

A Reprint from *Tierra Grande*

By Harold D. Hunt

**T**o be sure, the economic downturn has hit Texas hard. But the state's economy has performed better than most, bolstering its attractiveness to outsiders.

Since January 2007, net nonfarm employment in the United States has decreased by almost seven million jobs. Meanwhile, Texas added 389,500 jobs. That was about ten times the net job growth of second-place North Dakota.

Only seven other states (North Dakota, Louisiana, Alaska, Oklahoma, South Dakota, Wyoming and Nebraska) and the District of Columbia had increases in nonfarm employment over the 54-month period through July 2011 (Table 1). Together, they represented a net increase of about 119,000 jobs, less than one-fourth the total of Texas' increase.

Data from the U.S. Census Bureau reveals about half a million people annually have been relocating to Texas from other states in recent years. Migrants from foreign countries account for another 180,000 a year.

What areas are immigrants relocating from? What levels of income and education do they bring? What sectors of the Texas economy are employing them? This is the first in a series of articles addressing these and other questions.

### Inbound from Everywhere

During the study period, people migrated to Texas from the other 49 states and the District of Columbia. Ten states (California, Louisiana, Florida, Oklahoma, Illinois, Georgia, Arizona, Colorado, New York and Virginia) were responsible for more than half (54.6 percent) of the 2.2 million total immigrants (Table 2).

**Table 1. States with Positive Nonfarm Employment Growth Net Increase, January 2007 to July 2011**

State	Net New Jobs	Percent of Total
<b>Texas</b>	<b>389,500</b>	<b>76.6</b>
North Dakota	39,400	7.7
District of Columbia	24,600	4.8
Louisiana	14,200	2.8
Alaska	13,700	2.7
Oklahoma	13,100	2.6
South Dakota	4,900	1.0
Wyoming	4,900	1.0
Nebraska	4,200	0.8
<b>Total</b>	<b>508,500</b>	<b>100.0</b>

Source: U.S. Bureau of Labor Statistics

**Table 2. Annual Domestic Texas In-Migration, 2006–09**

Migrated From	Sorted by Largest to Smallest Cumulative Total					Percent by State	Cumulative Percent
	2006	2007	2008	2009	Cumulative		
California	84,608	79,377	77,356	62,509	303,850	13.6	13.6
Louisiana	116,112	39,593	35,068	24,696	215,469	9.7	23.3
Florida	43,939	40,025	43,668	38,493	166,125	7.4	30.7
Oklahoma	26,380	28,041	27,759	22,860	105,040	4.7	35.4
Illinois	27,941	18,326	18,201	19,605	84,073	3.8	39.2
Georgia	13,167	20,559	18,690	20,384	72,800	3.3	42.4
Arizona	17,754	16,660	15,199	20,714	70,327	3.2	45.6
Colorado	18,128	17,883	16,653	16,604	69,268	3.1	48.7
New York	19,196	15,632	18,998	14,014	67,840	3.0	51.7
Virginia	15,186	17,355	13,927	16,465	62,933	2.8	54.6
New Mexico	11,697	17,145	18,166	15,735	62,743	2.8	57.4
Arkansas	12,761	18,777	15,137	9,998	56,673	2.5	59.9
North Carolina	12,397	11,730	15,858	15,894	55,879	2.5	62.4
Missouri	8,533	17,538	16,914	12,047	55,032	2.5	64.9
Ohio	16,039	11,430	12,283	12,906	52,658	2.4	67.2
Michigan	9,690	14,740	11,614	12,284	48,328	2.2	69.4
Kansas	11,472	10,703	11,551	10,318	44,044	2.0	71.4
Tennessee	7,492	10,620	12,720	12,390	43,222	1.9	73.3
Washington	11,128	9,396	10,048	10,033	40,605	1.8	75.1
Indiana	11,101	10,575	7,249	9,896	38,821	1.7	76.9
Mississippi	13,380	9,244	7,970	6,710	37,304	1.7	78.5
New Jersey	13,015	7,247	11,667	5,257	37,186	1.7	80.2
Minnesota	11,877	8,217	9,095	7,005	36,194	1.6	81.8
Maryland	8,784	9,151	4,453	9,212	31,600	1.4	83.2
Alaska	5,423	8,579	7,378	9,957	31,337	1.4	84.6
Pennsylvania	5,905	9,276	9,183	6,204	30,568	1.4	86.0
Alabama	7,553	7,188	6,776	7,472	28,989	1.3	87.3
South Carolina	7,207	4,150	5,531	10,231	27,119	1.2	88.5
Nevada	6,216	5,997	5,345	6,046	23,604	1.1	89.6
Hawaii	8,011	2,826	5,746	6,617	23,200	1.0	90.6
Wisconsin	3,636	8,743	7,308	3,419	23,106	1.0	91.7
Kentucky	5,840	6,953	4,298	4,311	21,402	1.0	92.6
Massachusetts	4,851	7,043	4,276	4,405	20,575	0.9	93.5
Utah	3,763	5,300	4,486	4,603	18,152	0.8	94.3
Iowa	3,748	6,570	5,533	2,207	18,058	0.8	95.2
Oregon	3,530	3,959	5,187	4,138	16,814	0.8	95.9
Nebraska	2,744	4,037	5,273	3,341	15,395	0.7	96.6
Connecticut	3,318	3,210	3,273	2,886	12,687	0.6	97.2
Wyoming	2,632	2,549	3,970	842	9,993	0.4	97.6
South Dakota	2,931	2,652	1,520	1,524	8,627	0.4	98.0
Idaho	2,091	879	3,319	1,991	8,280	0.4	98.4
Montana	1,763	2,376	1,684	842	6,665	0.3	98.7
New Hampshire	1,254	3,502	491	990	6,237	0.3	99.0
West Virginia	1,493	748	1,924	674	4,839	0.2	99.2
District of Columbia	1,084	740	1,101	1,427	4,352	0.2	99.4
North Dakota	499	440	1,964	883	3,786	0.2	99.5
Delaware	108	825	701	1,843	3,477	0.2	99.7
Rhode Island	450	1,131	614	1,215	3,410	0.2	99.8
Maine	519	1,284	599	470	2,872	0.1	100.0
Vermont	168	0	197	287	652	0.0	100.0
<b>Total</b>	<b>628,514</b>	<b>560,921</b>	<b>547,921</b>	<b>494,854</b>	<b>2,232,210</b>	<b>100.0</b>	

