

Latinos in California: Building a Secure Economic Future

From 2008 to 2018, the Latino* population in California grew by nearly 13%, or about two million Latinos.¹ Today, an estimated two out of five California residents are Latino.

Despite ongoing inequities where Latinos lag behind other California residents, gains across several economic indicators point to better economic security for Latinos. Given the size of the Latino population in California, considering Latino economic gains and addressing economic shortfalls across a range of indicators can help lawmakers and advocates empower the economic security of all Californians.

Snapshot of Latinos in California

	Latinos in California		All Californians	
	2008	2018	2008	2018
 Median Household Income	\$46,969	\$59,440	\$61,021	\$75,277
 Poverty Rate	19.2%	16.5%	13.3%	12.8%
 Earned Income Tax Credit Receipt	1.5 million	1.6 million	300,000	500,000
 Child Tax Credit Receipt	800,000	1.1 million	200,000	300,000
 Renters Facing High Rental Costs	59.1%	58.3%	54.7%	54.6%
 Homeownership	46.2%	44.7%	57.0%	54.8%
 Access to Paid Leave	41.5%	41.3%	42.2%	46.1%

* The terms “Hispanic” and “Latino” are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race. This document may also refer to this population as “Latinx” to represent the diversity of gender identities and expressions that are present in the community.

Trends that Promote Economic Security:

- **Decrease in Latinos Experiencing Rent Burden:** In 2018, more than half of Latinos in California were burdened by the high cost of rent, meaning that they spent more than 30% of their income on it. Compared to 2008, the share of Latinos burdened by rent decreased by about one percentage point, to 58.3%.² Unfortunately, Latinos in California are still more likely to be burdened by high rental costs than Californians overall.
- **Decrease in Latino Poverty:** The Latino poverty rate dropped by about three percentage points between 2008 and 2018. Part of this development can be attributed to two tax credits that bolstered financial support for Latino families: the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC). In 2018, some 1.6 million Latino households in California received the EITC and almost 1.1 million received the CTC in California.³ Despite the progress, on average, Latino poverty continues to be significantly higher compared to the overall California population.

A Trend that Obstructs Economic Security:

- **Fewer Latinos Own a Home:** Since 2008, California gained 221,401 Latino homeowners.⁴ Yet, Latino homeownership declined by about two percentage points, from 46.2% in 2008 to 44.7% in 2018. In addition, the state's 2018 Latino homeownership rate remained lower than the state's overall homeownership rate of 54.8%.

Conclusion

Latinos in California have made considerable gains in the last decade, particularly in achieving lower poverty rates and some relief in experiencing rent burdens. Yet, Latinos in California still lag behind the average California resident. It is critical that all policymakers look to trends in California households' economic security to guide their policies. The key takeaway is clear: where policymakers create targeted policies and programs that help working Latinos succeed, all Americans succeed.

About Us

UnidosUS, previously known as NCLR (National Council of La Raza), is the nation's largest Hispanic civil rights and advocacy organization. Through its unique combination of expert research, advocacy, programs, and an [Affiliate Network](#) of nearly 300 community-based organizations across the United States and Puerto Rico, UnidosUS simultaneously challenges the social, economic, and political barriers that affect Latinos at the national and local levels.

For more than 50 years, UnidosUS has united communities and different groups seeking common ground through collaboration, and that share a desire to make our country stronger. For more information on UnidosUS, visit www.unidosus.org or follow us on [Facebook](#), [Instagram](#), and [Twitter](#).

Endnotes

1 U.S. Census Bureau, "American FactFinder: Selected Population Profile in the United States," *American Community Survey 1-Year Estimates*, Washington, DC, 2018 & 2008.

2 Ibid.

3 UnidosUS calculations from the U.S. Census Bureau's Current Population Survey, Annual Social and Economic Supplement, 2018.

4 U.S. Census Bureau, "American FactFinder: Selected Population Profile in the United States," *American Community Survey 1-Year Estimates*, Washington, DC, 2018 & 2008.