

Looking Back on Asian American, Native Hawaiian, and Pacific Islanders Month and Looking Forward to More Detailed Data

Last month, the Treasury Department welcomed many members of Asian American, Native Hawaiian, and Pacific Islander communities from civil society organizations, the private sector, and government bodies to its first ever [AA and NHPI Economic Summit](#). The gathering sought to highlight the important role AA and NHPI communities play in the economy. It is part of a broader effort within Treasury to build a stronger and more inclusive economy [that helps produce better outcomes for all Americans](#), following the most [equitable recovery on record](#).



In her [opening remarks](#), Secretary Yellen highlighted unique characteristics of the AA and NHPI communities who have roots in more than 30 countries¹: AA and NHPI, collectively, make up the fastest growing racial group in the United States and [contribute significantly to our overall economy](#), participating in the labor force at higher rates than the national average and owning over three million businesses.

Stakeholders and speakers shared their economic experiences and drew attention to the fact that data summarized over the whole population masks important differences in economic wellbeing of various groups of people within AA and NHPI communities. Disaggregated data for the diverse and growing AA and NHPI communities would allow specific differences in well-being by ethnicity to be better reflected.

Here, the [Equity Hub](#) shares some of what we heard and recent advances in obtaining data to better understand the different experiences of AA and NPHI communities.

First, here are some of the highlights speakers and stakeholders shared.

It is unfortunately not always possible to understand economic conditions of all ethnicities in the AA and NHPI communities. Frequent and consistent data on these groups are often not available because surveys gathering data on the U.S. population do not obtain information from enough people in smaller groups to make reliable estimates.

- Between 2010 and 2020, the AA community grew by 38.6 percent and the NHPI population grew by 29.1 percent.² These increases were uneven across the nation. For example, between 2010 and 2020, the Asian alone population increased by 77 percent in South Dakota, where the Asian Indian population makes up the largest subgroup of the AA population, and by 3 percent in Hawaii where the Japanese population makes up the largest subgroup of the community.³ Understanding detailed population changes can help guide federal agencies, including Treasury, in ensuring culturally accessible resources are available in the right places, contexts, and languages.⁴ As an example of demand for such products, during 2023, the IRS reported more than [3.5 million Asian-language page views](#).
- AA and NHPI-owned employer businesses represent over 11 percent of all employer businesses in the U.S.⁵ That share differs greatly across regions. For example, in New York City, Asian-owned businesses account for nearly a quarter of all businesses in the city – a greater share than their share of the city’s population.⁶ As such, it is critical for the economy to ensure that they have access to capital and business support.
- Official statistics on household demographic and economic characteristics often combine AA and NHPI community data. This presentation does not account for differences among AA and NHPI groups. While median household income of all Asian Americans is significantly higher than the overall U.S. population, at \$108,700 as compared to the national median of \$74,600, the poverty rate for Native Hawaiian and Pacific Islander families is higher than the U.S. population average at 18 percent, compared to 10 percent nationwide.⁷ Secretary Yellen has noted that tax credits are among the [most promising antipoverty programs](#). Knowing which communities are likely to be eligible and may benefit most from learning about available tax credits is critical for designing effective [outreach campaigns](#).

Next, Summit participants explored ways more disaggregated data can help improve the reach of Treasury programs.

A better understanding of economic conditions of various ethnicities within specific race and ethnicity groups can help policymakers tailor policies and program delivery more efficiently and effectively. This is key to making sure programs can unlock more [productive potential](#) throughout the economy as the population changes.

On March 28, 2024, the Biden Administration announced an update to [Statistical Policy Directive No. 15](#), which provides guidance on the standards for maintaining, collecting, and presenting federal data on race and ethnicity.⁸ The directive makes key revisions to questions used to collect information on race and ethnicity. Respondents are encouraged to select as many options as apply among many race and

ethnicity categories. For the AA and NHPI populations the detailed data will allow for disaggregation of the following categories:

- *Asian*: Chinese, Asian Indian, Filipino, Vietnamese, Korean, and Japanese, Another group (for example, Pakistani, Hmong, Afghan, etc.), and
- *Native Hawaiian or Pacific Islander*: Native Hawaiian, Samoan, Chamorro, Tongan, Fijian, Marshallese, Another group (for example, Chuukese, Palauan, Tahitian, etc.).

A primary goal of the revision is to ensure consistent and comparable race and ethnicity data across the federal government. The new standards promise to create more useful, accurate, and up to date federal data on race and ethnicity. These revisions will enhance federal agencies' ability to compare information and data and to understand how well federal programs serve a diverse America. Already, some Treasury programs are implementing the spirit of this new directive.