Source: U.S. Census Bureau American Community Survey, 2006–09

The heaviest annual migration to Texas (628,514) occurred in 2006. In 32 states, the greatest annual outmigration to Texas occurred in 2006 or 2007, the two survey years before the national recession began.

Nine of the top ten states (Table 2) recorded the most annual outmigration to Texas during the prerecession period. Only Arizona had higher annual Texas-bound migration after the recession began. Louisiana had extremely high outmigration in 2006, mostly as a result of Hurricane Katrina in August 2005.

The national housing collapse likely contributed to the fall-off in migration after the recession began. With home values sinking below mortgage balances in states such as California and Florida, many potential migrants could not relocate.

### Immigrants' Educational Attainment

More than 70 percent of heads of households relocating to Texas during the survey period (about half a million people) had either a college degree or some college coursework. Just

**Table 3. Head of Household Educational Attainment Ranked by Highest Four-Year Total In-Migration**

State	No High School Diploma	High School Diploma	Some College	College Degree
(Percent)				
California	11.6	15.7	34.4	38.4
Louisiana	14.2	23.4	33.6	28.8
Florida	7.9	18.3	37.7	36.1
Oklahoma	8.8	17.9	31.1	42.3
Illinois	11.4	19.6	23.8	45.3
Georgia	10.0	24.0	28.3	37.8
Arizona	7.6	23.5	39.2	29.7
Colorado	10.2	12.9	31.2	45.7
New York	7.8	18.4	24.7	49.1
Virginia	10.0	11.2	27.0	51.7
<b>Avg. of Top Ten</b>	<b>11.3</b>	<b>19.0</b>	<b>32.0</b>	<b>37.6</b>
<b>Overall Average</b>	<b>10.3</b>	<b>18.8</b>	<b>31.1</b>	<b>39.7</b>

Source: U.S. Census Bureau American Community Survey, 2006–09

**Table 4. Head of Household Educational Attainment Percent by Year**

Year	No Diploma	High School Graduate	Some College	Bachelor's Degree or More
2006	13.1	20.1	29.7	37.0
2007	10.3	19.2	29.2	41.3
2008	8.5	16.6	33.6	41.3
2009	8.8	19.2	32.2	39.7

Source: U.S. Census Bureau American Community Survey, 2006–09

over 10 percent of household heads did not have a high school diploma (Table 3).

Five of the top ten states (Oklahoma, Illinois, Colorado, New York and Virginia) had a higher percentage of college graduate heads of household than the overall average of 39.7 percent. More than half of those relocating from Virginia during the survey period held a college degree.

The percentage of household heads with no high school diploma decreased during the two years after the recession began (Table 4). The reverse was true for those coming into the state with some college coursework.

