Executive Summary

Introduction

Latinos are the fastest growing population in the Intermountain West region, which includes Arizona, California, Colorado, Nevada, New Mexico, Texas, and Utah.¹ The Great Recession had a major impact on Latinos in the Intermountain West and Latinos have had more difficulty recovering economically than non-Latinos. Outcomes for Latinos in the areas of education, economic well-being, and business development often lag behind whites and African-Americans throughout the Intermountain West. In addition, Nevada’s Latinos often fare worse than Latinos in other states in the region. To improve economic resiliency, states need to develop an infrastructure of opportunity, which includes access to quality education, effective training and job development, health care, and capital.

The Guinn Center’s research program includes examining demographic trends in Nevada and

¹ The U.S. Census defines Hispanics or Latinos as persons whose origins are from Spain, the Spanish-speaking countries of Central or South America, or the Dominican Republic.
the potential short- and long-term fiscal and societal impacts of these shifts. The aim of this report, *The State of Latinos in the Intermountain West*, is to identify and describe the important demographic trends involving the growth of Latinos in the Silver State in recent years. While other reports have documented some of these important trends among Latinos, particularly in the area of education, the Guinn Center believes this is the first comprehensive report following the Great Recession that identifies trends among Latinos across a broad range of indicators (e.g., poverty, income, and education, etc.).

This report also describes the state of Latinos with respect to various outcomes as it relates to an ‘infrastructure of opportunity,’ measured as access to quality education, housing, healthcare, effective job training, and capital. Here, we ask: *How are Latinos doing compared to other groups in society? And do they have access to a robust infrastructure of opportunity?* Our analysis suggests that the infrastructure of opportunity for Latinos is limited, which undermines the economic resiliency of Latino families, making it more difficult to recover from economic downturns. In assessing the infrastructure of opportunity for Latinos, this report identifies areas that warrant further consideration by policymakers.

Another area of focus of the Guinn Center is to identify and discuss important *regional* trends and how these trends may impact the Silver State. To this end, this report compares demographic trends and outcomes among Latinos in Nevada with their Latino peers in the Intermountain West region. Nevada residents may be aware that Latinos often trail other groups in educational attainment, proficiency scores, and graduation rates within Nevada. But, as reported here, Nevada’s Latinos also often fare more poorly on many other indicators than Latinos in the Intermountain West region.

Finally, the mission and goal of the Guinn Center is to provide independent data and analysis to inform policymakers as they examine outcomes, weigh priorities, and allocate resources. In response to the examination of demographic trends and outcomes, the Guinn Center concludes by providing policy guidance in the areas of education (both K-12 and higher education), job training and workforce development, and access to capital. These three areas are critical components of the infrastructure of opportunity that is necessary to promote economic security and long term well-being of Latinos in the Intermountain West region. These policy recommendations were based on the analysis of data, and on discussions with stakeholders who identified gaps and needs in the areas of education, job training and workforce development, and access to capital. The policy guidance offered here is directed primarily toward decision makers in Nevada. But in many cases, the recommendations are relevant to decision-makers in the other Intermountain West States as well. Where relevant, recommendations for specific states other than Nevada are noted.

**Part 1. The Demographic Landscape**

- The Silver State has grown enormously over the past few decades, with Latinos (now 27 percent) representing the fastest growing segment of the state’s population. Nevada’s Latino population has also been growing faster than other states in the Intermountain West.

- While most of the Latinos in the Intermountain West are citizens, Nevada has the highest Latino non-citizen rate in the region. In 2010, Nevada had the highest percentage of undocumented immigrants in the region and the highest percentage of undocumented immigrants in the labor force.

- Throughout the region, the Latino population is also younger than the non-Latino population. This has led to large increases in Latinos in public schools throughout the region. In Nevada, Latino
students became the largest ethnic group in 2011-12. Nevada ranked second in the region with 19 percent of its K-12 student population identified as English Language Learners (ELLs), trailed only by California with 29 percent.

- The Great Recession hit Nevada harder than its neighboring Intermountain West states. Nevada faced the largest declines in Gross Domestic Product (GDP) and has had the greatest difficulty reaching pre-recession levels.

- Following the recession, Nevada’s Latino food stamp rate increased to 20 percent, 5 times greater than before the recession (and the biggest increase in the Intermountain West region). The percentage of Latino households receiving cash assistance doubled, and remains the third highest in the region. Nevada had the lowest Latino poverty rate before the recession and had the largest increases in poverty after the recession.

