

National and State-Level Data on the Economic Situation of Hispanic Americans, 2022

The economic situation of Hispanic Americans has improved over the past decades, but disparities persist in <u>earnings</u>, <u>wealth</u>, economic opportunity and <u>access to the financial system</u>. These inequities limit the economic participation of Hispanic Americans and the competitiveness and fairness of the U.S. economy.

While Hispanic workers and families were hit hard by job losses during the pandemic and the recession that followed, the <u>strong economic recovery</u> under Biden has helped cut Hispanic unemployment by nearly half. The strong engagement of Hispanic Americans with the labor market has also bolstered the ongoing economic recovery.

Despite these gains, Hispanic workers continue to face persistently higher unemployment than their white counterparts due to occupational segregation and discrimination in the labor market. Hispanic workers are also less likely than white workers to be represented by a union at their workplace, limiting their ability to bargain for better pay and working conditions. These challenges translate into higher rates of poverty and food insecurity for Hispanic families. Persistent gaps in educational levels and wealth also limit the economic security of Hispanic workers and families.

Equitable investments made by the Biden administration and Democrats in Congress via emergency relief and the American Rescue Plan continue to help Hispanic workers and families be part of the economic recovery and help address pervasive structural barriers to inclusion. More recent measures, like the Inflation Reduction Act will help reduce costs for families, including Hispanic families and those in other communities of color who are disproportionately hurt by elevated prices. While Democrats continue this work, recognizing both the contributions and challenges of the Hispanic community this Hispanic Heritage Month marks an important step in ensuring that every American can realize the promise of the America Dream.

The national and state-level data below highlight the economic gains and challenges of Hispanic Americans in two sections:

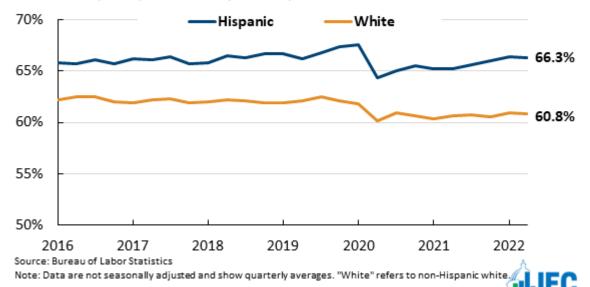
- <u>National graphs</u> illustrating the state of economic opportunity and security for Hispanic Americans:
- State-level tables providing data on employment, income and economic security

NATIONAL LEVEL GRAPHS

Labor force participation rate

Hispanic Americans Are More Likely to Participate in the Labor Force Than White Americans

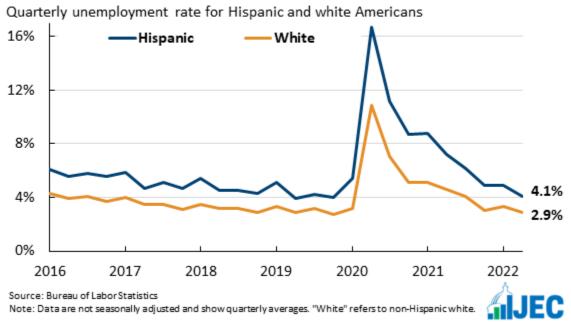
Labor force participation rate, by ethnicity, Q1 2016 to Q2 2022



Hispanic workers are strongly engaged in the U.S. labor market. Hispanic workers have been participating in the labor force at a consistently higher rate than white workers. In 2022, over two out of three (or 66.3%) of Hispanic Americans were working or actively looking for work—more than five percentage points higher than their white counterparts.

Unemployment rate

Hispanic Unemployment Rate Remains About 50% Above the White Unemployment Rate



The unemployment rate for Hispanic workers remains consistently higher than that of white workers, a result of occupational segregation, structural barriers in the labor market and discrimination.