Figures from the U.S. Bureau of Labor Statistics show the unemployment rate of Americans varies widely depending on level of education. As of August 2011, the unemployment rate for Americans without a high school diploma was 14.3 percent while college graduates were experiencing a much lower 4.3 percent.

Both rates were much lower in August 2006, before the recession began. Unemployment was at a cyclical low for college grads at 1.8 percent while Americans without a high school degree posted a 6.9 percent rate.

## Most Popular Employment Sectors

Overall, professional services is the most popular employment sector for heads of households relocating to Texas (Table 5). This category includes legal, accounting and engineering jobs, all of which generate demand for office space. These individuals typically have higher-than-average educational attainment.

When the top ten states are examined individually, the most popular employment sector for immigrating household heads varies. After Hurricane Katrina but before the recession, Louisiana residents were most attracted to the Texas professional services sector. However, construction jobs were a bigger draw in the two years after the recession began.

Household heads from California and Illinois were most drawn to the manufacturing sector pre-recession, switching to professional services after the recession began. The reverse was true for those coming from Georgia.

When household head employment in the top ten states is aggregated, the professional services segment remains the most popular. Of the 75,000 household heads employed in the professional services sector, 56 percent came from the top ten states alone. More than two-thirds were from the top ten in 2006.

## Income Breakdown

The Census Bureau reports that the median household income in Texas during 2009, the latest year of the ACS survey, was \$47,475. The percentage of domestic immigrant households by income category is shown in Table 6.

Income variation between the top ten states and the overall total is small (Table 6). However, more variation is found by examining individual states.

At 59.7 percent, Louisiana produced the highest percentage of migrating households with incomes of \$50,000 or less. This number varies widely by year, with a high of 73.7 percent in 2006, the year after Katrina. By contrast, Louisiana's lowest annual percentage, 54.4 percent, came in 2009.

Virginia, the state with the most college-educated household heads, posted the lowest percentage of households with incomes of \$50,000 or less. Virginia was one of the four top-ten states reporting more than 20 percent of households with incomes of more than \$100,000.

**Table 5. Head of Household's Most Popular Employment Sector in Top Ten States**

State	Time Period	Sector	Percentage
California	2006–09	Professional Services	13.5
	2006–07	Manufacturing	13.0
	2008–09	Professional Services	16.2
Louisiana	2006–09	Professional Services	9.9
	2006–07	Professional Services	12.1
	2008–09	Construction	11.6
Florida	2006–09	Retail Sales	12.5
	2006–07	Retail Sales	12.6
	2008–09	Retail Sales	12.1
Oklahoma	2006–09	Medical	10.2
	2006–07	Medical	12.9
	2008–09	Retail Sales	10.1
Illinois	2006–09	Manufacturing	12.2
	2006–07	Manufacturing	13.7
	2008–09	Professional Services	10.9
Georgia	2006–09	Manufacturing	13.7
	2006–07	Professional Services	15.5
	2008–09	Manufacturing	14.2
Arizona	2006–09	Retail Sales	12.7
	2006–07	Retail Sales	15.2
	2008–09	Retail Sales	10.2
Colorado	2006–09	Entertainment	11.5
	2006–07	Professional Services	13.9
	2008–09	Entertainment	12.5
New York	2006–09	Professional Services	15.8
	2006–07	Professional Services	18.1
	2008–09	Professional Services	13.5
Virginia	2006–09	Military	15.2
	2006–07	Government	14.3
	2008–09	Military	19.6
<b>Average of Top Ten</b>	<b>2006–09</b>	<b>Professional Services</b>	<b>10.9</b>
	<b>2006–07</b>	<b>Professional Services</b>	<b>11.1</b>
	<b>2008–09</b>	<b>Professional Services</b>	<b>10.6</b>
<b>Overall Average</b>	<b>2006–09</b>	<b>Professional Services</b>	<b>10.7</b>
	<b>2006–07</b>	<b>Professional Services</b>	<b>10.9</b>
	<b>2008–09</b>	<b>Professional Services</b>	<b>10.4</b>

## Employment Opportunities Drive Immigration

Fortunately, Texas is attracting individuals who are largely well educated. More than 70 percent of incoming household heads have at least some college, and almost 90 percent have a high school diploma.

The state is attracting a labor force that is largely skilled or professional. Five employment sectors (professional services, retail sales, manufacturing, entertainment and medical-related) captured almost half the jobs of immigrating domestic household heads.

