

Hibbs Brief

Hibbs Institute for Business & Economic Research

The Hispanic Community is Growing in Presence and Relevance in Texas, and East Texas is no Exception By Manuel Reyes, D.E.D. and Cecilia Cuellar, Ph.D.

This issue of the <u>Hibbs Brief</u> is dedicated to the Hispanic Community in observance of the **Hispanic Heritage Month**.

Hispanic Population Surpasses White Non-Hispanic in Texas

The population in Texas has increased consistently over several decades. It nearly doubled in 40 years, from 15.33 million in 1982 to 30.03 million in 2022.¹ Texas has a growing economy with competitive salaries and a manageable cost of living, an outstanding climate, friendly people, and great business opportunities that makes it an attractive place to reside.

The Texas population has changed over the years. More than 50% of the Texas population was considered White from 1850 to 2004. Since 2004, non-Whites have become the majority population in Texas. In particular, Hispanics have become the driving force behind the Texas population growth during the past twenty years.² According to data recently released by the U.S. Census Bureau, the Hispanic population (by itself) in Texas now exceeds the non-Hispanic White population, with over 12 million people, while the non-Hispanic White population is estimated to be around 11.9 million.³

Although the Hispanic population is now the majority in Texas, its growth over the past two decades and current share with respect to other ethnicities has not developed evenly throughout the state. **Figure 1** illustrates the percentage of Hispanic population by county. In general, western and southern Texas show a greater share of Hispanic population compared to Central, North-Central, and East Texas. According to the latest statistics, Starr, Webb, and Zapata counties have the highest percentages of Hispanic populations, with shares of 96.1%, 95.3%, and 95%, respectively. In contrast, Newton, Marion, and Sabine counties have the lowest shares, with only 4.5%, 4.9%, and 5.2%, respectively (see Figure 1).⁴

The Hispanic population is not the majority in East Texas, but it has increased considerably in recent years. For instance, in Smith County, the Hispanic population has grown about 5% in 12 years with the most recent estimate of 21%. Other counties with considerable Hispanic populations in East Texas are Titus (45.8%), Camp (27.9%), Gregg (20.2%), and Cherokee (24.5%).⁴

The growing Hispanic population and the diverse cultural heritage of Texas demonstrate the crucial part that population changes play in driving economic development while also having a great impact on the future direction and prospects of the state.

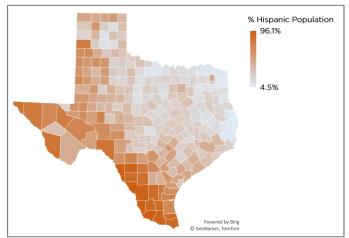


Figure 1. Percent of Hispanic Population in Texas, by County in 2022 (the darker, the higher)

Source: Hibbs Institute's estimates using U.S. Census Bureau data. Vintage 2022 population estimates.

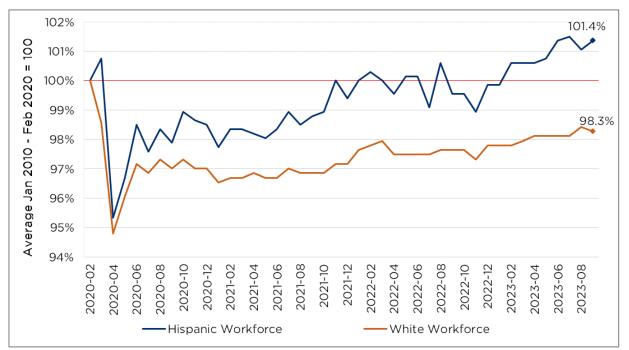
Resilience Capacity of the Hispanic Workforce

The COVID-19 pandemic plunged U.S. employment with more than 22 million jobs lost in two months, causing a severe recession in the first half of 2020.⁵ Yet, the postpandemic recovery during the following 24 months or so showed a substantial decrease in Labor Force Participation Rates (LFPR). In essence, the LFPR is an indicator that represents the size of the active workforce and is an estimate of the percentage of the population ages 16 and older who are employed or actively seeking employment.⁶

