2025
State Latino GDP Report
California

Latino GDP™

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2025 California Latino GDP Report

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Center for Economic Research & Forecasting (CERF)

CERF is a nationally recognized economic forecasting center. CERF economists Matthew Fienup and Dan Hamilton are members of the Wall Street Journal Economic Forecasting Survey, the National Association of Business Economics (NABE) Economic Outlook survey, and the Fannie Mae (formerly Case-Schiller) Home Price Expectations Survey. They were recipients of 2019, 2020, 2021 and 2024 Crystal Ball Awards for the Fannie Mae forecast survey. CERF's 2-year ahead forecast of U.S. home prices was the single most accurate among more than 100 competing forecasts. CERF is housed at California Lutheran University, a federally designated Hispanic Serving Institution.

Center for the Study of Latino Health & Culture (CESLAC)

Since 1992, CESLAC has provided cutting-edge research, education and public information about Latinos, their health and their impact on California's economy and society. CESLAC is a resource for community members, business leaders and policy makers who want to gain insightful research and information about Latinos. It offers unparalleled insight into Latino issues through an approach that combines cultural research, demographic trends, and historical perspective. In addition, it has helped the University of California meet its public service goal by increasing the effectiveness of their outreach to the Latino community.

History of the Latino GDP Project

The effort to calculate the Latino GDP began with David Hayes-Bautista in the early 2000s. His idea was to use established government data programs to calculate a robust summary statistic for the economic performance of U.S. Latinos. The original U.S. Latino GDP algorithm was developed by Hayes-Bautista with Werner Schink, former Chief Economist of the California EDD. They produced the inaugural U.S. Latino GDP Report in 2017. After Schink's untimely passing in 2018, Hayes-Bautista found new collaborators in Dan Hamilton and Matthew Fienup, of California Lutheran University. Hayes-Bautista, UCLA colleague Paul Hsu, Hamilton, and Fienup made refinements to the Latino GDP methodology and have produced annual U.S. Latino GDP Reports every year since 2019. With generous support from Bank of America, the Latino GDP Project was significantly expanded beginning in 2021 and now includes calculation of the Latino GDP for targeted states and major metropolitan areas as well as the inaugural U.S. *Latina* GDP Report. For more information and to access reports, visit www.LatinoGDP.us and www.LatinaGDP.us

FOREWORD

The 2025 California Latino GDP Report is the 2nd vintage of a report first published in 2021, which documents the large and rapidly growing economic contribution of Latinos living in the State of California. It is also the 30th full-length report produced by the Latino GDP Project as part of an ambitious research initiative which analyzes the contributions of Hispanic males and females across various geographies. The current release follows closely on the heels of the inaugural U.S. Latina GDP Report, released in Fall 2024, and builds on the 2025 U.S. Latino GDP Report, released in April.

Collectively, the 30 reports document substantial *economic premiums*, specifically growth premiums, enjoyed by Latinos relative to Non-Latinos in California and the United States. These premiums exist across a wide range of economic indicators – population and labor force, labor force participation rates, educational attainment, real income, consumption, and more. And Latino economic premiums are large – for example, U.S. Latino labor force growth is 7.9 times faster than Non-Latino labor force growth from 2010 to 2023. Nationally, Latino educational attainment growth is 3.1 times faster than that of Non-Latinos. In California, these premiums are even larger – Latino labor force growth is 15.0 times faster and educational attainment growth is 3.4 times faster.

The participation of Latinos in the economy is more *active*, more *intense* than Non-Hispanic participation. The importance of rapid Latino growth rates, and the intensity of economic activity which they represent, cannot be overstated. The vitality of the *overall* California and U.S. economies *depend* on the intensity of the economic activity of Latinos.

As a society, we benefit meaningfully from greater economic vitality, and we should understand and invest in the drivers of that vitality. Stronger economic growth, or GDP growth, is associated with rising wages, higher standards of living, and greater economic mobility across the economy. By driving economic growth in the California and the broader nation, Latinos provide these benefits and opportunities for all. Understanding the drivers of growth and making the proper investments can secure even greater economic growth and the greater prosperity that it produces.

The 2025 California Latino GDP Report marks a remarkable milestone in the eight years and 30 reports that comprise the full body of Latino GDP research. As documented in this report, in 2023, the California Latino GDP surpassed $1 trillion. Without Latinos, California's GDP would be merely the 8th largest GDP in the world. With Latinos, California is among the top five (5th largest GDP in 2023 and 4th largest in 2024). Since 2019, despite significant COVID-19-related mortality, California's Latino GDP has grown more than two times faster than Non-Latino GDP. Latinos born in 2023 will enter the labor force by 2040 and will remain economically active into the 2080s. Latinos, who have been driving California's economy for 250 years, will be California's competitive edge for the remainder of the 21st Century.

After reading about the world-leading and vitality sustaining growth of the California Latino GDP documented in this report, we urge readers to visit www.LatinoGDP.us and to access reports for various other geographies. Surveying those reports will reinforce that the economic impact of Latinos touches every corner of our great nation.

U.S. Latino GDP

The *2025 U.S. Latino GDP Report* provides a factual view of the large and rapidly growing economic contribution of Latinos living in the United States. Gross Domestic Product (GDP) is a broad measure of economic activity, representing the value of all finished goods and services produced within a geographic area in a given year. *GDP growth* is a nearly universal summary statistic for the performance of an economy. In addition to being an important summary statistic, we care about GDP growth for its own sake, as growing GDP, or economic growth, results in rising wages, higher standards of living and greater economic mobility.

Gross Domestic Product (2023)
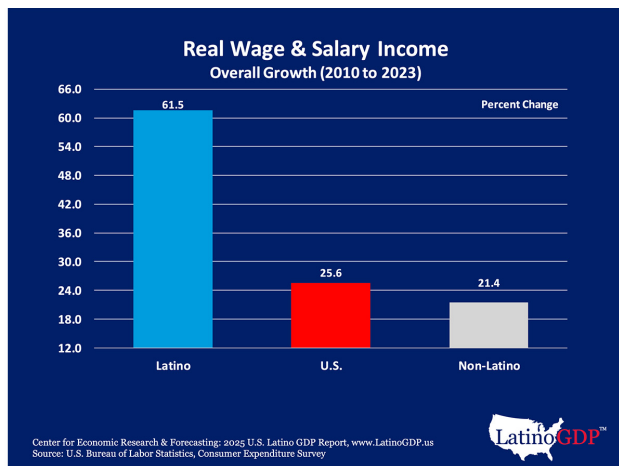

Gross Domestic Product Growth: 2010 to 2023
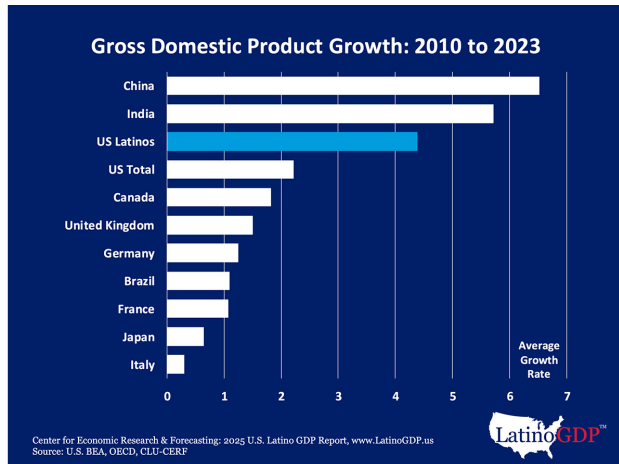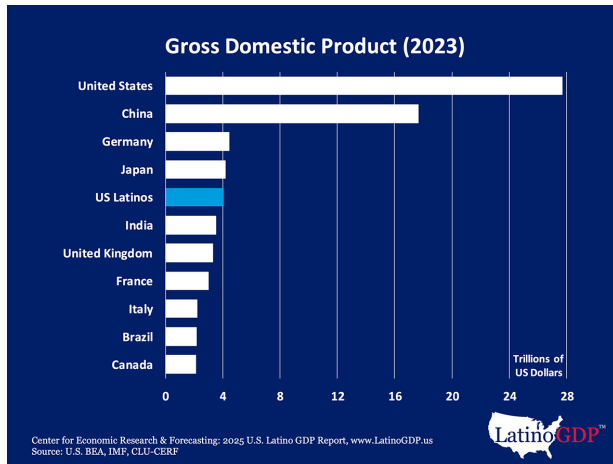
As a summary statistic for the economic performance of U.S. Latinos, the 2023 U.S. Latino GDP is extraordinary. The total economic output (or GDP) of Latinos living in the United States in 2023 is $4.1 trillion, up from $2.8 trillion in 2019 and $1.6 trillion in 2010. If Latinos living in the United States were an independent country, the U.S. Latino GDP would be the fifth largest GDP in the world. For the fourth consecutive year, U.S. Latino GDP is larger than the GDPs of India, the United Kingdom, or France. Outside of the United States, only Germany, Japan, and China have a GDP which is larger.