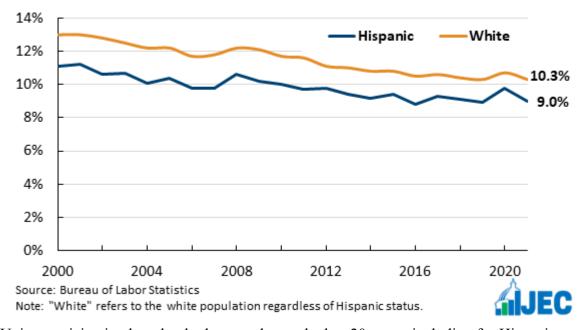
During the pandemic, the unemployment gap between Hispanic and white workers widened, as the Hispanic unemployment rate jumped to 16.7%. This was largely because Hispanic workers remain overrepresented in the low-wage and frontline industries that were hit hardest by the pandemic. When President Biden took office, Hispanic workers were about 70% more likely to be unemployed and actively looking for work than white workers.

The broad-based economic recovery has narrowed the unemployment gap between Hispanic and white workers, bringing the Hispanic unemployment rate down to 4.1% in the second quarter of 2022. However, disparities persist due to systemic discrimination in the labor market, as the white unemployment rate remains more than 41% lower than that of Hispanic workers.

Union membership

Hispanic Workers Remain Underrepresented in Unions

Share of employed workers who are union members, 2000 to 2021

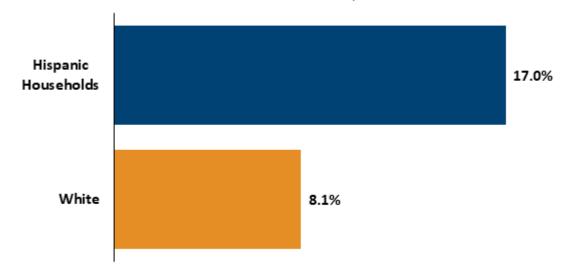


Union participation has slowly decreased over the last 20 years, including for Hispanic workers. In 2000, more than 1 in 10 (or 11.1%) of Hispanic workers were members of a union, compared to 13.0% of white workers. By 2021, only 9.0% of Hispanic workers and 10.3% of white workers were union members. This has contributed to the Hispanic-white pay gap, among other inequities, as union membership has been shown to increase Latino workers' wages by 23.1%.

Food insecurity

Hispanic Americans are More Likely to Experience Food Insecurity

Share of hosueholds that are food insecure, June-July 2022



Source: JEC analysis of Household Pulse Survey, Weeks 46-48

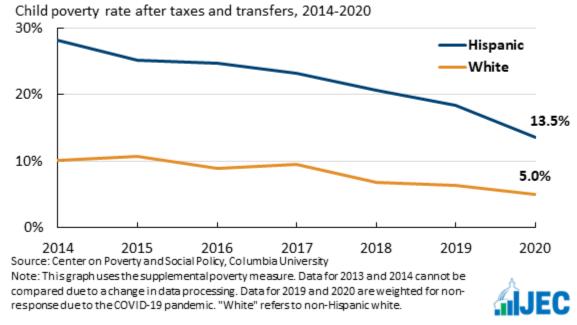
Note: Food insecure households are those who sometimes or often did not have enough to eat in a given week. "White" refers to non-Hispanic households.



Hispanic households were more than twice as likely to experience food insecurity as white households in the summer of 2022. Overall, 17.0% of Hispanic households sometimes or often did not have enough to eat in a given week, compared to 8.1% of white households. Food insecurity may reflect broader economic disparities in employment or income.