If Texas continues to lead the nation in employment opportunities, expect the level of immigration from other states to remain strong. ➤

*Dr. Hunt (hhunt@tamu.edu) is a research economist with the Real Estate Center at Texas A&M University.*

Source: U.S. Census Bureau American Community Survey, 2006–09

# Where the Numbers Come From

Statistics for this article were taken from the U.S. Census Bureau's American Community Survey (ACS). Each year, the ACS is sent to approximately three million housing units and group quarters located in every U.S. county and Puerto Rico.

The Census Bureau produces Public Use Microdata Sample (PUMS) files from the survey responses, allowing data users to generate answers to specific demographic questions. The Texas State Data Center tapped the PUMS files to produce customized annual data from the four most recent surveys, 2006 through 2009, for this article.

**Table 6. Household Income of Domestic Immigrants to Texas Annual Household Income Averaged, 2006–09**

Top Ten States	0–\$50k	\$50k–\$100k	>\$100k
California	52.1	28.6	19.3
Louisiana	59.7	23.5	16.8
Florida	49.8	32.7	17.5
Oklahoma	48.2	28.8	23.0
Illinois	52.3	29.5	18.2
Georgia	55.2	30.1	14.7
Arizona	59.2	24.2	16.6
Colorado	54.1	20.9	25.0
New York	48.3	28.6	23.0
Virginia	46.9	27.9	25.2
<b>Average of Top Ten States</b>	<b>54.2</b>	<b>27.0</b>	<b>18.8</b>
<b>Overall Average</b>	<b>53.1</b>	<b>28.0</b>	<b>18.9</b>

Source: U.S. Census Bureau American Community Survey, 2006–09

## THE TAKEAWAY

Texas' economy has been enticing people from all over the country to move here. Thanks to the U.S. Census Bureau's American Community Survey, we know where they are moving from, what jobs they're coming for, and what level of education they bring.



MAYS BUSINESS SCHOOL

Texas A&M University  
2115 TAMU  
College Station, TX 77843-2115

<http://recenter.tamu.edu>  
979-845-2031

**Director**, Gary W. Maler; **Chief Economist**, Dr. Mark G. Dotzour; **Communications Director**, David S. Jones; **Managing Editor**, Nancy McQuiston; **Associate Editor**, Bryan Pope; **Assistant Editor**, Kammy Baumann; **Art Director**, Robert P. Beals II; **Graphic Designer**, JP Beato III; **Circulation Manager**, Mark Baumann; **Typography**, Real Estate Center.

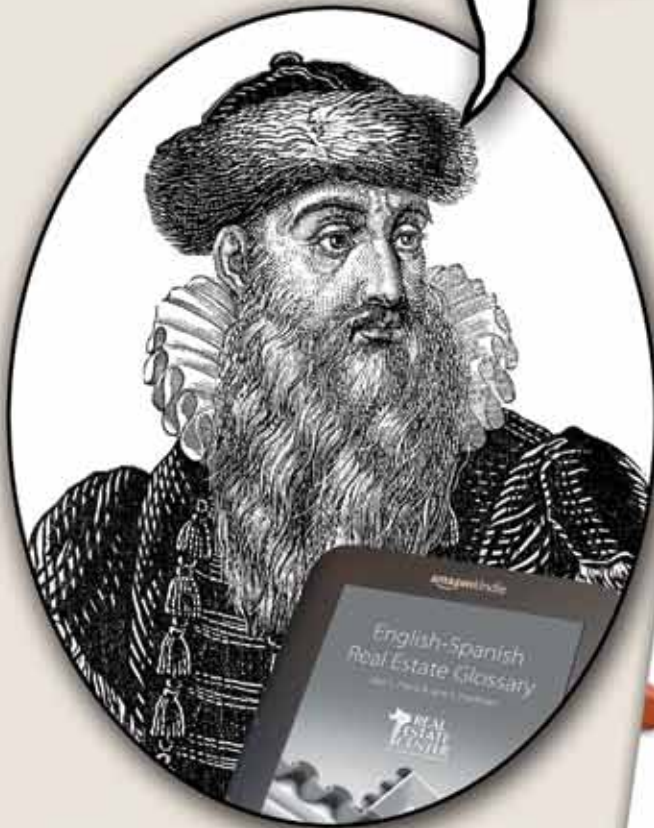
#### Advisory Committee

Joe Bob McCart, Amarillo, chairman; , Mario A. Arriaga, Spring, vice chairman; Mona R. Bailey, North Richland Hills; James Michael Boyd, Houston; Russell Cain, Fort Lavaca; Jacquelyn K. Hawkins, Austin; Kathleen McKenzie Owen, Pipe Creek; Kimberly Shambley, Dallas; Ronald C. Wakefield, San Antonio; and Avis Wukasch, Georgetown, ex-officio representing the Texas Real Estate Commission.