Real GDP — Overall Growth (2010 to 2023)
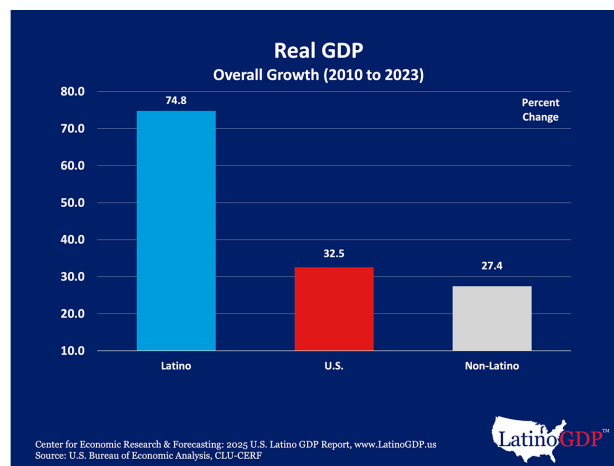
While impressive for its size, the U.S. Latino GDP is truly remarkable for its rapid growth. Among the ten largest GDPs, the U.S. Latino GDP was th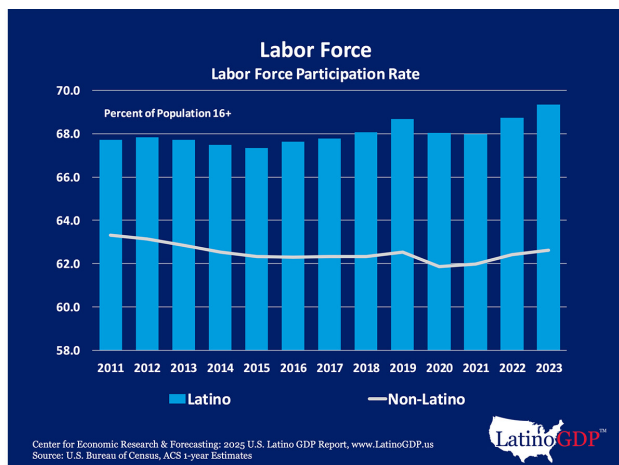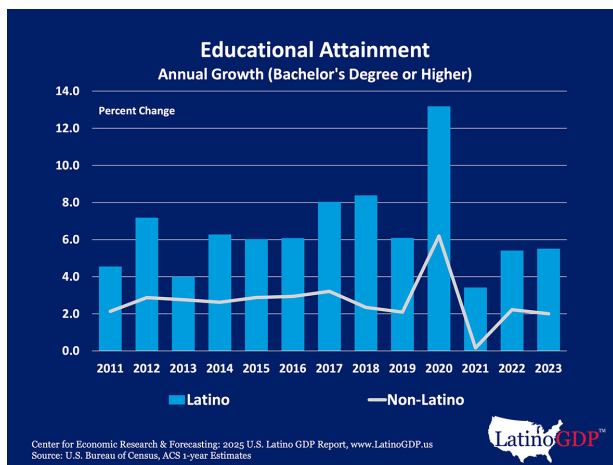e third fastest growing from 2010 to 2023. From 2010 to 2023, real Latino GDP increased a total of 74.8 percent compared to only 27.4 percent for Non-Latino GDP. In other words, the Latino GDP is growing 2.3 times faster than the broader U.S. GDP and 2.7 times faster than Non-Latino GDP.

In 2023, Latino consumption stood at $2.7 trillion. Latinos in the U.S. represent a consumption market 20 percent larger than the entire economy of Italy and 24 percent larger than Brazil. From 2010 to 2023, Latino real consumption grew 2.6 times faster than Non-Latino, driven by rapid gains in Latino income. Over the same period, Latino real incomes grew 2.9 times faster.

Real Consumption
Overall Growth (2010 to 2023)
Latino 62.3 | U.S. 28.1 | Non-Latino 23.8
Center for Economic Research & Forecasting: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Economic Analysis, CLU-CERF

Real Wage & Salary Income
Overall Growth (2010 to 2023)
Latino 61.5 | U.S. 25.6 | Non-Latino 21.4
Center for Economic Research & Forecasting: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey

The Latino income growth premium naturally flows from Latinos' rapid gains in educational attainment and strong labor force participation. From 2010-2023, the number of people earning a bachelor's degree grew 3.1 times faster for Latinos than Non-Latinos. In 2023, Latinos were 6.7 percentage points more likely to be actively working or seeking work than their Non-Latino counterparts. This Latino labor force participation premium sits at an all-time high. Considered together, these patterns underscore the fact that Latinos are drivers of economic growth in the U.S.

Educational Attainment
Annual Growth (Bachelor's Degree or Higher)
Latino — Non-Latino
Center for Economic Research & Forecasting: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Census, ACS 1-year Estimates

Labor Force
Labor Force Participation Rate
Latino — Non-Latino
Center for Economic Research & Forecasting: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Census, ACS 1-year Estimates

Data since the start of the COVID-19 pandemic reveal that, beyond being drivers of economic growth, U.S. Latinos are an important source of resilience even when historic challenges impact the broader economy. When COVID-19 struck, observing the differential impacts to Latino health, many analysts predicted that earlier Latino economic gains would be erased. Despite being hit harder by COVID-19, the Latino GDP has roared back.
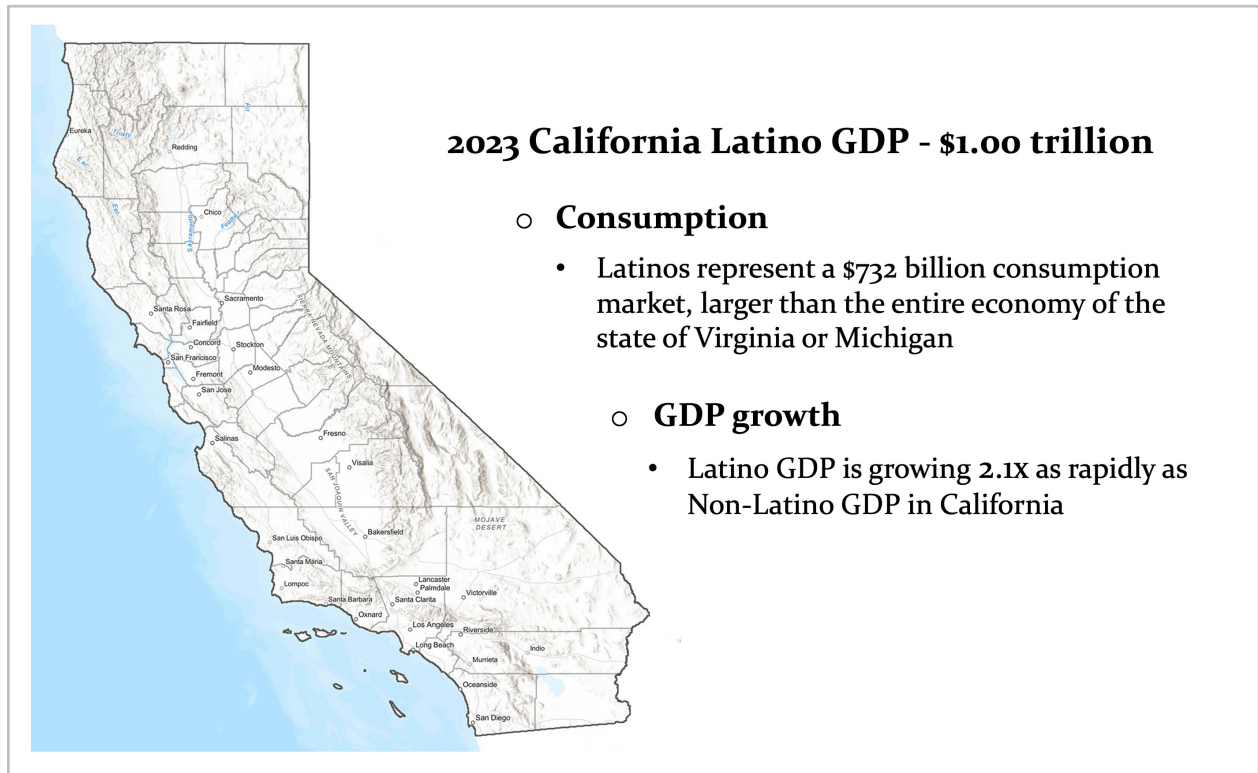
Prior to the pandemic, Latinos enjoyed lower age-adjusted mortality rates for all five leading causes of death: heart disease, cancer, unintentional injuries, chronic lower respiratory disease, and stroke. In the case of heart disease, the leading cause of death in 2019, Latinos exhibited a thirty percent lower mortality rate than Non-Hispanic Whites. Substantially lower mortality rates for all five categories translated to a life expectancy that was more than three years longer.