Child poverty rate

Hispanic Child Poverty Remains Disproportionately High, but Significant Progress Has Been Made

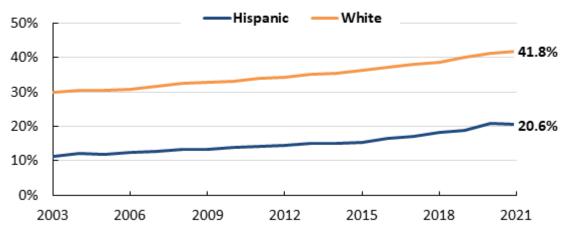


Hispanic children are disproportionately more likely to live in poverty, even after government taxes and transfers. Notably, the Hispanic child poverty rate remains nearly three times higher than that of white children. Research shows that child poverty has long-term effects, harming children's health, education and future earnings. Significant progress has been made to reduce poverty among Hispanic children in the last 30 years, thanks in large part to programs such as the Supplemental Nutrition Assistance Program, the Earned Income Tax Credit, the Child Tax Credit and rental assistance. In 1993, over half of Hispanic children lived in poverty, but by 2020, that number had fallen to 13.5%.

College completion

The Hispanic-White College Completion Gap Persists Despite Recent Gains Among Hispanics

Share of people 25 years or older with a four-year college degree, 2003-2021



Source: U.S. Census Bureau, "Table A-2: Percent of People 25 Years and Over Who Have Completed High School or College, by Race, Hispanic Origin and Sex: Selected Years 1940 to 2021." "White" refers to white alone or in combination, non-Hispanic.

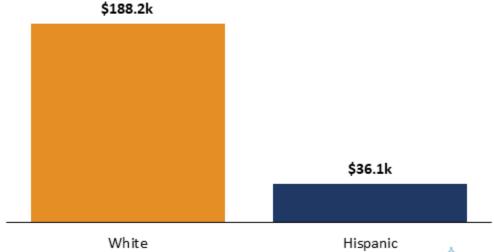


The college completion rate for Hispanic Americans has increased by more than 80% in the last two decades, bolstered by federal support for disadvantaged students. However, the disparity between Hispanic and white graduates has also risen, as the increase in white graduates has outpaced the gains among Hispanic students. In 2021, the college completion rate for Hispanic Americans reached 20.6%, about half the completion rate for white Americans (41.8%). The widening of the college completion gap between Hispanic and white Americans exacerbates existing disparities in economic opportunity and mobility for Hispanic Americans.

Wealth

The Wealth of the Typical White Family Is Five Times That of the Typical Hispanic Family

Median net worth by ethnicity, 2019



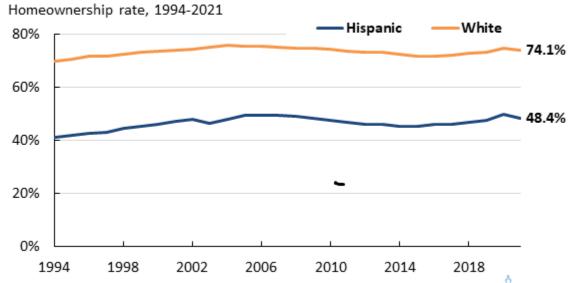
Source: Federal Reserve Board, 2019 Survey of Consumer Finances. "White" refers to the white population regardless of Hispanic Status.



Wealth serves as an important metric of past and future economic opportunity. The typical Hispanic family in 2019 had a median net worth of \$36,100, less than a fifth of the median net worth of the typical white family (\$188,200). This wealth gap between white and Hispanic families has <u>narrowed marginally</u> since 2016 and is a result of historical disparities in unemployment, earnings, financial inclusion and intergenerational wealth transfers.

Homeownership

About 50% of Hispanics Own Their Homes Compared to Nearly 75% of Whites



Source: U.S. Census Bureau, Housing Vacancy Survey Table 22. "White" refers to white alone, non-Hispanic.



Homeownership is a pillar of building generational wealth and economic security, but less than half of Hispanic Americans (48.4%) own their home, compared to almost three-quarters (74.1%) of white Americans. Prior to the pandemic, Hispanics achieved five consecutive years of homeownership growth and made up more than 50% of the homeownership growth over the last decade. While the homeownership rate for Hispanic Americans rose slightly in 2020, it declined again in 2021, leaving the homeownership gap between white and Hispanic Americans little changed over the last 3 years.