- Nevada’s Latinos have continued to shoulder a heavier burden from the recession than whites in the areas of unemployment, income, poverty, increased demand for social services, and health. In 2012, the unemployment rate for Latinos was 14 percent (compared to 11 percent for whites), and 31 percent for Latino youth. As of February 2014, the unemployment rate for whites in Nevada was 8.6 percent and 10.8 percent for Latinos.

**Part 2. The Infrastructure of Opportunity: An Assessment**

To grow the economy and produce a highly skilled workforce, states needs to have a quality infrastructure of opportunity, which includes four key components:

- An education and job training system that meets the needs of economically disadvantaged students and English Language Learners and produces graduates with 21st century critical thinking skills;
- Access to capital to encourage entrepreneurship;
- Access to affordable health care; and
- Access to affordable housing.

- It has been difficult for Latinos in the Intermountain West to rebound from economic downturns due to an inadequate infrastructure of opportunity, particularly in Nevada. The Silver State has historically invested less money in education, health, and welfare compared to other Intermountain West states.

- Access to a quality education is critical to future economic well-being. However, overall educational outcomes are low in Nevada compared to other states, including educational attainment levels, access to preschool, fourth grade reading and math proficiency, and high school graduation rates.

- Persistent education achievement gaps remain between Latinos and non-Latino students. In college, Latinos are underrepresented in college enrollment and completion of degrees, with the largest gaps in Nevada. Nevada also had the lowest college graduation rates in the region for all subgroups.

- Nevada’s Latinos often do not possess 21st century critical thinking skills that are needed for higher paying jobs. As a result, Latinos are concentrated in low wage industries throughout the
Intermountain West. In Nevada, the highest concentration of Latinos is in the accommodation and food service industry, while Latinos in other states are more concentrated in the retail and health care industries. There are also significant wage gaps between Latinos and non-Latinos throughout the region.

- There has also been a lack of infrastructure to help Latino businesses thrive. Latino businesses represent a small percentage of businesses throughout the region. These businesses have less access to traditional forms of capital such as bank loans.

- Nevada in particular is underserviced in microenterprise development organizations and Community Development Financial Institutions compared to other states in the region. In addition, interest rates on non-traditional sources of credit are high in every state except Arizona, which recently placed limits on interest rates.

- The Great Recession greatly affected the infrastructure for affordable housing. The foreclosure crisis was most pronounced in Nevada but Latinos in each state in the Intermountain West faced higher foreclosure rates than whites. Homeownership rates dipped throughout the region after the recession, with the largest impact in Nevada. Nevada has the most limited supply of affordable housing for the neediest families.

- There are also institutional challenges to building a stronger infrastructure of opportunity. Nevada ranks lowest in the region in per capita federal expenditures, which is particularly troubling given that Nevada has the weakest investment in education and social services. Nevada also has fewer nonprofits serving Latinos compared to other states in the region.

**Part 3. Strategies for Building the Infrastructure of Opportunity for Latinos in the Intermountain West**

The economic benefits of building the infrastructure of opportunity for Latinos and improving outcomes are vast. Data from the Alliance for Excellent Education (2013) indicates that graduating 90 percent more of the Latinos in all of the Intermountain West states would boost annual earnings by $742 million and consumer spending by $598 million per year. Conversely, not addressing issues facing Latinos could have serious economic impacts. If educational outcomes do not improve for Nevada’s Latinos, Nevada will be constrained in its ability to diversify its economy and attract businesses that use skilled workers. As the Latino population grows, lack of action could result in lower income levels, increased poverty levels, lower disposable income and purchasing power to drive consumer demand, greater demands on health, welfare, and public safety systems, and lower tax revenue at the local, state, and federal levels.

Given scarce public resources, Nevada and its regional partners will need to be strategic in how it addresses these issues. To provide the greatest return on investment, the state should invest in research-driven best practices to help improve outcomes, avoid future costs, and boost economic growth.

The following recommendations provide policy guidance for how decision makers, legislators, service providers, and community organizations might build and strengthen the infrastructure of opportunity for Latinos in the areas of education, workforce development, and asset development.
Improving Educational Outcomes

