

Maryland's Population Gain Exceeds U.S. Pace (But population growth slows as births decline and net domestic out migration increases)

Maryland's population grew by just under 45,000 people between July 1, 2011 and July 1, 2012 according to estimates just released by the U.S. Census Bureau.¹ Maryland's total gain was ranked 13th among the 50 states and the District of Columbia, while its 0.8 percent increase during this time period exceeded the overall national percentage change of 0.7 percent and was ranked 23rd.

Since the April 1, 2010 Census, Maryland has gained a total of 111,000 people (ranked 11th), or 1.9 percent (ranked 20th). (See [Table 2.](#)) The State's population gain over the 27-month time span can be broken into three basic components of change: births, deaths and net migration. The biggest impact on growth was from births minus deaths, or net natural increase, which accounted for 64,116, or over one-half (57.8%), of the total change. The 47,519 gain attributed to net migration was made up of an estimated 55,059 increase from international migration and a 7,540 net loss from net domestic migration (the movement between Maryland and all other states). (See [Table 4.](#))

Annual Data Indicates Slow Down in Growth for Maryland

Maryland's population growth in 2012 was well below estimated gains for 2011 (51,574) and 2010 (57,610), but either matched or was well below gains during the 2005 to 2009. Growth was greatest for Maryland in the first three years of the last decade with average annual population gains of just over 61,700. (See [Chart 1.](#))

While slowing down over the last few years, Maryland's percentage increase has exceeded the overall national rate in each of the last three years, although its ranking has fallen from 16th in 2011 to 23rd in 2012. (See [Chart 2](#) and [Table 3.](#)) Growth rates were highest in the first two years of the 2000s at around 1.2 percent per year.

The smaller numeric gain in the most recent year compared to the two prior years is due chiefly to a lower number of births and net domestic migration. The estimated total number of births in the July 1, 2011 thru July 1, 2012 period of 71,840 is the smallest over the last 12 years ([Chart 3](#)), and is one of the consequences of the Great Recession which greatly slowed household formation. And since deaths have shown much less variability than births ([Chart 3](#)), the increment to total population from net natural increase (births minus deaths) is also the smallest in the 12 years ([Chart 4](#)). As a point of comparison, the estimated 27,103 increase to Maryland's population from net natural increase in the last year was nearly 7,100 below the peak net natural change of 34,217 in 2006/2007.

Another "drag" on population growth in Maryland in 2011/2012 was the net domestic out migration of just over 7,800, well above the 490 net outflow of the previous year ([Chart 5](#)). In the past both the direction and volume of net domestic migration for Maryland has been heavily influenced by the economic climate in the State versus the rest of the nation. The State would experience net in migration when its job growth was above national averages and flip to net out migration when local job

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growth would fall below national rates. This is most evident in the first three years of the 2000s when Maryland's economy was stronger than the nation as a whole and as a result experienced net in migration which peaked at 12,100 in 2001/2002. During the mid part of the last decade, however, another important factor was the run up in housing prices which resulted in increased out migration of Maryland residents to neighboring states, particularly Pennsylvania, which had lower housing costs. As a result, net out migration for Maryland peaked in 2006/2007 at 33,169 just when the housing bubble peaked. The collapse of the housing bubble and the fall in housing prices, along with the general effects of the Great Recession on overall mobility, which made it difficult to both buy and sell homes, has led to a steady decline in net domestic out migration for Maryland at the end of the last decade and to a slight population gain by 2009/2010.

Contrary to the smaller contributions from net natural increase, and the larger net domestic outflows, have been the increased gains from international migration. The nearly 26,000 gain over the 2011/2012 period was well above the 23,450 gain in the prior year, and was by far the largest yearly gain in the last 12 years.² (Chart 6). While there are many factors that affect international migration movements, its ebb and flow does generally correspond with overall economic conditions and the growth of jobs.

Texas Leads Population Growth, North Dakota and the District of Columbia Grow at fastest rate

Texas had the largest population gain in the U.S. over the latest 12-month period, growing by 472,425 or 1.7 percent. Population growth in Texas, aided by strong gains from both international migration (69,702, the fourth largest in the U.S.) and domestic migration (140,888, the largest in the U.S.) is a function of its strong economy. (See Table 5.) The Texas economy has been led by its mining sector, including oil and gas extraction, which has been boosted by high energy prices.

Population gains in California (357,497, or 0.9%) and Florida (235,306, or 1.2%) round out the top three numeric gains. California's gain came despite the loss of 44,500 thru net domestic out migration. In contrast to this loss from domestic migration, California had the nation's largest gain from international migration (132,593). Florida, like Texas, had growth from both domestic (101,411) and international migration (at 99,386, the second largest in the U.S.). Florida's gains from domestic migration, while well below peak gains of 265,000 in both 2003/2004 and 2004/2005, are a reversal of what happened toward the end of the last decade when the State experienced net outmigration as a consequence of the housing bubble collapse.

Two states were estimated to have experienced population declines over the last year: Vermont (-581) and Rhode Island (-354). Rhode Island has now had population losses for two consecutive years, although the latest loss was far below the 2,100 decline in the prior year. Both Vermont and Rhode

² However, the data for 2011 and 2012 are not directly comparable to estimates during the 2000s since there was an change in the Census Bureau's methodology for estimating international migration. (See: <http://www.census.gov/popest/methodology/2012-est-relnotes.pdf>)

Island had very little natural increase and both experienced net domestic out migration that exceeded their net natural gains.

One state which made news by NOT losing population in the 2011/2012 period is Michigan. The state grew by just over 6,500 (0.1%) in the last year, in contrast to its loss of just under 900 in the prior year. Michigan was the only state to experience population loss over the 2000 to 2010 period, and it is estimated that the state has had annual losses since 2005. A turnaround in the auto industry in recent years has greatly improved the State's economy and thus greatly reduced net domestic outmigration.

North Dakota (2.2%) had the largest percentage increase in the nation last year. The State's economy has been booming, and was ranked number one in the percentage increase in jobs in each of the last three years. The State's rise in prosperity has been tied to the phenomenal growth in its mining and logging sector, or more specifically the boom in oil shale extraction achieved through a horizontal hydraulic fracturing process. This vibrant economy has given North Dakota the highest net domestic migration rate over the last year (15.1 per 1,000 population). (See [Table 6.](#))

The District of Columbia (2.1%) had the second largest percentage increase over the last year, after leading the nation in population growth in 2010/2011 (2.3%), for the first time since the 1940s. Population growth in the District has been fueled by its strong economy which is being propelled forward by expansion of federal government employment. As a result, the District has the second highest net domestic migration rate in the country over the last year (9.7 per 1,000 population).

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