

Assessing a Decade of Out-Migration from Virginia

Virginia Free

July 30, 2024

Hamilton Lombard, University of Virginia

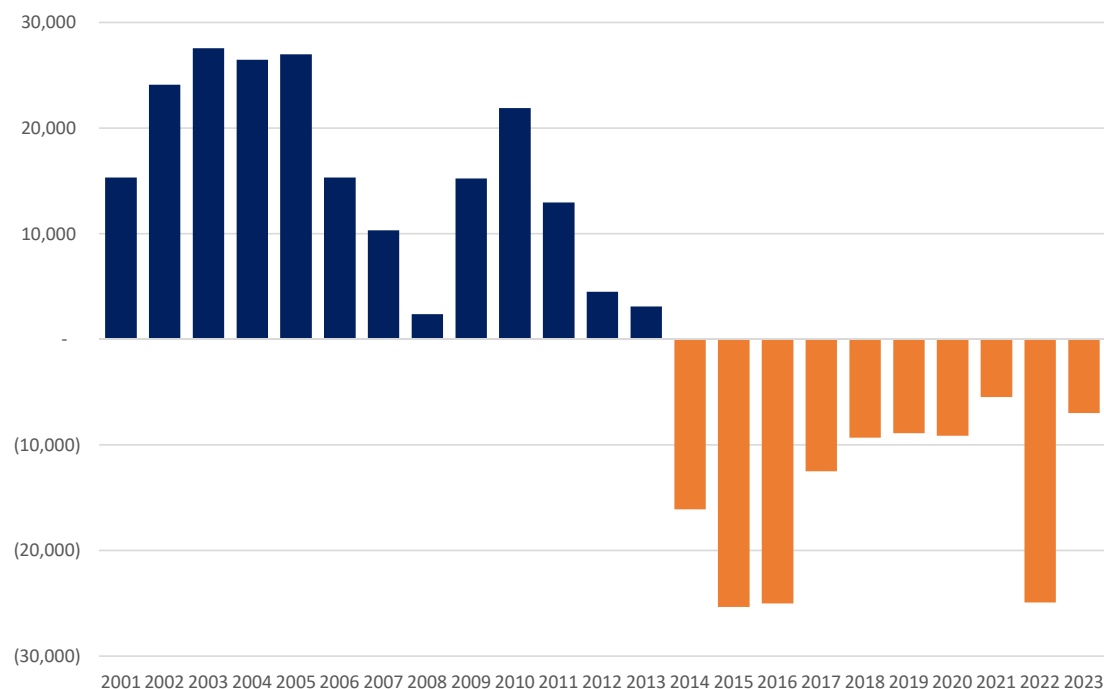
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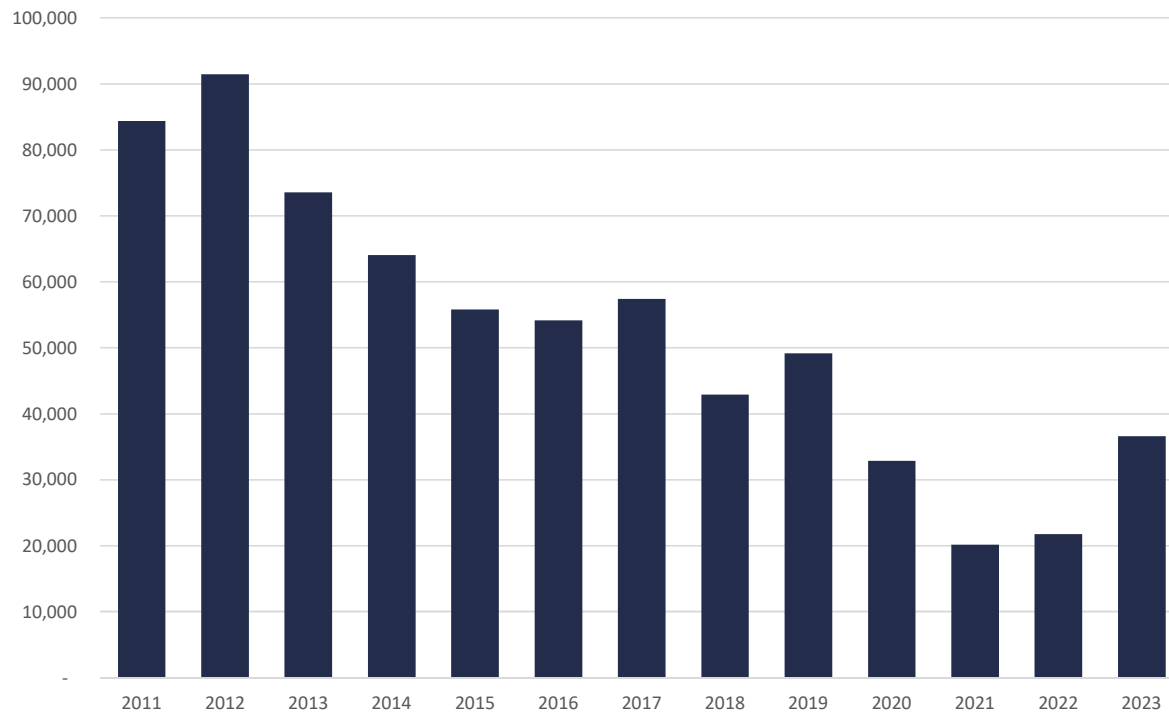
Virginia has experienced out-migration since 2013