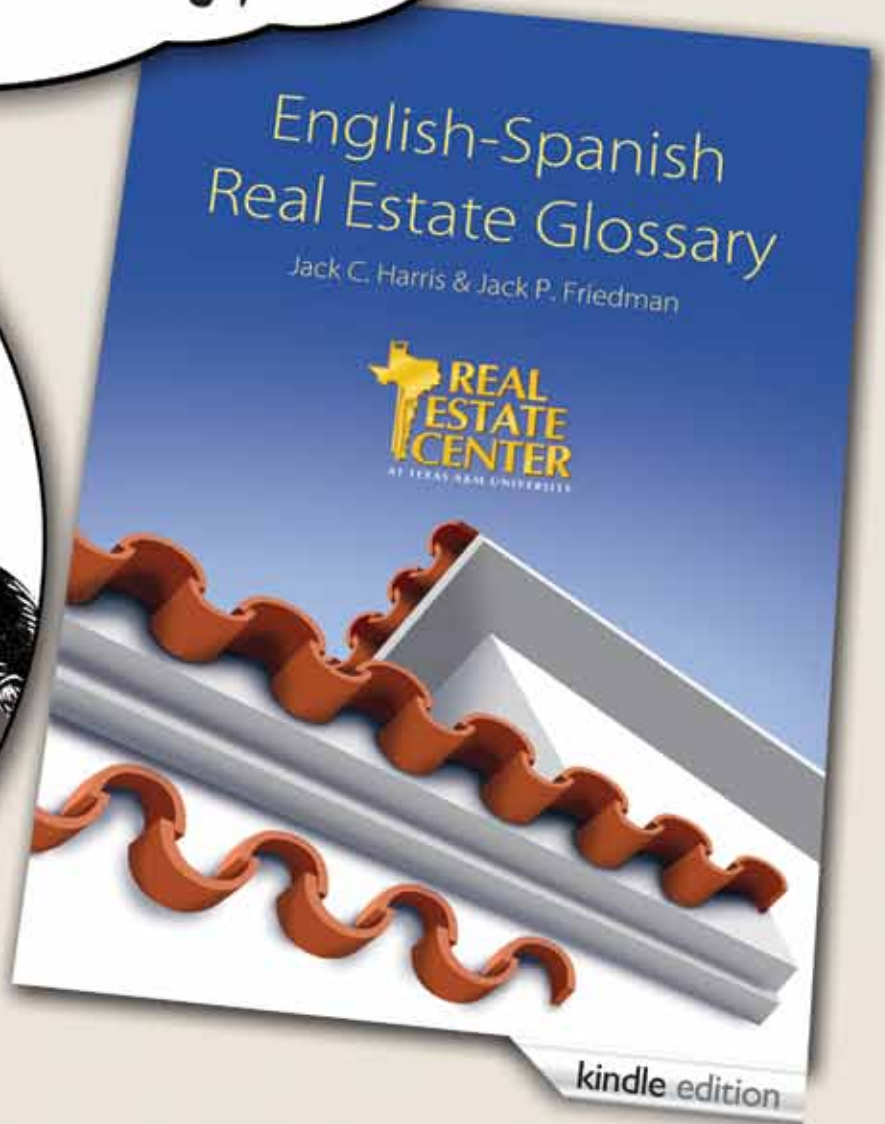
**Tierra Grande** (ISSN 1070-0234) is published quarterly by the Real Estate Center at Texas A&M University, College Station, Texas 77843-2115. Subscriptions are free to Texas real estate licensees. Other subscribers, \$20 per year. Views expressed are those of the authors and do not imply endorsement by the Real Estate Center, Mays Business School or Texas A&M University. The Texas A&M University System serves people of all ages, regardless of socioeconomic level, race, color, sex, religion, disability or national origin. Photography/Illustrations: Robert Beals II, p. 1.



Now that's  
what I call  
movable type!



Johannes Gutenberg



The Center's popular *English-Spanish Real Estate Glossary* can now be downloaded directly to your Kindle e-reader.

The glossary defines, translates and explains the significance of more than 800 real estate terms. It's a must-have for anyone with Spanish-speaking real estate clients.

**\$7.99 at [Amazon.com](http://Amazon.com)**

Estimated worldwide blogs  
as of Feb. 16, 2011: 156 million\*  
Make that 156,000,001

the BLOG

We're not trying to be cool.  
We're being relevant.  
Check out our staff's viewpoints at

<http://blog.recenter.tamu.edu>



\* Source: BlogPulse. The Nielsen Company. See <http://www.blogpulse.com>