During the pandemic, COVID-19 spiked to become the number one cause of death for Latinos, whereas it was the number three cause of death for Non-Latinos. Across the years 2020 through 2023, the cumulative number of COVID deaths was nearly twice as high for Latinos (520 deaths per 1,000 Latino deaths) compared to Non-Hispanic Whites (only 263 per 1,000 Non-Latino deaths). Yet, the performance of Latinos during and after the pandemic is sufficient to make the U.S. Latino GDP the single fastest growing among the ten largest GDPs, faster even than China or India. The broader U.S. economy ranks a distant fourth.
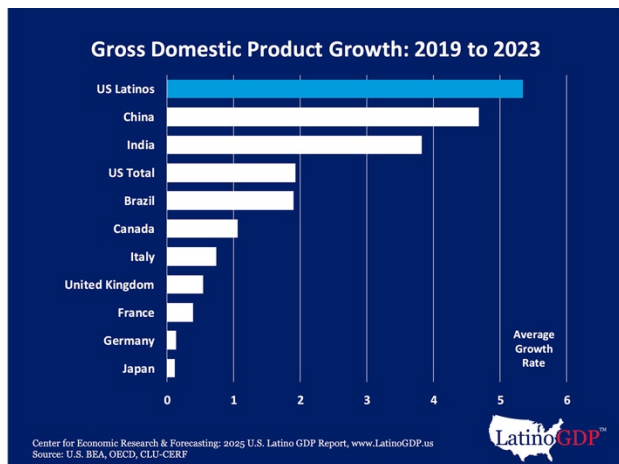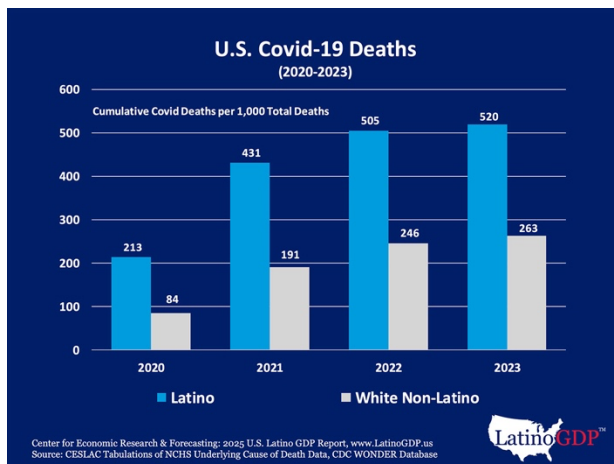
Juxtaposing data on the extraordinary growth of Latino GDP from 2019 to 2023 with data on health impacts for Latinos is an important exercise. It illustrates the extraordinary sacrifices made by Latinos during the pandemic. It also highlights just how vital and uplifting Latino strength and resilience are for the nation and for California. Hard work, self-sufficiency, optimism, perseverance – these are the characteristics that underly the strength and resilience of U.S. Latinos. These same characteristics will continue to drive growth in the overall United States and California economies for years to come.

State Latino GDP: CALIFORNIA

2023 California Latino GDP - $1.00 trillion

o **Consumption**

- Latinos represent a $732 billion consumption market, larger than the entire economy of the state of Virginia or Michigan

o **GDP growth**

- Latino GDP is growing 2.1x as rapidly as Non-Latino GDP in California

In 2023, the California Latino GDP surpassed $1 trillion, up from $724 billion in 2019. If Latinos living in California were an independent U.S. state, their GDP would represent the nation's sixth largest state economy. At $1.005 trillion in 2023, the California Latino GDP is larger than the entire economy of the state of Pennsylvania or Ohio. Without Latinos, California's economy is merely the 8th largest in the world. With Latinos, California enters the top five, with the world's 5th large GDP in 2023 and the 4th largest in 2024.

Gross Domestic Product (2023)

	Trillions of US Dollars
California	
Texas	
New York	
Florida	
Illinois	
California Latinos	
Pennsylvania	
Ohio	
Georgia	
Washington	
New Jersey	

0.0 0.5 1.0 1.5 2.0 2.5 3.0 3.5 4.0

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Economic Analysis, CLU-CERF

Gross Domestic Product (2023)

	Trillions of US Dollars
United States	
China	
Germany	
Japan	
California	
India	
United Kingdom	
France	
CA Non-Latinos	
Italy	
Brazil	
Canada	

0 5 10 15 20 25 30

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Economic Analysis, CLU-CERF

In 2023, California Latino consumption stood at $732 billion, up from $529 billion in 2019. Latinos living in California represent a consumption market larger than the entire economy of the state of Virginia or Michigan. As discussed below, rapid gains in Latino consumption are driven by rapid gains in Latino incomes. These, in turn, naturally flow from Latinos' rapid gains in educational attainment and strong labor force participation.

The $1.0 trillion California Latino economy is both deep and wide The state's top five 2023 Latino GDP industry sectors are Finance & Real Estate (where Latinos produced over $137 billion in output in 2023, for a 13.7% share of the California Latino GDP), Professional & Business Services ($109 billion or 10.9% of the California Latino GDP), Government ($98 billion), Education & Healthcare ($81 billion), and Retail Trade ($79 billion).
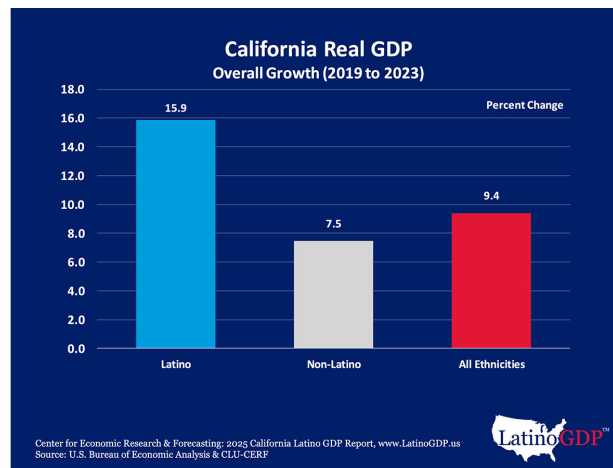
California: Gross Domestic Product 2023	State Latino GDP Industry Share	Statewide GDP Industry Share
	percent	percent
Agricultural/Natural Resources	3.1	1.2
Mining/Quarrying	0.4	0.3
Construction	7.2	3.9
Durables Manufacturing	4.8	6.4
Non-Durables Manufacturing	5.9	4.2
Wholesale Trade	5.9	5.3
Retail Trade	7.9	6.0
Transportation/Warehousing/Utilities	7.4	4.6
Information/Technology	5.8	10.7
Finance/Insurance/Real Estate	13.7	18.6
Professional/Business Services	10.9	14.1
Education/Healthcare/Social Assistance	8.1	7.7
Leisure/Hospitality	6.5	4.5
Personal/Repair/Maintenance Svcs	2.7	1.9
Government Services	9.8	10.5
Total All Industries	**100**	**100**

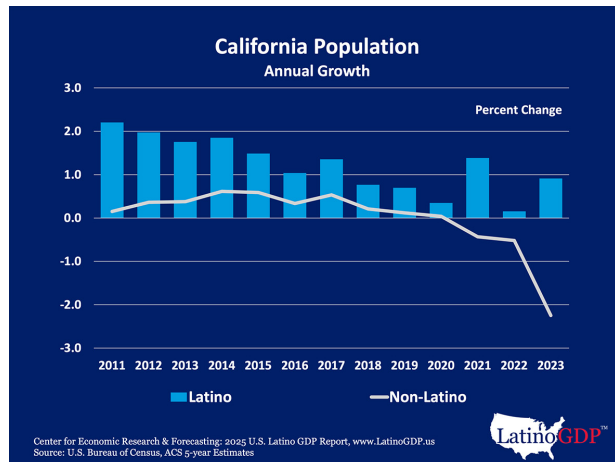*Sources: U.S. Bureau of Economic Analysis, Cal Lutheran University-CERF*

Six different industry sectors account for out-sized shares of the state's Latino GDP. For example, while Construction accounts for only 3.9 percent of California GDP, it accounts for 7.2 percent of the California Latino GDP. Five other industry sectors account for a larger share of the California Latino GDP than the corresponding share of the broader state GDP. These include Agriculture, Non-Durable Manufacturing, Retail Trade, Transportation & Warehousing, and Leisure & Hospitality. In general, California's Latino economy is more diversified than the broader state economy. In this way, Latinos provide a broad foundation of support for the state's economy.