STATE LEVEL TABLES

Data on the economic status of Hispanics Americans at the national level enables us to understand how Hispanic workers, families and children have fared over the years and throughout the ongoing economic recovery. But national statistics fail to provide a comprehensive picture, as they may not reflect differences across states. State-level data on employment, income, poverty and economic security and opportunity can provide a more detailed perspective of the true economic experience of Hispanic Americans in the communities in which they live.

The tables below provide an overview of the economic status of Hispanic Americans within three vital dimensions that determine the economic well-being of Hispanic families and workers in states across the country:

- **Employment:** Hispanic Americans Are More Engaged in the Labor Force Than Their Counterparts, Spring 2022
- **Income and Poverty:** Hispanic Americans Have Lower Incomes and Higher Poverty Rates, 2015-2019
- Economic Security and Opportunity: Hispanic Americans Lag Behind in Homeownership, College Completion and Access to Health Insurance, 2015-2019

Because of the frequency of data collection and data quality issues, the second and third tables reflect pre-pandemic data. These numbers should be used as a benchmark to compare to more current information.

| Hispanic Amer | | Their Counterparts | | | | |
|----------------------|-----------------------------|--------------------|-------------------|----|----------------|-----|
| State | Employment-Population Ratio | | Unemployment Rate | | Labor Force | |
| | Hispanic | White | Hispanic White | | Hispanic White | |
| National | 62% | 59% | 4% | 3% | 65% | 61% |
| Alabama | 68% | 56% | 1% | 3% | 68% | 57% |
| Alaska | 79% | 63% | 2% | 2% | 81% | 65% |
| Arizona | 60% | 54% | 6% | 4% | 63% | 56% |
| Arkansas | 64% | 52% | 4% | 4% | 67% | 54% |
| California | 62% | 56% | 4% | 3% | 64% | 58% |
| Colorado | 67% | 63% | 4% | 3% | 69% | 65% |
| Connecticut | 66% | 60% | 5% | 5% | 69% | 63% |
| Delaware | 64% | 54% | 5% | 3% | 68% | 56% |
| District of Columbia | 72% | 77% | 2% | 2% | 74% | 79% |
| Florida | 61% | 55% | 3% | 2% | 63% | 57% |
| Georgia | 64% | 58% | 2% | 2% | 65% | 59% |
| Hawaii | 59% | 58% | 3% | 7% | 61% | 62% |
| Idaho | 70% | 61% | 4% | 3% | 73% | 63% |
| Illinois | 68% | 60% | 5% | 4% | 71% | 63% |
| Indiana | 66% | 62% | 6% | 3% | 70% | 64% |
| Iowa | 75% | 65% | 6% | 2% | 80% | 66% |
| Kansas | 73% | 62% | 3% | 3% | 75% | 64% |
| Kentucky | 68% | 54% | 4% | 4% | 70% | 56% |
| Louisiana | 63% | 55% | 3% | 4% | 65% | 57% |
| Maine | 59% | 59% | 8% | 2% | 64% | 60% |
| Maryland | 70% | 63% | 3% | 4% | 72% | 66% |
| Massachusetts | 59% | 62% | 7% | 3% | 63% | 64% |
| Michigan | 72% | 57% | 4% | 4% | 75% | 59% |
| Minnesota | 71% | 65% | 4% | 2% | 74% | 66% |
| Mississippi | 70% | 53% | 0% | 3% | 70% | 55% |
| Missouri | 58% | 59% | 4% | 2% | 60% | 61% |
| Montana | 60% | 61% | 4% | 3% | 62% | 63% |
| Nebraska | 70% | 67% | 4% | 2% | 73% | 68% |
| Nevada | 61% | 55% | 4% | 5% | 64% | 57% |
| New Hampshire | 74% | 63% | 7% | 2% | 79% | 65% |
| New Jersey | 66% | 58% | 2% | 3% | 67% | 60% |
| New Mexico | 55% | 54% | 4% | 3% | 57% | 55% |
| New York | 56% | 60% | 7% | 4% | 61% | 62% |
| North Carolina | 60% | 57% | 4% | 2% | 62% | 58% |
| North Dakota | 72% | 69% | 0% | 2% | 72% | 70% |
| Ohio | 59% | 60% | 9% | 3% | 64% | 62% |
| Oklahoma | 66% | 59% | 3% | 3% | 68% | 61% |
| Oregon | 70% | 59% | 5% | 4% | 74% | 61% |
| Pennsylvania | 56% | 60% | 5% | 3% | 59% | 62% |
| Rhode Island | 55% | 65% | 9% | 2% | 60% | 66% |
| South Carolina | 71% | 53% | 2% | 3% | 72% | 54% |
| South Dakota | 72% | 71% | 2% | 1% | 73% | 72% |
| Tennessee | 67% | 56% | 6% | 3% | 71% | 58% |
| Texas | 61% | 59% | 4% | 3% | 64% | 61% |
| Utah | 69% | 66% | 4% | 2% | 72% | 67% |
| Vermont | 53% | 63% | 9% | 2% | 58% | 64% |
| Virginia | 74% | 61% | 4% | 2% | 77% | 62% |
| Washington | 65% | 58% | 5% | 4% | 68% | 60% |
| West Virginia | 62% | 52% | 2% | 4% | 63% | 54% |
| Wisconsin | 67% | 61% | 1% | 3% | 67% | 63% |
| Wyoming | 65% | 59% | 5% | 3% | 68% | 61% |