Short term

1. Raise awareness among Latino families about the importance of early childhood education and strengthen parental engagement efforts.
2. Expand use of technology (iPads, etc.) to parents of ELL students to increase possibilities for more parent-teacher interaction: The use of technology could address language barriers, transportation challenges, work schedules.
3. Recruit and train more bilingual early childhood educators.
4. Support policies to improve early literacy in grades K-3: These policies include requiring universal assessments to identify students needing intervention, parent involvement, and literacy training.
5. Retool professional development: Resources should be directed to provide/expand coaching, and train teachers in ELL literacy.
6. Prioritize science, technology, engineering, mathematics (STEM), and computer science programming in elementary and middle schools with high percentages of Latino students.
7. Launch and/or expand the Jobs for America’s Graduates (JAG) program in public high schools: This program has an average 91 percent high school graduation rate in 33 states over the last 20 years.
8. Initiate and/or expand the JAG program in middle schools, focusing on schools with high percentages of Latinos and English Language Learners.
9. Raise awareness about the JAG program and adopt early identification of potential participants.
10. Increase the number of bilingual college/career counselors in middle schools and high schools.
11. Monitor recent efforts in Colorado and Nevada to reduce the disproportionately in expulsions and suspensions by race/ethnicity: Recent studies indicate that placing counselors on site can significantly reduce disciplinary rates.
12. Expand counseling and advising staff and increase the number of bilingual counselors at institutions of higher education, particularly community colleges.
13. Explore new ways of offering remedial courses: A number of community colleges have restructured their assessment and placement process, and course content/structure with promising early results.

Longer term

1. Prioritize and support the expansion of high-quality, assessed pre-kindergarten programs throughout each state: Policymakers need to strengthen data collection efforts in order to evaluate and identify high quality early childhood education programming.
2. Establish a dedicated funding stream to finance early childhood education programming (both pre-K and kindergarten): Some states have established dedicated funding streams (like lotteries) to fund early childhood education programs.
3. Support proposed legislation to create a state-supported need-based grant program to provide financial aid to low-income students seeking to attend community college in Nevada: In June 2014, Nevada’s Legislative Committee to Conduct an Interim Study Concerning Community Colleges recommended legislation to create a “state financial aid program for low-income community college students” with $5 million in annual funding.
4. Explore other options for resourcing early childhood education programs, such as raising local taxes and offering social impact bonds.
5. Locate mental health professionals and social workers in high schools with high Latino and English Language Learner populations.

6. Encourage high schools to offer the National Career Readiness Certificate (NCRC) as an assessment of college and career readiness: Nevada’s JAG is launching a pilot program to offer the NCRC.

7. Encourage the Nevada Department of Education to adopt the NCRC as the state’s college and career readiness assessment tool.

8. Explore ways to leverage student income: Some states are using individual development accounts (IDAs) to promote financial literacy and help students save for and attend college.

9. Enable undocumented immigrants to receive resident tuition at state public institutions: Arizona is currently the only state in the Intermountain West that does not offer resident tuition rates to its undocumented immigrants who have attended high school in the state.

10. Create incentives to enable students to attend college full-time, at least for the first year: On average, part-time students are less likely to graduate than full-time students. Policymakers should explore ways to eliminate barriers that prevent students from attending full-time.

11. Provide wrap-around services to support student success: Policymakers should explore ways to address the barriers that contribute to low completion and graduation rates. Among these are a lack of transportation, the cost of textbooks, the lack of affordable childcare and housing.

12. Explore evidence-based methods for assessing student skill level: A growing body of research suggests that standardized test and placement exam scores may not be the most accurate predictor of long-term student success.

13. Increase professional development funds for adjunct lecturers: Most remedial courses are taught by adjunct (part-time) lecturers who do not qualify for professional development funds. Policymakers should explore ways to set aside dedicated funds for adjuncts for the purpose of teacher training or offer rigorous training on site.

**Improving Workforce Development and Job Training Programs**

**Short term**

1. Place bilingual counselors at workforce development centers (including One-Stop job centers).

2. Include representation from Latino businesses and service providers on workforce investment boards and industry councils.

3. Offer industry-specific English as a Second Language/English Language Acquisition training: Workforce development specialists should provide relevant, tailored English language training that complements career or industry training. As an example of an innovative industry-community college partnership, Truckee Meadows Community College provides customized training to its industry partners, which includes workplace literacy and workplace English as a second language.

4. Increase science, technology, engineering, and math (STEM) training and awareness in the Latino community: One new innovative STEM training program is taking place at Workforce Connections, Southern Nevada’s Workforce Investment Board. Workforce Connections is rolling out a STEM career pathways program, which provides free, interactive workshops in the areas of 3-D printing, green energy, electricity, electronics, and robotics. After completing the STEM modules, job-seekers continue down the traditional career pathways (e.g. pre-vocational services, eligible training provider list services, and certification).

5. Promote the use of bilingual health care workers: Workforce development specialists and community colleges should explore the feasibility of offering a bilingual community health care worker/social
worker certificate. Bilingual community health care workers can also help address health care concerns of undocumented immigrants, who often lack healthcare coverage. Bilingual community healthcare workers could be deployed at community healthcare centers and public hospitals to manage the healthcare needs of undocumented immigrants.