Thousands of workers were discouraged from going back to work because of fear of contracting the virus, unfavorable labor market conditions, or the federal incentives granted to the general population for several months (among other reasons). The demand for some goods and services caused businesses to struggle to keep up the pace with the economic recovery and the urged need for workers. The Hispanic workforce was the first group to recover from the recession caused by the virus and went back to work sooner than other groups, which implies a high resilience capacity. **Figure 2** compares labor force participation rates during the recovery months for the Hispanic and White workforce using the 10-year pre-pandemic average as a benchmark. The 10-year average (2010-2020) is represented by the red line (100%).

Although labor force participation rates for both groups, Hispanics (blue line) and Whites (orange line), plummeted during the recession months, the Hispanic workforce went back to work sooner than the White workforce. By September 2023, the LFPR of Hispanics is 1.4% above the average, translating into 668,836 more willing-to-work individuals. (See **Figure 2**).⁷ This trend holds true for the Texas workforce as well. In 2022, the labor force participation rate for Hispanics in Texas was 67.3%, representing a 0.7 percentage point increase from prepandemic levels. This translates to approximately 57,866 individuals who are willing to work.⁸

Figure 2. Percent Change of Labor Force Participation Rate in the U.S.



Hispanics Workforce vs. White Workforce

Source: Hibbs Institute's estimate using U.S. Bureau of Labor Statistics data, retrieved from FRED, Federal Reserve Bank of St. Louis.

The Hispanic Community and its Increasing Educational Levels

The Hispanic community in the United States has substantially improved its educational levels over the last few decades. In 1980 there were around 470,000 Hispanics enrolled at postsecondary institutions in the nation (in twoyear and four-year degrees). Enrollment levels grew exponentially to 1.5 million by 2000, and 3.8 million by 2019. Specifically, the number of Hispanics enrolled at four-year institutions increased from 620,000 to 2.4 million between 2000 and 2020, representing a 287% growth. To put this in context, the overall student enrollment at four-year institutions increased by 50% during the same period in the nation.⁹

This tremendous growth was not only observed in two-year and four-year degrees but also in advanced degrees. The number of Hispanics who have graduated with an advanced degree (master's or doctorate) increased from 710,000 to nearly 2.5 million between 2000 and 2021, about 3.5 times in 21 years. In fact, Hispanics showed the fastest growth in advanced degrees of any major racial or ethnic group during this period.¹⁰

The federal government became aware of the need to provide adequate education and accommodate the needs of a growing Hispanic community. A classification titled Hispanic-Serving Institutions (HSIs) was developed to improve the access and quality of education for Latino/Hispanic low-income students. HSIs are defined as "accredited, degree-granting public or private not-forprofit institutions of higher education with 25% or more total undergraduate Hispanic full-time equivalent student (FTE) enrollment."¹¹

In essence, any school with at least 25% Hispanic enrollment is eligible to apply to be recognized as an HSI, which qualifies the institution for federal grants. For instance, the Title III Part F grant enables HSIs to expand resources for Latino/Hispanic students. The average award of this grant is \$775,000, and it is designed to help Hispanic-low-income students who pursue a degree in science, technology, engineering, or math. This grant program is administered by the U.S. Department of Education and is awarded for five-year periods.¹²

The number of HSIs is increasing every year. While there were only 131 schools classified as Hispanic-serving colleges or universities in academic year 1995-1996, this number increased to 492 (a 3.75 times increase) by academic year 2016-2017.¹² **The University of Texas at Tyler** has reached the minimum required 25% of Hispanic students enrolled in a bachelor's degree for the third consecutive year, which makes this institution eligible to apply for the HSI designation effective this December.¹³ If granted, this designation will help provide resources for Hispanic students. (See **Figure 2**).