Source: JEC calculations using basic CPS data from May, June and July 2022 from IPUMS-CPS, University of Minnesota, www.ipums.org. Note: White refers to non-Hispanic white Americans only, while Hispanic refers to Hispanic Americans of any race.

| Hispanic Ame | | | | | | |
|----------------------|----------|-----------|----------|-------|-----------|-------|
| State | | Income | Povert | _ | Child Pov | |
| - State | Hispanic | White | Hispanic | White | Hispanic | White |
| National | \$52,000 | \$69,000 | 19% | 9% | 26% | 11% |
| Alabama | \$42,000 | \$58,000 | 29% | 12% | 39% | 14% |
| Alaska | \$69,000 | \$86,000 | 10% | 7% | 14% | 8% |
| Arizona | \$49,000 | \$65,000 | 21% | 10% | 29% | 11% |
| Arkansas | \$43,000 | \$52,000 | 25% | 13% | 33% | 17% |
| California | \$59,000 | \$87,000 | 17% | 9% | 24% | 9% |
| Colorado | \$54,000 | \$79,000 | 16% | 8% | 20% | 7% |
| Connecticut | \$48,000 | \$90,000 | 21% | 6% | 28% | 5% |
| Delaware | \$55,000 | \$74,000 | 21% | 8% | 28% | 9% |
| District of Columbia | \$81,000 | \$142,000 | 12% | 6% | 14% | 1% |
| Florida | \$49,000 | \$62,000 | 17% | 10% | 24% | 12% |
| Georgia | \$50,000 | \$68,000 | 22% | 10% | 31% | 11% |
| Hawaii | \$70,000 | \$82,000 | 13% | 9% | 16% | 8% |
| Idaho | \$48,000 | \$58,000 | 20% | 11% | 26% | 13% |
| Illinois | \$56,000 | \$74,000 | 16% | 8% | 22% | 9% |
| Indiana | \$47,000 | \$60,000 | 22% | 10% | 29% | 13% |
| lowa | \$48,000 | \$63,000 | 20% | 9% | 26% | 10% |
| Kansas | \$47,000 | \$63,000 | 19% | 9% | 24% | 10% |
| Kentucky | \$44,000 | \$52,000 | 26% | 15% | 35% | 20% |
| Louisiana | \$44,000 | \$61,000 | 23% | 12% | 31% | 14% |
| Maine | \$53,000 | \$59,000 | 18% | 11% | 24% | 13% |
| Maryland | \$73,000 | \$95,000 | 12% | 6% | 16% | 6% |
| Massachusetts | \$45,000 | \$89,000 | 24% | 7% | 31% | 6% |
| Michigan | \$48,000 | \$62,000 | 22% | 11% | 29% | 13% |
| Minnesota | \$51,000 | \$75,000 | 18% | 7% | 22% | 6% |
| Mississippi | \$44,000 | \$56,000 | 23% | 12% | 32% | 15% |
| Missouri | \$48,000 | \$59,000 | 21% | 11% | 28% | 14% |
| Montana | \$46,000 | \$57,000 | 17% | 11% | 20% | 12% |
| Nebraska | \$49,000 | \$65,000 | 20% | 8% | 26% | 8% |
| Nevada | \$52,000 | \$66,000 | 17% | 9% | 23% | 10% |