**Longer term**

1. Offer an integrated bilingual curriculum: Workforce development specialists and community colleges in the Intermountain West region should explore developing integrated bilingual curriculum for various industries. In this model, students build conceptual understanding in their native language (e.g., how to build or program a computer) while concurrently developing the English literacy skills necessary to perform job-related tasks and pass certification tests.
2. Increase the number of bilingual language certificate programs offered by colleges: Community colleges should explore expanding the number of bilingual certificate programs, particularly in high growth areas such as business services, education services and counseling/social work.

**Improving Access to Capital**

**Short term**

1. Raise awareness about existing financial instruments, federal programs, and business services among Latinos and accelerate outreach efforts to Latino entrepreneurs and businesses: Many Latinos lack financial literacy and awareness about federal government-funded programs designed to help businesses expand. Financial institutions and community groups should accelerate efforts to raise awareness among Latinos about financial instruments and federal programs.
2. Offer bilingual services at microcredit enterprises and small business development centers and improve Latino outreach: Many community development financial institutions and small business development centers in the Intermountain West region often lack bilingual counselors and technical assistance experts. These organizations should provide bilingual counselors, offer bilingual services and training, and increase outreach to the Latino community.

**Longer term**

1. Build and strengthen microenterprise development institutions and Community Development Financial Institutions (CDFIs) in Nevada: Nevada has a relatively low number of microenterprise development institutions and CDFIs, even when compared to states that have similarly sized populations. Policymakers should identify policies that can support and strengthen these institutions and their activities in the state.
2. Adequately regulate payday and other consumer loan products that can strip low-income Latino families’ wealth: With the exception of Arizona, the average annual interest on payday loans is 430 percent. Payday lenders in Arizona are now capped at 36 percent. Policymakers should consider legislation that adequately regulates payday and car title loans. Taking steps to regulate payday lenders is critical in Nevada, particularly given the relatively low number of microenterprise development institutions and CDFIs that exist in Nevada.
3. Invest more in State Housing Fund Trusts and support the development of affordable housing: Policymakers should also explore opportunities for increasing the asset size of State Housing Fund
Trusts and building low-income housing in Latino neighborhoods close to transit centers and community colleges with high enrollment rates among Latinos.

**Social Justice Issues**

**Longer term**

1. Support community groups that address labor and employment rights of undocumented workers: This is especially critical in states such as Nevada and California which have relatively higher rates of undocumented immigrants as a share of the labor force.
2. Encourage judicial reform and strengthen programs to reduce the recidivism rate: Arizona and California have the highest incarceration rates within the Intermountain West; Colorado, Arizona, and Utah have the highest ratios of incarceration rates for Latinos to whites. Policymakers should participate in Justice Reinvestment Initiatives and work to strengthen community and government programs to reduce recidivism.

**Conclusion**

It is the belief of the Guinn Center that the long term economic growth trajectory of Nevada and its Intermountain West neighbors depends on the strength of the infrastructure of opportunity available to every one of its citizens, not just Latinos. A robust infrastructure of opportunity will strengthen the economic resiliency of entire communities. In this report, we chose to focus on one demographic group that is a significant (and growing) share of the population in most of the Intermountain West States. State governments should establish a system or method of evaluation that holds decision makers accountable for progress. As such, the Guinn Center offers the following concluding recommendations:

1. For each state, the Office of the Governor should designate, in coordination with local government, an (existing) intergovernmental committee, agency or group of individuals (e.g., task force) whose purpose or mission it is to monitor progress on the key components of the infrastructure of opportunity and report progress on each factor annually to the legislature and the Office of the Governor. This designated agency or group of individuals should produce a report every year assessing progress on an agreed upon set of factors.
2. The Office of the Governor should request that the respective government stakeholders create specific targets for improvement on the different components of the infrastructure of opportunity and designate individuals within respective government agencies to monitor progress on these goals.

**About the Kenny C. Guinn Center for Policy Priorities**
The Kenny C. Guinn Center for Policy Priorities (Guinn Center) is a nonprofit, bipartisan, think-do tank focused on independent, fact-based, relevant, and well-reasoned analysis of critical policy issues facing the state of Nevada.
© June 2014 Kenny C. Guinn Center for Policy Priorities. All rights reserved.

**Contact Information**
Kenny C. Guinn Center for Policy Priorities
c/o InNEVation Center, 6795 Edmond Street, Suite 300/Box 10, Las Vegas, NV 89118
Phone: (702) 522-2178; Email: info@guinncenter.org
Website: www.guinncenter.org