculates the tax contributions by unauthorized workers in Oregon. The 110,000-220,000 unauthorized immigrants residing in Oregon are estimated to earn approximately \$2.3 billion to \$4.5 billion per year. Their tax contributions are mainly in three areas: state and local income tax, excise and property taxes, social security taxes and Medicare taxes, which total roughly between \$154 million and \$309 million. In addition to the taxes paid by the unauthorized workers, there are also matching tax contributions from the employers of those unauthorized workers, about \$121 million to \$243 million per year.

## **Texas**

[Combs, Susan. \*Undocumented Immigrants in Texas: A Financial Analysis of the Impact to the State Budget and Economy\*. Texas Comptroller of Public Accounts. December 2006.](#)

The study looks at the fiscal impact of unauthorized immigrants on Texas state government and the potential impact on the economy in the absence of unauthorized immigrants.

In 2005, approximately 1.4 million residents in Texas were unauthorized immigrants. Unauthorized immigrant workers generated net fiscal benefits to the Texas state government, but net fiscal costs to the local governments. It is estimated that the total revenue contribution, including state revenues and school property tax, from unauthorized immigrants was \$1.58 billion. The total estimated cost of unauthorized immigrants, including education, health care, and incarceration, was \$1.16 billion leaving the net benefit to the state at \$424 million in fiscal year 2005. However, localities incurred costs of \$1.44 billion in health care and law enforcement costs not reimbursed by the state. In 2000-2001, the total cost of public education for 125,000 unauthorized immigrant students was \$806 million. In 2004-2005, the total cost of public education for 135,000 unauthorized immigrant students was \$957 million.

The study also estimates that removing those 1.4 million unauthorized immigrants from Texas in 2005 would lead to a 298,000 total employment loss and \$17.7 billion of total gross regional product loss.

## **Virginia**

[Okos, Sara, Sookyung Ob and Michael Cassidy. \*Critical Assets: The State of Immigrants in Virginia's Economy\*. The Commonwealth Institute, October 2012.](#)

This report highlights the key economic and demographic trends of the foreign-born population in Virginia.

In 2010, Virginia ranked as the ninth-largest immigrant state in America, with approximately 900,000 immigrants residing in the state, or about 11.3 percent of the state's total population. In 2010, almost half of foreign-born residents in Virginia were naturalized citizens.

In 2010, foreign-born workers consisted of 15 percent of the labor force. The labor force participation rate among immigrant workers in Virginia is much higher than Virginia natives (74.4 percent versus 65.5 percent), and the ratio is also greater than that of foreign-born workers at the national level (74.7 percent versus 67.7 percent). The poverty rate of immigrants in Virginia is lower than both their native-born counterparts in Virginia and average poverty rate of immigrants at the national level.

Immigrants in Virginia tend to be more educated than native-born counterparts. In 2010, approximately 38 percent of its foreign-born residents received college degree or higher, compared to 34 percent for Virginia natives. The average number of U.S. native-born with college degree is 28.5 percent.

Immigrants in Virginia are more likely to be business owners. About 17 percent of Virginia's entrepreneurs are immigrants. Between 2000 and 2010, more than 40 percent growth of entrepreneurship in Virginia can be attributed to immigrants.

The report also points out concerns about foreign-born residents in Virginia: in 2010, about 30 percent of them were not covered by any health insurance, which was three times higher than the native-born. Since 2007, the average earnings remained constant while their native-born counterparts saw a 4 percent increase in wages.

## **Washington D.C.**

[Capps, Randy, Everett Henderson, Jeffrey Passel, Michael Fix. \*Civic Contributions: Taxes Paid by Immigrants in the Washington D.C. Metropolitan Area\*. The Community Foundation. May 2006.](#)

This study looks at the tax contributions by immigrant residents in Washington D.C. Between 1999 and 2000, immigrant households earned a total income of \$29.5 billion, about 19 percent of the regional aggregate income. About 18 percent (\$9.8 billion) of all taxes paid can be attributed immigrant residents in the region.

Immigrant households, on average, have lower income than their native counterparts, but they pay almost the same share of income taxes. The study also examines the income taxes paid by immigrant families and native-born families with different educational attainments. On average, among the most educated and highest earners, immigrant families pay higher taxes than natives. On the other end of education level and lower income groups, immigrants tend to pay less in income taxes than the native-born.

This study finds that better-educated households pay higher taxes whether they are headed by immigrants or natives. In 1999–2000, the average tax payment was three times as high for households headed by immigrants with a four-year college degree as for those headed by immigrants without a high school degree (\$36,000 versus \$12,000). English-speaking immigrant households also paid more taxes than natives, but native households paid more taxes than non-English speaking immigrant households. The study asserted that by enhancing English language classes for Limited English Proficiency (LEP) immigrants, those immigrants could enhance their income and pay more taxes.

## **Saint Louis**

[Strauss, Jack, \*The Economic Impact of Immigration on St. Louis\*, Saint Louis University, June 2012.](#)

The study focuses on the economic impact of immigration on St. Louis. The first part of the study provides demographic and occupational profile of immigrants in St. Louis, and then the study presents a short literature review on the studies of the economic impact of immigrants. The study later focuses on the economic impact of immigrants in St. Louis and policy recommendations based on the results of previous studies and this paper.

Only about 4.5 percent of metropolitan St. Louis' population is immigrants, which is substantially lower than the nation's other large metro areas. Immigrants residing in metropolitan St. Louis are generally well-educated and earn high incomes. They are 44 percent more likely to have at least college degree and 130 percent more likely to have an advanced degree than native workers. Their average annual income is about \$83,000, which is 25 percent higher than the average American-born worker. In addition, they are 60 percent more likely to start a small business than their native counterparts.

The study argues that immigrants would have a positive impact on wages and lower unemployment rate. Over the past decade, a \$600 increase in average wages in the region can be attributed to immigration and an influx of immigrants can lower both the white and African-American unemployment rate by approximately 2 percent. The researcher estimates that had the St. Louis metropolitan area received similar inflows of immigrants between 2000 and 2010 as other large metro areas, the job growth in St. Louis would be 4-7 percent higher, regional income would be 7-11% greater, and the housing prices would be 26 percent higher in the city of St. Louis and 20 percent higher in St. Louis County.

*Prepared by:*

Jiashan Cui, NCSL Immigrant Policy Project

*For additional information or questions, please contact:*

Ann Morse  
Program Director, Immigrant Policy Project  
National Conference of State Legislatures  
[www.ncsl.org/programs/immig](http://www.ncsl.org/programs/immig)  
202-624-5400

*Acknowledgments*

This report was produced for NCSL's Task Force on Immigration and the States through a generous grant from the John D. and Catherine T. MacArthur Foundation.