While impressive for its size and diversity, the California Latino GDP is even more noteworthy for its extraordinary growth. From 2019 to 2023, California's Latino GDP has grown more than two times

faster than Non-Latino GDP. During those years, real California Latino GDP grew a total of 15.9 percent compared to only 7.5 percent for Non-Latino GDP.

California Real GDP
Overall Growth (2019 to 2023)

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
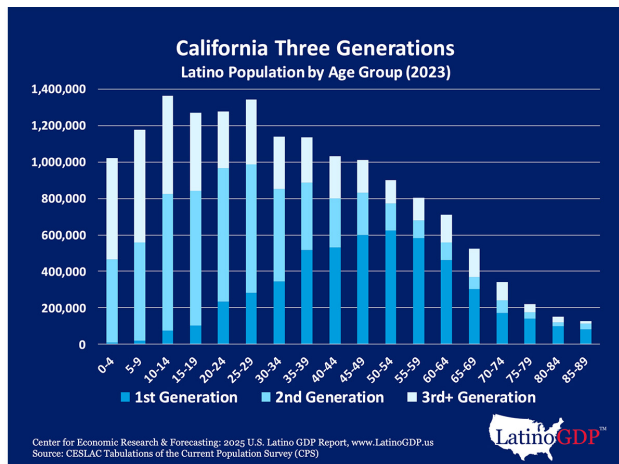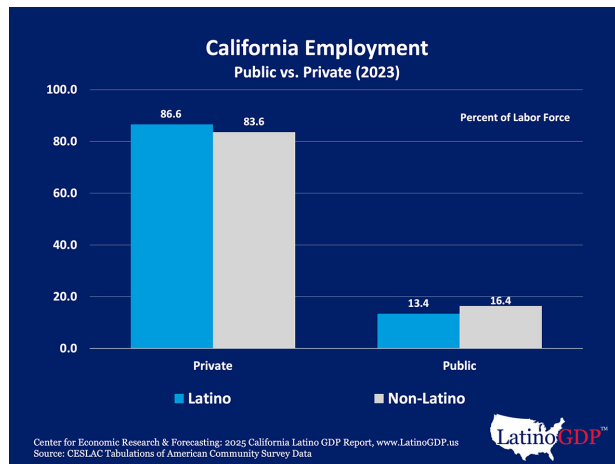Source: U.S. Bureau of Economic Analysis & CLU-CERF

Latinos are making strong and consistent contributions to California's population and labor force. From 2010 to 2023, Latino population growth was more than 8 times that of Non-Latinos. During those years, California's Non-Latino population grew only 1.9 percent, while the state's Latino population grew 16.2 percent. In 2021, 2022, and 2023, California's Non-Latino population actually declined, while Latino population growth remained positive.

California Population
Annual Growth

Center for Economic Research & Forecasting: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Census, ACS 5-year Estimates

California Labor Force
Annual Growth

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Census, ACS 5-year Estimates

California's Latino labor force growth is even more impressive. From 2010-23, California's Latino labor force grew more than fifteen times as quickly as the Non-Latino labor force (24.3 percent growth for Latinos compared to 1.6 percent growth for Non-Latinos). As with population, California's Non-Latino labor force declined in each year from 2021 to 2023, while Latino labor force growth remained positive.

In addition to making strong contributions to California's labor force, the composition of the Latino labor force is different in meaningful ways than the Non-Latino labor force. First, California Latinos are significantly more likely than Non-Latinos to choose work in the private sector compared to the

government sector. While 83.6 percent of California Non-Latinos worked in the private sector in 2023, 86.6 percent of California Latinos worked in the private sector. Second, Latinos coming of age and entering the U.S. labor force are overwhelmingly second- and third-generation Americans. These children and grandchildren of immigrants are combining the extraordinary and selfless work ethic of their elders with rapid educational attainment to propel not just Latino GDP but overall GDP growth in California.

California Employment
Public vs. Private (2023)

California Three Generations
Latino Population by Age Group (2023)

All of this is to say that the economic contribution of Latinos in California, as with U.S. Latinos broadly, is driven by rapid gains in human capital and strong work ethic. From 2010 to 2023, Latino educational attainment grew at a rate 3.4 times faster than the educational attainment of Non-Latinos. Over those 14 years, California Latinos' labor force participation rate was an average of 5.1 percentage points higher than Non-Latinos. In 2023, Latino labor force participation was 5.6 percentage points higher.

California Educational Attainment
Annual Growth (Bachelor's Degree or Higher)

California Labor Force
Labor Force Participation Rate
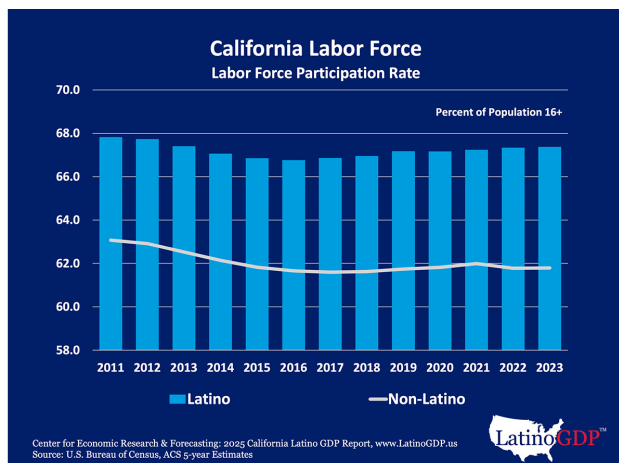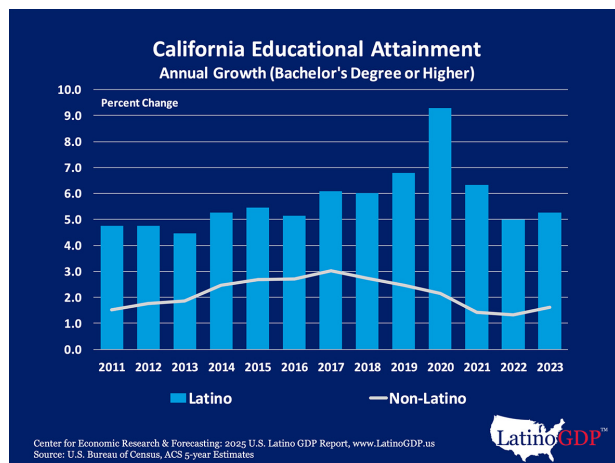
California Latinos further provide a large and positive demographic punch through the formation of households. Latino households are growing at a rate nearly 10 times that of Non-Latinos. From 2010 to 2023, the number of Latino households in California grew 24.6 percent, while the number

of Non-Latino households grew just 2.5 percent. A healthy rate of household formation is vital to economic growth, as new households increase current and future economic activity.
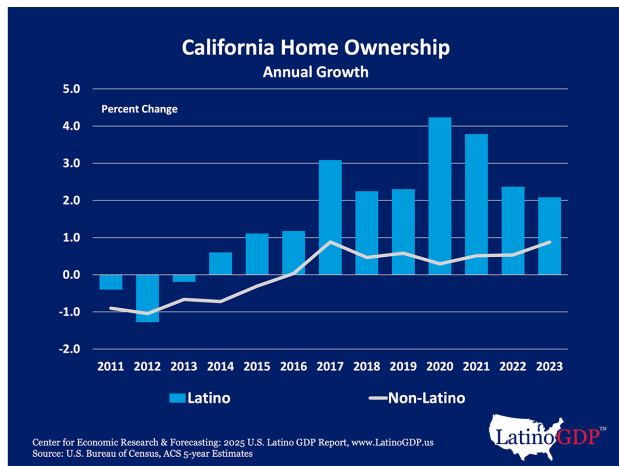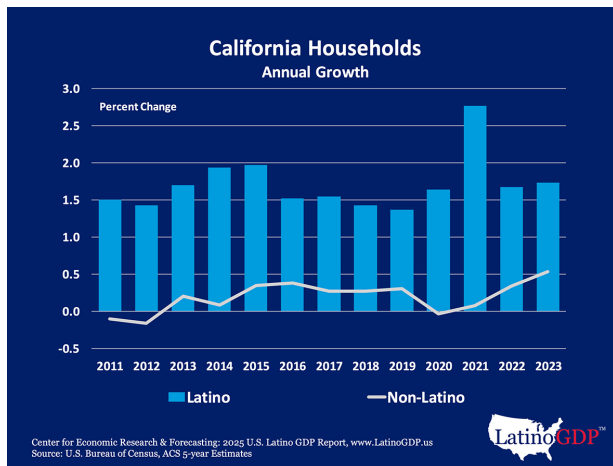
The growth of Latino households is accompanied by strong growth of Latino home ownership. While both Latino and Non-Latino home ownership declined during the years following the Great Recession, since 2014, growth of Latino home ownership has been consistently positive and significantly higher than that of Non-Latinos. By comparison, the number of Non-Latino homeowners in California decreased relatively sharply from 2010 to 2015. Non-Latinos did not recover the 2010 number of homeowners until 2023. From 2010 to 2023, the number of Latino homeowners in California grew by 23.1 percent. During those same years, homeownership among Non-Latinos grew by only 0.5 percent. The growth of Latino home ownership is one signal that Latino gains in human capital are increasing wealth as well as income.