- The [State Small Business Credit Initiative](#) (SSBCI) program aims to better track and report demographic information of business owners that receive financing through the program. This includes providing an option to the AA and NHPI beneficiaries to report on their ethnicity in more detail, to better understand how SSBCI is serving the diverse business needs within the AA and NHPI community: Individual ethnicities that can be reported include Indian, Chinese, Filipino, Japanese, Korean, Vietnamese, Guamanian or Chamorro, Native Hawaiian, and Samoan.⁹
- Two capital access programs authorized under the Consolidated Appropriations Act of 2021, the [Emergency Capital Investment Program](#) (ECIP) and the [CDFI Equitable Recovery Program](#), will also collect information on race and ethnicity from awardees, including from the AA and NHPI communities.
- ECIP has used early data to highlight [particularly impactful ECIP investments](#), with more demographic data expected once reporting on demographic information of beneficiaries becomes a program requirement in summer 2024.
- The [Community Development Financial Institutions \(CDFI\) Fund](#) has implemented improvements to help CDFIs direct capital and services to AA and NHPI populations. The new [CDFI certification and reporting process](#) revises specifications to the "Other Targeted Populations" category to include Vietnamese and Filipino populations, allowing CDFIs to receive credit for providing financial products and services to these specific populations that have experienced hardship in obtaining financing, according to verifiable data.¹⁰

The Biden-Harris Administration has made clear how important it is to advance fairness and opportunity as part of promoting the nation's economic success.¹¹ A better understanding of the diversity, assets, and needs within the AA and NHPI and other communities is critical to designing policies for building an economy where everyone can participate, prosper, and reach their full potential.

¹ U.S. Department of Health and Human Services Office of Civil Rights. (2024, May 24). <https://www.hhs.gov/blog/2024/05/24/ocr-celebrates-asian-american-native-hawaiian-and-pacific-islander-heritage-month.html#:~:text=The%20AA%20and%20NHPI%20populations,who%20speak%20many%20different%20languages.>

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- ² U.S. Census Bureau. (2020). Percentage of population and percent change by race: 2010 and 2020. <https://www2.census.gov/programs-surveys/decennial/2020/data/redistricting-supplementary-tables/redistricting-supplementary-table-02.pdf>
- ³ My Asian Voice, 2024. "AA and NHPI Demographics and Socioeconomics Placemat", prepared for the U.S. Department of the Treasury AANHPI Economic Summit, May 7, 2024. <https://www.myasianvoice.com/demographics-and-socioeconomics-of-aa-and-nhpi>
- ⁴ For additional information on the U.S. Treasury Department's efforts to conduct culturally and linguistically competent outreach, please see U.S. Department of the Treasury. *Culturally and linguistically competent outreach*. (2024, May 30). <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program/promising-practices/outreach>
- ⁵ US Census Bureau. (2024, April 19). Asian American, Native Hawaiian and Pacific Islander heritage. Census.gov. <https://www.census.gov/library/visualizations/2024/comm/asian-american-nhopi.html>
- ⁶ The growing economic impact of NYC's Asian-Owned Businesses | Center for an Urban Future (CUF). (n.d.). Center for an Urban Future (CUF). <https://nycfuture.org/research/the-growing-economic-impact-of-nycs-asian-owned-businesses#:~:text=Report%20%2D%20November%202021-,The%20Growing%20Economic%20Impact%20of%20NYC%27s%20Asian%20Owned%20Businesses,overall%20growth%20in%20businesses%20citywide.>
- ⁷ U.S. Census Bureau. (2022). Median household income and percent change by selected characteristics. <https://www.census.gov/content/dam/Census/library/visualizations/2023/demo/p60-279/figure1.pdf>: U.S. Census Bureau, 2022 American Community Survey 1-Year Estimates.: <https://data.census.gov/table/ACSSPP1Y2022.S0201?t=-05:050:060:590>
- ⁸ The White House.(2024b, March 28). OMB publishes revisions to Statistical Policy Directive No. 15: Standards for Maintaining, Collecting, and presenting Federal Data on Race and Ethnicity. <https://www.whitehouse.gov/omb/briefing-room/2024/03/28/omb-publishes-revisions-to-statistical-policy-directive-no-15-standards-for-maintaining-collecting-and-presenting-federal-data-on-race-and-ethnicity/>
- ⁹ U.S. Department of the Treasury. (2024d). Capital Program Reporting Guidance. <https://home.treasury.gov/system/files/136/SSBCI-Reporting-Guidance.pdf>
- ¹⁰ U.S. Department of the Treasury (2023). An overview of key updates to the CDFI certification application. https://www.cdfifund.gov/sites/cdfi/files/2023-12/Overview_of_Key_Updates_to_the_CDFI_Certification_Application_12072023.pdf
- ¹¹ The White House. (2021b, January 21). Executive Order on Advancing Racial Equity and Support for Underserved Communities through the Federal Government. <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/>