| New Hampshire | \$60,000 | \$77,000 | 16% | 7% | 21% | 8% |
| New Jersey | \$57,000 | \$94,000 | 18% | 6% | 24% | 7% |
| New Mexico | \$42,000 | \$60,000 | 22% | 11% | 30% | 13% |
| New York | \$49,000 | \$79,000 | 22% | 9% | 29% | 12% |
| North Carolina | \$42,000 | \$62,000 | 26% | 10% | 35% | 12% |
| North Dakota | \$50,000 | \$69,000 | 17% | 8% | 16% | 6% |
| Ohio | \$45,000 | \$61,000 | 24% | 10% | 32% | 13% |
| Oklahoma | \$45,000 | \$57,000 | 23% | 12% | 30% | 15% |
| Oregon | \$53,000 | \$64,000 | 20% | 11% | 26% | 12% |
| Pennsylvania | \$42,000 | \$66,000 | 27% | 9% | 35% | 11% |
| Puerto Rico | \$20,000 | \$31,000 | 44% | 36% | 57% | 48% |
| Rhode Island | \$41,000 | \$74,000 | 25% | 8% | 33% | 8% |
| South Carolina | \$44,000 | \$62,000 | 25% | 10% | 36% | 12% |
| South Dakota | \$45,000 | \$62,000 | 19% | 8% | 23% | 8% |
| Tennessee | \$44,000 | \$57,000 | 26% | 12% | 34% | 15% |
| Texas | \$49,000 | \$76,000 | 20% | 8% | 28% | 9% |
| Utah | \$54,000 | \$75,000 | 17% | 8% | 21% | 7% |
| Vermont | \$48,000 | \$63,000 | 15% | 10% | 21% | 12% |
| Virginia | \$69,000 | \$80,000 | 14% | 8% | 19% | 9% |
| Washington | \$55,000 | \$76,000 | 18% | 9% | 24% | 9% |
| West Virginia | \$49,000 | \$47,000 | 20% | 16% | 24% | 22% |
| Wisconsin | \$46,000 | \$65,000 | 21% | 8% | 26% | 9% |
| Wyoming | \$53,000 | \$66,000 | 19% | 9% | 23% | 10% |
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|---|--|--|---|---|---|--|--|--|
| College Completion and Access to Health Insurance | | | | | | | | |
| Homeownership Rate | | Share With a | | Share Without Health | | | | |
| | | Bachelor' | Bachelor's Degree | | ance | | | |
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| 50% | | 22% | 30% | 20% | 8% | | | |
| | | | | | 7% | | | |
| | | | | | 6% | | | |
| 46% | 64% | 10% | 30% | 20% | 7% | | | |
| 40% | 73% | 26% | 37% | 13% | 5% | | | |
| 36% | 77% | 19% | 44% | 18% | 4% | | | |
| 66% | 72% | 16% | 41% | 11% | 5% | | | |
| 26% | 67% | 19% | 43% | 11% | 3% | | | |
| 46% | 73% | 15% | 35% | 30% | 8% | | | |
| 31% | 66% | 17% | 31% | 16% | 5% | | | |
| 45% | 72% | 19% | 29% | 15% | 5% | | | |
| 52% | 71% | 12% | 28% | 26% | 10% | | | |