California: Headline Characteristics

2023

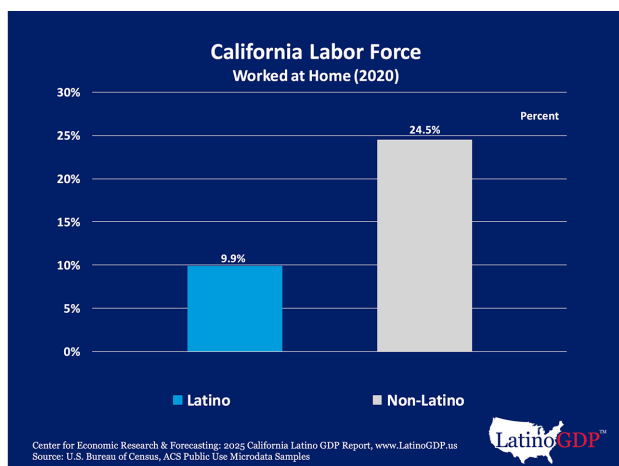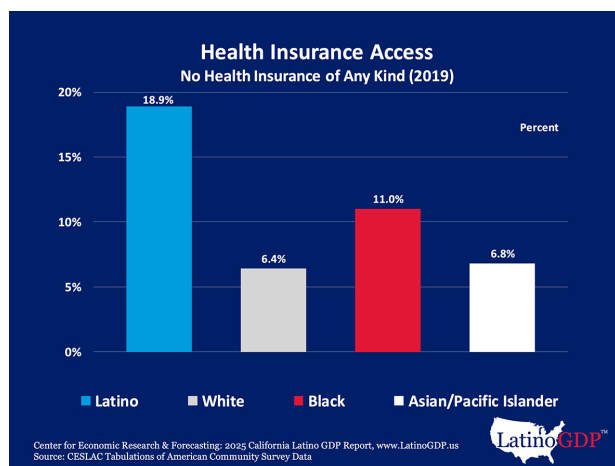|	California		
	Latino	All Ethnicities	Latino Share of State *(percent)*
Gross Domestic Product ($-billions)	1,005.4	3,870.4	26.0
Personal Consumption Expenditures ($-billions)	732.3	2,526.3	29.0
Population (thousands)	15,760.4	38,965.2	40.4
Labor Force (thousands)	8,122.9	20,298.6	40.0
Employment (thousands)	7,587.6	19,187.7	39.5
Households (thousands)	4,294.3	13,699.8	31.3
Home-Owning Households (thousands)	1,971.6	7,658.5	25.7
Education of BA/BS or higher (thousands)	1,615.6	10,110.3	16.0

Sources: U.S. Bureau of Census (1-yr ACS), Cal Lutheran University-CERF

Health, COVID-19, and the California Latino GDP

Data since the start of the COVID-19 pandemic reveal that, beyond being drivers of economic growth, California Latinos are an important source of resilience even when historic challenges impact the broader economy. For years leading up to the pandemic, Latinos enjoyed not only the various economic premiums detailed above, they also enjoyed superior health outcomes. When COVID-19 struck, observing the differential health impacts to Latinos, many analysts predicted that earlier Latino economic gains would be erased. Despite being hit harder by COVID-19, the Latino health advantage has been restored and the California Latino GDP has roared back.
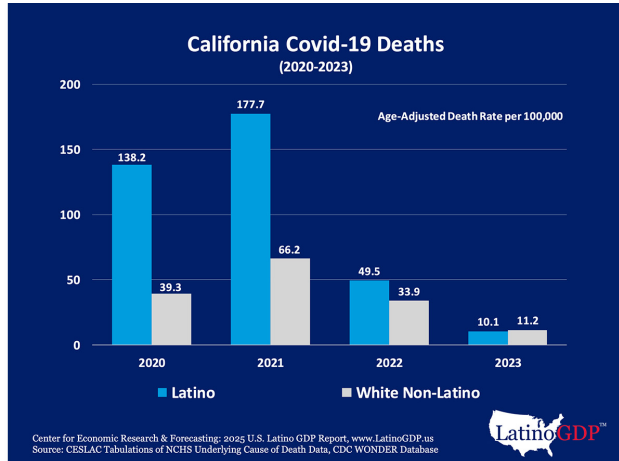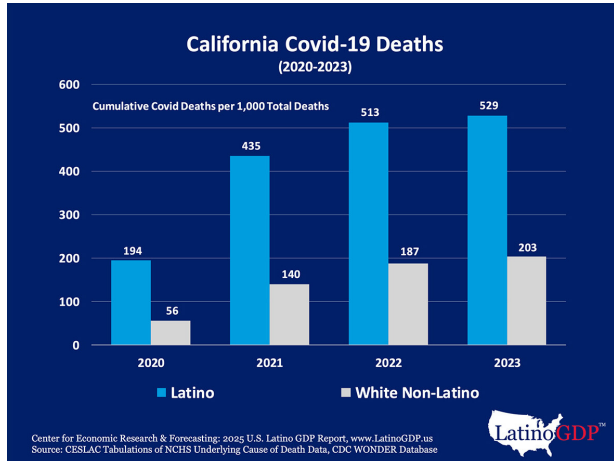
Prior to the pandemic, California Latinos enjoyed lower age-adjusted mortality rates for all five leading causes of death: heart disease, cancer, unintentional injuries, chronic lower respiratory disease, and stroke. In the case of heart disease, the leading cause of death in 2019, Latinos exhibited a thirty percent lower age-adjusted mortality rate than Non-Hispanic Whites. In other words, Latinos enjoyed thirty percent fewer heart attacks. Substantially lower mortality rates for all five categories translated to a life expectancy that was more than three years longer. In 2019, life expectancy for Latinos was 81.9 years, compared to only 78.8 for white Non-Latinos.

During the onset of the pandemic in 2020, two other patterns affected California Latinos and the trajectory of COVID-19 in their families and communities. First, Latinos started the pandemic with less access to health insurance. In fact, Latinos were nearly three times as likely to lack health insurance of any kind, compared to Non-Hispanic Whites (18.9 percent of Latinos lacked insurance, compared to only 6.4 percent of Whites). In addition, Latinos were more likely to work in front-line jobs that exposed them to people carrying COVID-19. In 2020, just 9.9 percent of California Latinos worked from home, compared to 24.5 percent of Non-Latinos.