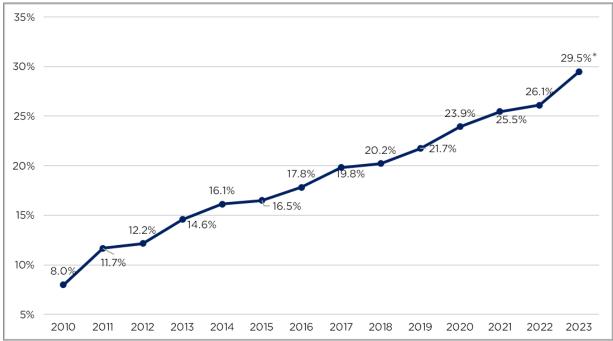


Figure 3. Undergraduate Hispanic Enrollment at The University of Texas at Tyler (2010-2023)

Source: The University of Texas at Tyler Fact Books (2010-2022).

* The official number has not been certified yet. Nevertheless, this number is expected to be well above the minimum required to qualify for the HIS designation.

End Notes

¹ Macrotrends (2022). Texas Population 1900- 2022.

https://www.macrotrends.net/states/texas/population

²Ura, A. (June 21, 2023). Hispanics officially make up the biggest share of Texas' population, new census numbers show. *The Texas Tribune*.

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³U.S. Census Bureau (2023). Texas Quick Facts.

https://www.census.gov/guickfacts/fact/table/TX/PST045222

⁴Hibbs Institute's estimates using U.S. Census Bureau data. Vintage 2022 population estimates.

⁵ U.S. Bureau of Labor Statistics (2020). News Release: The Employment Situation – April 2020.

https://www.bls.gov/news.release/archives/empsit_05082020.pdf

⁶ U.S. Bureau of Labor Statistics (2016). Monthly Labor Review; Labor force participation: what has happened since the peak?

https://www.bls.gov/opub/mlr/2016/article/pdf/labor-force-participation-what-has-happened-since-the-peak.pdf

⁷Hibbs Institute's estimate using U.S. Bureau of Labor Statistics data, retrieved from FRED, Federal Reserve Bank of St. Louis.

⁸The Labor Force Participation Rate estimates for Texas are based on 2022 American Community Survey (ACS) data. Pre-COVID estimates are derived from ACS 2019.

https://data.census.gov/table/ACSST1Y2019.S2301?g=Employment+and+Labor+Force+Status&g=040XX00US48

⁹ Mora, L. (October 7, 2022). Hispanic enrollment reaches new high at four-year colleges in the U.S., but affordability remains an obstacle. Pew Research Center.

https://www.pewresearch.org/short-reads/2022/10/07/hispanic-enrollment-reaches-new-high-at-four-vear-colleges-in-the-u-s-but-affordabilityremains-an-obstacle/

¹⁰ Krogstad et al. (September 22, 2023). Key facts about U.S. Latinos for National Hispanic Heritage Month. Pew Research Center.

https://www.pewresearch.org/short-reads/2023/09/22/kev-facts-about-us-latinos-for-national-hispanic-heritage-month/

¹¹ Excelencia in Education (March 2022). Hispanic-Serving Institutions (HSIs): 2020-21 Fact Sheet. <u>https://www.edexcelencia.org/Hispanic-Serving-Institutions-HSIs-Fact-Sheet-2020-21</u>

¹² "Smith-Barrow. D. (October 16, 2018). As more Latinos go to college, schools vie to become Hispanic-Serving Institutions. *The Hechinger Report*.

https://hechingerreport.org/as-more-latinos-go-to-college-schools-vie-to-become-hispanic-serving-

institutions/#:-:text=Bevond%20the%20potential%20grant%20dollars.dwindling%20numbers%20of%20undergraduate%20learners

¹³ Office of Information Analysis, The University of Texas at Tyler. Fact Book (2010-2011) through Fact Book (2022-2023);

https://www.uttvler.edu/information-analvsis/fact-books/

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