| 43% | 66% | 16% | 35% | 16% | 5% | | | |
| 41% | 74% | 16% | 33% | 13% | 5% | | | |
| 68% | 64% | 26% | 38% | 6% | 9% | | | |
| 30% | 68% | 14% | 38% | 11% | 3% | | | |
| 48% | 77% | 16% | 33% | 28% | 8% | | | |
| 39% | 72% | 19% | 31% | 21% | 6% | | | |
| 41% | 73% | 16% | 29% | 31% | 8% | | | |
| 57% | 70% | 15% | 39% | 27% | 10% | | | |
| 52% | 74% | 14% | 37% | 25% | 6% | | | |
| 45% | 72% | 39% | 38% | 8% | 4% | | | |
| 49% | 73% | 25% | 42% | 23% | 6% | | | |
| 44% | 68% | 16% | 37% | 17% | 4% | | | |
| 58% | 75% | 22% | 20% | 10% | 6% | | | |
| 41% | 72% | 14% | 32% | 17% | 4% | | | |
| 60% | 72% | 11% | 29% | 21% | 10% | | | |
| | ## Hispanic ## 47% 50% ## 49% 54% 52% ## 44% 50% 33% 51% ## 48% 37% 53% 53% 54% 52% 52% 38% ## 45% 53% 50% 27% 56% ## 49% ## 49% ## 40% ## 36% ## 49% ## 40% ## 36% ## 49% ## 40 | Hispanic White 47% 72% 50% 77% 49% 69% 54% 71% 52% 71% 44% 63% 50% 70% 34% 76% 49% 80% 33% 50% 51% 74% 48% 74% 53% 72% 53% 75% 54% 74% 52% 74% 52% 71% 38% 71% 45% 76% 53% 73% 50% 77% 27% 70% 56% 78% 46% 77% 49% 70% 46% 72% 49% 70% 46% 73% 36% 77% 46% 73% 36% 77% 46% 73% 36% | Hispanic White Hispanic 47% 72% 16% 50% 77% 16% 49% 69% 20% 54% 71% 13% 52% 71% 10% 44% 63% 13% 50% 70% 16% 34% 76% 17% 49% 80% 15% 33% 50% 47% 51% 74% 25% 48% 74% 18% 37% 57% 22% 53% 75% 15% 54% 74% 14% 52% 74% 13% 52% 74% 13% 52% 74% 14% 52% 71% 14% 45% 76% 17% 53% 73% 35% 50% 77% 22% 27% 70% 20% 56% 78% | Hispanic White Hispanic White 47% 72% 16% 36% 50% 77% 16% 28% 49% 69% 20% 36% 54% 71% 13% 36% 52% 71% 10% 25% 44% 63% 13% 44% 50% 70% 16% 47% 34% 76% 17% 44% 49% 80% 15% 35% 33% 50% 47% 92% 51% 74% 25% 33% 37% 57% 22% 46% 53% 72% 10% 29% 53% 72% 10% 29% 53% 75% 15% 39% 54% 74% 14% 27% 52% 74% 14% 36% 38% 71% 14% 36% 52% 71% 14% | Hispanic White Hispanic White Hispanic 47% 72% 16% 36% 18% 50% 77% 16% 28% 27% 49% 69% 20% 36% 15% 54% 71% 13% 36% 17% 52% 71% 13% 44% 12% 50% 70% 16% 47% 15% 34% 76% 17% 44% 13% 49% 80% 15% 35% 16% 33% 50% 47% 92% 9% 51% 74% 25% 33% 19% 48% 74% 18% 35% 32% 37% 57% 22% 33% 19% 48% 74% 18% 35% 32% 37% 57% 22% 33% 19% 53% 75% 15% 39% 16% 54% <td< td=""></td<> | | | |

Note: White refers to the non-Hispanic white population and Hispanic refers to Hispanic Americans of any race.