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
Source: CESLAC Tabulations of American Community Survey Data

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Census, ACS Public Use Microdata Samples
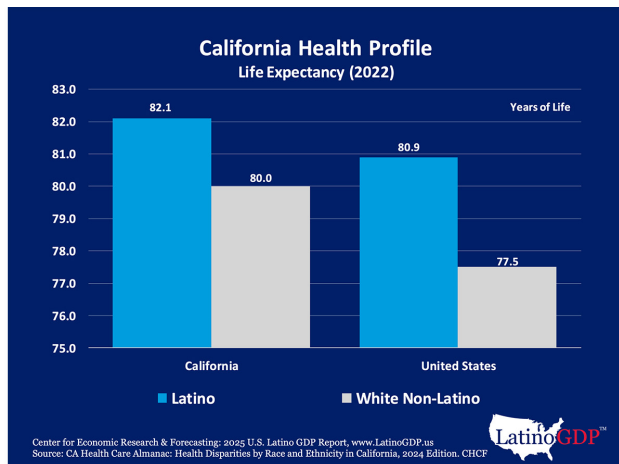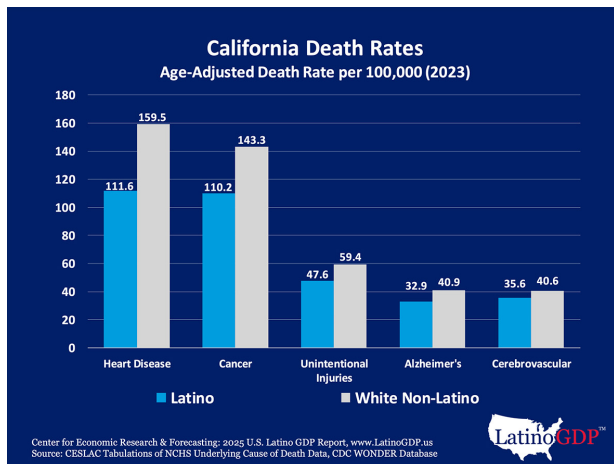
As a result, COVID-19 spiked to become the number one cause of death for Latinos, whereas it was the number three cause of death for Non-Latinos. In just one year, Latino life expectancy dropped to being merely months longer than the life expectancy of Non-Hispanic Whites. Over the years 2020 to 2023, cumulative COVID deaths for California Latinos were more than 2.5 times higher (529
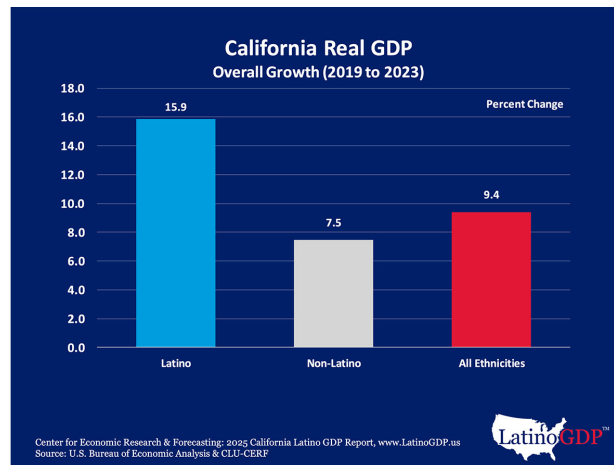
deaths per 1,000 Latino deaths) than those of Non-Latinos (only 203 deaths per 1,000 deaths). Thankfully, by 2023, Latino deaths in California due to the coronavirus had dropped dramatically, to an age-adjusted rate less than that of Non-Hispanic Whites.

California Covid-19 Deaths (2020-2023)
Cumulative Covid Deaths per 1,000 Total Deaths
Latino / White Non-Latino:
2020: 194 / 56; 2021: 435 / 140; 2022: 513 / 187; 2023: 529 / 203

Center for Economic Research & Forecasting: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Source: CESLAC Tabulations of NCHS Underlying Cause of Death Data, CDC WONDER Database

California Covid-19 Deaths (2020-2023)
Age-Adjusted Death Rate per 100,000
Latino / White Non-Latino:
2020: 138.2 / 39.3; 2021: 177.7 / 66.2; 2022: 49.5 / 33.9; 2023: 10.1 / 11.2

Center for Economic Research & Forecasting: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Source: CESLAC Tabulations of NCHS Underlying Cause of Death Data, CDC WONDER Database

In 2023, as in years prior to the pandemic, Latino death rates from other leading causes, such as heart disease, cancer, unintentional injuries, and Alzheimer's were substantially lower than Non-Hispanic Whites. In fact, in 2023, California Latinos' age-adjusted mortality rate was 30 percent lower for heart disease and 23 percent lower for cancer. Not surprisingly, the Latino life expectancy premium relative to Non-Hispanic Whites has nearly returned to the pre-Pandemic level. By 2022, the most recent year for which California life expectancy data is available, the Latino life expectancy premium had already returned to 2.1 years.

California Death Rates Age-Adjusted Death Rate per 100,000 (2023)
Latino / White Non-Latino:
Heart Disease: 111.6 / 159.5; Cancer: 110.2 / 143.3; Unintentional Injuries: 47.6 / 59.4; Alzheimer's: 32.9 / 40.9; Cerebrovascular: 35.6 / 40.6

Center for Economic Research & Forecasting: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Source: CESLAC Tabulations of NCHS Underlying Cause of Death Data, CDC WONDER Database

California Health Profile Life Expectancy (2022) — Years of Life
Latino / White Non-Latino:
California: 82.1 / 80.0; United States: 80.9 / 77.5

Center for Economic Research & Forecasting: 2025 U.S. Latino GDP Report, www.LatinoGDP.us
Source: CA Health Care Almanac: Health Disparities by Race and Ethnicity in California, 2024 Edition, CHCF

The rebound of the California Latino GDP is just as striking as the recovery of the Latino heath premium. As already noted, despite greater COVID-related mortality, the performance of Latinos during and after the pandemic is sufficient to have propelled the California Latino GDP to grow more than two times faster than Non-Latino GDP.

California Real GDP
Overall Growth (2019 to 2023)

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Economic Analysis & CLU-CERF

The sacrifices made by Latinos in California during the pandemic were extraordinary. Latino strength and resilience proved vital and uplifting for the state. Latinos held up the California economy during the most challenging days of the pandemic, drove the economic recovery, and are once again providing vitality to the broader state economy.

Immigrants and the California Latino GDP

Interwoven in this report are select details about the role that immigrants play in the growth of the California Latino GDP and thus in the vitality of the broader California economy. In 2023, 41 percent of working-age Latinos living in California were immigrants, including both documented and undocumented. While we are not aware of reliable estimates of undocumented immigrants' share of the California Latino labor force, we believe that the Latino GDP methodology is a potentially-useful framework for analyzing the impact of aggressive immigration raids and deportation efforts unfolding in our communities.

While Latino immigrants generally have different demographic characteristics than those of U.S.-born Latinos, we believe that immigrants' share of the working age Latino population is a useful starting point. Two offsetting patterns should be acknowledged. First, Latino immigrants in California are likely to have lower average educational attainment than U.S.-born Latinos of the same age. At the same time, Latino immigrants in California have a significantly higher median age and the greater work experience that comes with age. In 2023, Latino immigrants in California had a median age of 49 years, compared to only 22 years for U.S.-born Latinos. Applying immigrants' share of the California Latino working-age population to the California Latino GDP implies that the economic contribution of Latino immigrants in California may be as high as $400 billion per year.

Without doubt, the contribution of Latino immigrants in California is very large. Immigrant and U.S.-born Latinos, together, are drivers of economic growth and a source of resilience for the California economy. And the current effort to displace immigrants is not only a human tragedy, it is an economic tragedy that effects everyone.

Geography of the Latino GDP

The 2025 California Latino GDP Report build on the U.S. Latino GDP report by providing detailed state-level analysis of Latino economic and demographic contributions, benchmarked against the broader U.S. Latino GDP. The 16 largest states by Latino population comprise almost 55 million Latinos, which is more than 84 percent of the Latino population in the United States. The top eight states include 48.6 million Latinos. California, Texas, Florida, New York, Illinois, Arizona, New Jersey, and Colorado collectively contain nearly three-quarters of the Nation's Latino population.


10 largest states by Latino population

10 fastest growing state Latino populations
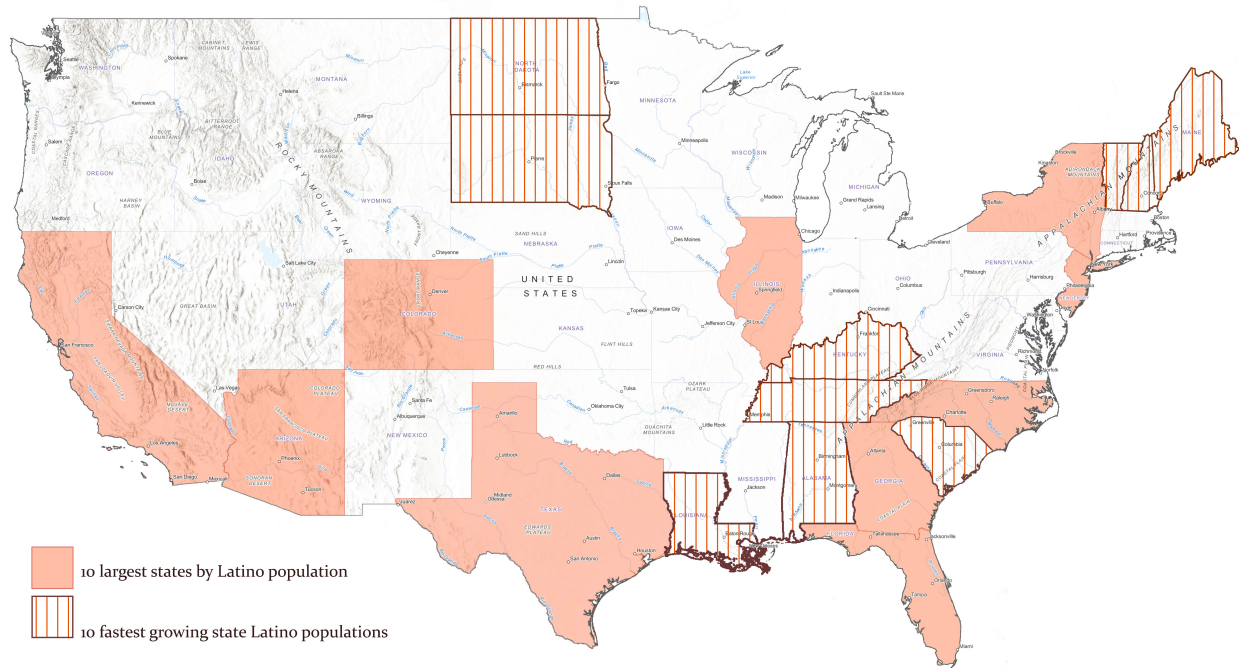
Esri Geospatial Cloud | ArcGIS online[1]

The raking of the 10 largest states by Latino population has remained fairly stable during the past four years, with only one change – Illinois' Latino population rose from sixth place in the U.S. to fifth place in 2023, over-taking Arizona. The number of Latinos living in Illinois increased by 78,500 people between 2020 and 2023. Arizona's Latino population actually declined by almost 42,000 people during that same period.

In contrast to the relative stability of the eight largest states by Latino population, the next eight, (that is, the 9th to 16th largest states by Latino population) experienced numerous ranking changes between 2020 and 2023. North Carolina, the 11th largest state in 2020, rose to 9th largest following an increase of 122,000 Latinos. The states that North Carolina overtook, Georgia and Pennsylvania, had Latino population increases of 90,000 and 36,000 people respectively. Washington state overtook New Mexico following a Latino population increase of 115,000, compared to New Mexico's Latino population loss of 18,500. Virginia rose from 16th largest to 14th largest following a Latino

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population increase of 64,000 people, compared to Nevada's 5,000-person Latino population loss and Massachusetts gain of 33,000 persons.
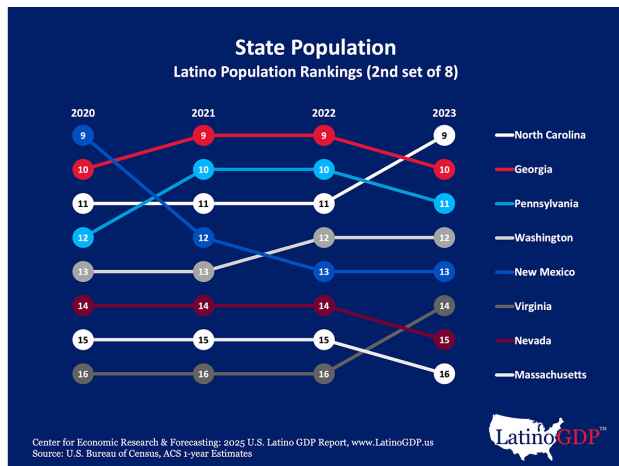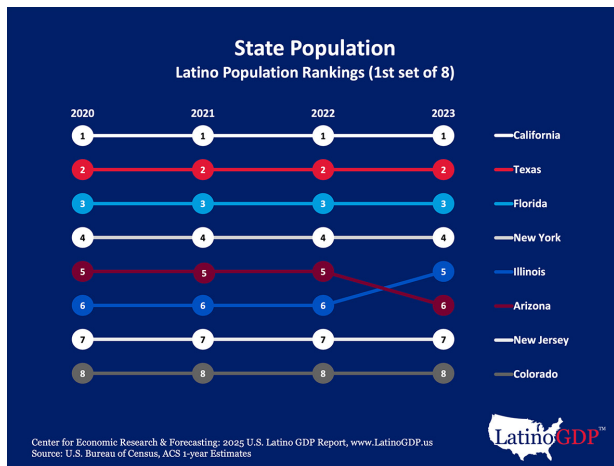
These dynamics across the top 16 states do not imply that the extraordinary economic impact of Latinos is concentrated in a narrow geographic region of the country. When we rank states by percentage growth, we see that the fastest growing state Latino populations are spread far and wide – Latino dynamism is a nationwide phenomenon.

Fastest Growing States by Latino Population (2015-2023)

| | Top 10 States | | | | States with 500,000 or more Latinos | |
| | People | | Percent Change | | Percent Change | |
Rank	State	Latino Pop. Change	State	Latino Pop. Growth	State	Latino Pop. Growth
1	Texas	1,463,472	Tennessee	60.0	Tennessee	60.0
2	Florida	1,233,857	Vermont	54.7	Ohio	37.7
3	California	575,892	Maine	54.7	Maryland	36.5
4	New Jersey	343,171	South Dakota	54.7	Indiana	36.1
5	North Carolina	325,199	South Carolina	52.3	North Carolina	35.7
6	Pennsylvania	281,551	Alabama	50.8	Utah	33.6
7	Georgia	272,484	Kentucky	50.2	Pennsylvania	32.4
8	Washington	255,560	New Hampshire	47.6	Oklahoma	32.0
9	Arizona	248,397	North Dakota	46.7	Washington	28.8
10	Virginia	216,696	Louisiana	43.1	Virginia	28.8

Source: U.S. Bureau of Census 1-Year ACS. All changes from 2015 to 2023.

Comparing all 50 states, the three fastest growing states by percentage change are Tennessee, Vermont, and Maine, all with Latino population growth rates well over 50 percent from 2015 to 2023. Other Latino growth hotspots include South Dakota, South Carolina, Alabama, and Kentucky, whose Latino populations also grew by more than 50 percent. Given that some of these states, such as Vermont and Maine, are small population areas, we also calculate the fastest growing among
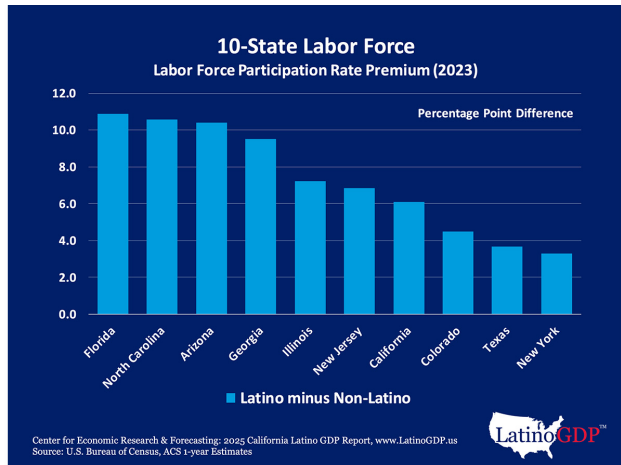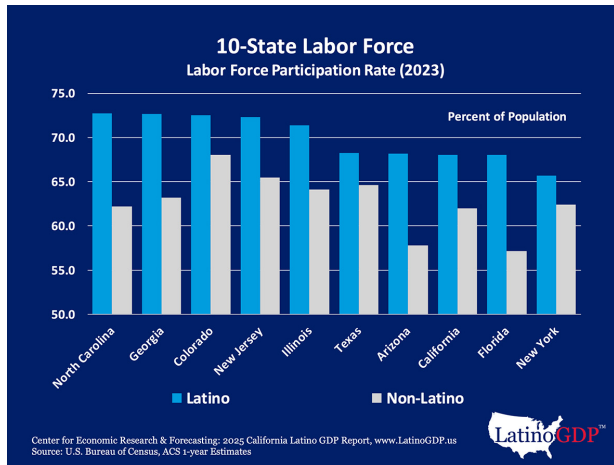
"large" states, specifically those with 500,000 or more Latinos. Tennessee is again the fastest growing. Ohio, Maryland, and Indiana are 2ⁿᵈ, 3ʳᵈ, and 4ᵗʰ fastest growing, respectively. The distribution of Latino population growth is clear evidence that the economic vitality of U.S. Latinos touches every corner of the nation.

Focusing now on the 10 largest states by Latino population, Latino population growth compares favorably to that of Non-Latinos across all 10. Remarkably, were it not for Latinos, the populations of New York, Illinois, New Jersey and California would have contracted. Non-Latino population growth was negative from 2010 to 2023 in each of these four states. But Latino population growth was strong enough to turn each state's population growth positive overall. Even in those states with strong Non-Latino population growth, Latino population growth enjoys a substantial growth premium. Across all 10 states, population growth among Latinos was 4.1 times faster than population growth among Non-Latinos, between 2010 and 2023.
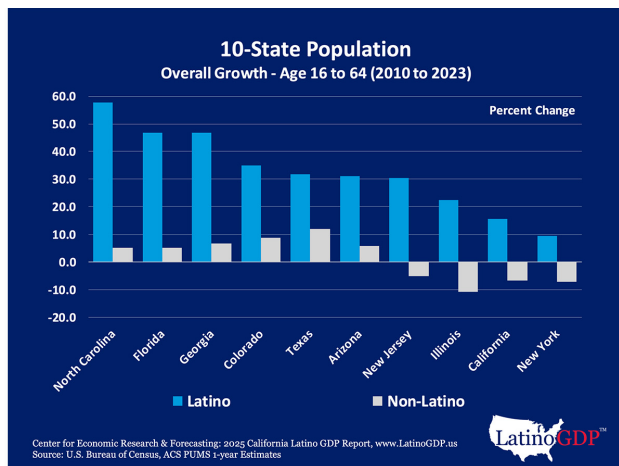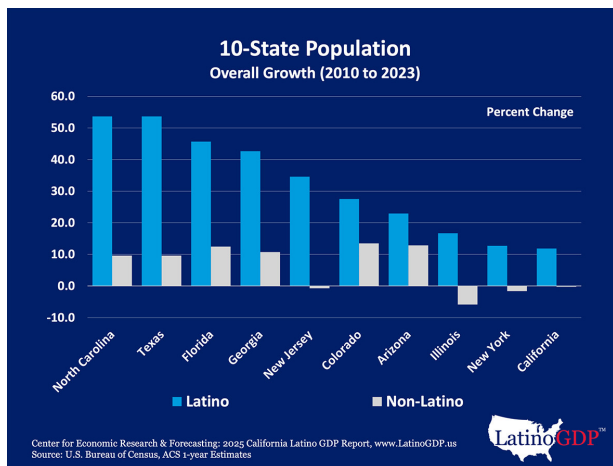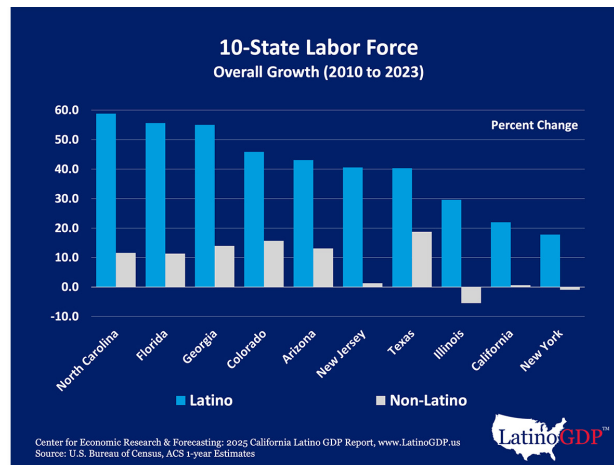

In addition to having a population that is growing more rapidly, Latinos have a younger median age than Non-Latinos. In 2023, the Median Age for U.S. Latinos was 31.0 years. For Non-Latinos, it was 41.3 years. Due to their age distribution, Latinos are adding substantial numbers of people to the critical category of working age adults, defined as ages 16-64. Meanwhile, Non-Latinos are experiencing a high concentration of population in the 55-64 year age range, the cohort of near-retirees. Were it not for Latinos, the working age populations of California, Illinois, New Jersey, and New York would have contracted from 2010 to 2023.

In addition to contributing large numbers to the population of working age adults, Latinos are also significantly more likely to be actively working or seeking work than Non-Latinos. Across all 10 states, the Latino labor force participation rate is substantially higher than that of Non-Latinos. Six of the 10 states enjoy a labor force participation premium that is even larger than the 6.7 percentage point premium enjoyed by Latinos nationally. Florida Latinos are a remarkable 10.9 percentage points more likely to be actively working than their Non-Latino counterparts. North Carolina's and Arizona's participation premiums are an impressive 10.6 and 10.4 percentage points, respectively. In Georgia, the premium is 9.5 percentage points.

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Census, ACS 1-year Estimates

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Census, ACS 1-year Estimates

The younger age distribution, strong population growth, and higher labor force participation rate of Latinos in the 10 states has resulted in strong and consistent contributions to each state's labor force. Despite being only 29 percent of the population of the 10 states, Latinos are responsible for more than 62 percent of the growth of the labor force from 2010 to 2023.

Center for Economic Research & Forecasting: 2025 California Latino GDP Report, www.LatinoGDP.us
Source: U.S. Bureau of Census, ACS 1-year Estimates

The importance of labor force growth cannot be overstated. According to the Federal Reserve, the number of people retiring each month in the U.S. is close to 350,000 mostly Non-Latino Baby-Boomers. The resulting shortage of workers is a demographic crisis which threatens the country's ability to maintain even modest economic growth over the next few decades. Fortunately, Latinos are already well on their way to rescuing these 10 states and the broader nation from a demographic time bomb.

Methodology

The starting point for the state-specific Latino GDP estimates in this report is the U.S. Latino GDP calculations undertaken by Hamilton, Fienup, Hayes-Bautista, and Hsu in the 2025 U.S. Latino GDP Report (Hamilton et al. 2025). Those calculations are based on publicly available national economic data as well as a wide set of nation-wide measures of Latino-specific demographics and economic activity. The state-specific Latino GDP calculations start with the U.S. Latino GDP estimates and add standard state-level economic datasets, along with a wide set of state-specific measures of Latino demographics and Latino economic activity.

For national and state Latino GDP, we compute Latino versions of seven major expenditure components across many commodity definitions of economic activity. The level of detail includes 71 categories of commodities for the U.S. analysis. Those categories are aggregated into 21 broader commodity categories for the state-level analysis.[2] Our analysis requires detailed data from the U.S. Bureau of Economic analysis on GDP, income, expenditure, employment, and prices across all of the states and the nation. We also utilize the U.S. Input-Output (I-O) table, the foundation for the national income accounting system, that produces GDP and inter-industry activity breakouts by expenditure type, income type, and industry sector. This effort also requires data on economic and demographic activity broken out by ethnicity, so that we can compute Latino shares of expenditures at a detailed industrial sector level. The Latino-specific data are sourced from the American Community Survey (BOC-ACS), integrated public use microdata series (BOC-UMN-IPUMS), the American Housing Survey (BOC-AHS), the Current Population Survey (BOC-CPS), the Population Estimates program (BOC-POPEST), the Housing Vacancy Survey (BOC-HVS), and the Consumer Expenditure Survey (BLS-CEX). The Latino GDP is calculated as the sum of Latino-specific measures of the seven major expenditure categories.

To compute the industry breakdowns of Latino GDP, for the states and the nation, we utilize BEA measures of income by type for all ethnicities, along with IPUMS data on Latino income by type. These data provide a way to calculate Latino-specific versions of three major income categories across 21 industries. The sum of these major income categories provides the industry breakdown of Latino GDP.

As with standard GDP estimates by the BEA, our Latino GDP estimates are based on a detailed bottom-up calculation. The State Latino measures can be decomposed to seven major expenditure components, and they can be split out into 15 separate industrial sectors. The seven expenditure categories are: Personal Consumption, Residential Investment, Nonresidential Investment, Change in Inventories, Exports, Imports, and Government Consumption and Investment. The 15 industrial sectors are provided in the following table:

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[2] Commodities and industries both follow the NAICS classification scheme, but are conceptually different in that industries are the outputs of the production processes by sector, and commodities are the inputs to the production process by sector.

Table 1: Latino GDP Industry Categories

Agricultural/Natural Resources
Mining/Quarrying
Construction
Durables Manufacturing
Non-Durables Manufacturing
Wholesale Trade
Retail Trade
Transportation/Warehousing/Utilities
Information/Technology
Finance/Insurance/Real Estate
Professional/Business Services
Education/Healthcare/Social Assistance
Leisure/Hospitality
Personal/Repair/Maintenance Services
Government Services

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