Virginia Annual Domestic Migration from IRS Tax Returns

- In 2013, Virginia lost more residents to other states than it attracted for the first time since the Great Depression.
- The persistence of out-migration may be an indicator of structural problems in Virginia's economy.
- In 2023, out-migration from Virginia was the lowest since 2013, aside from during the height of the pandemic.

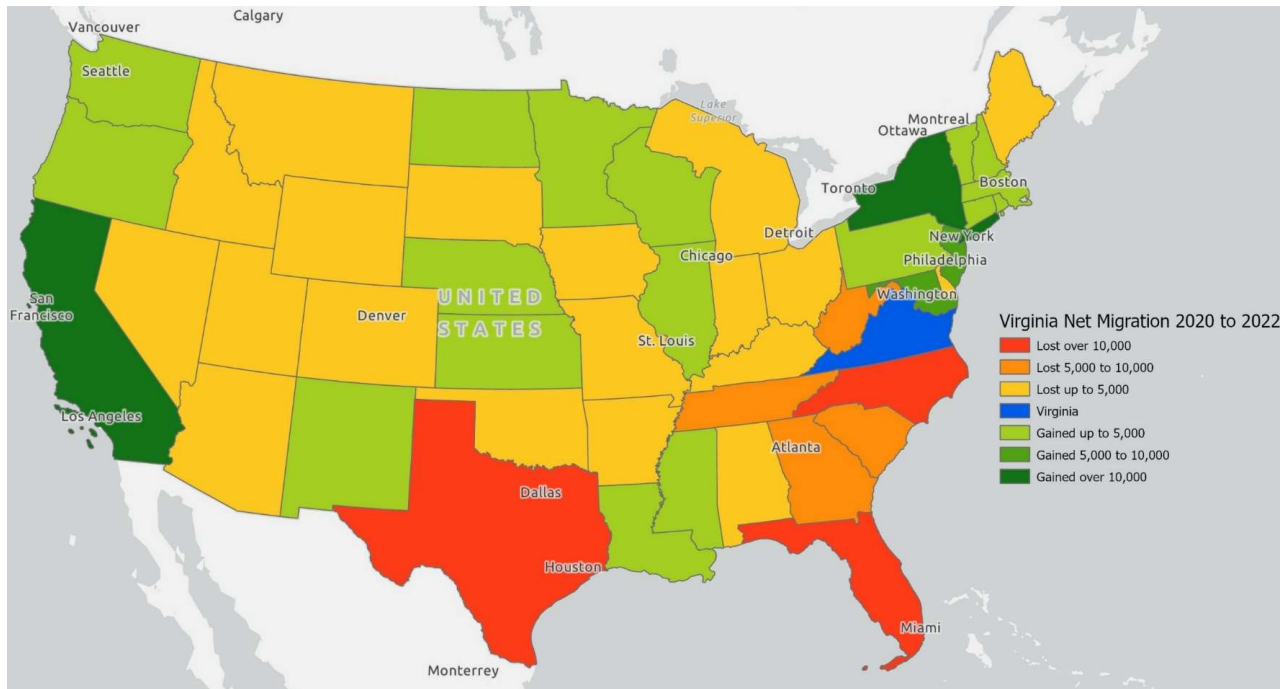
Migration has significantly slowed Virginia's population growth



Virginia annual population change from July 1 of the previous year

- Virginia's population continues to grow because it has more births than deaths and from immigration.
- In recent years Virginia's population has grown more slowly than the rest of the country.
- In 2020, Virginia had close to a quarter million fewer residents than projected in 2012, mainly because of out-migration.

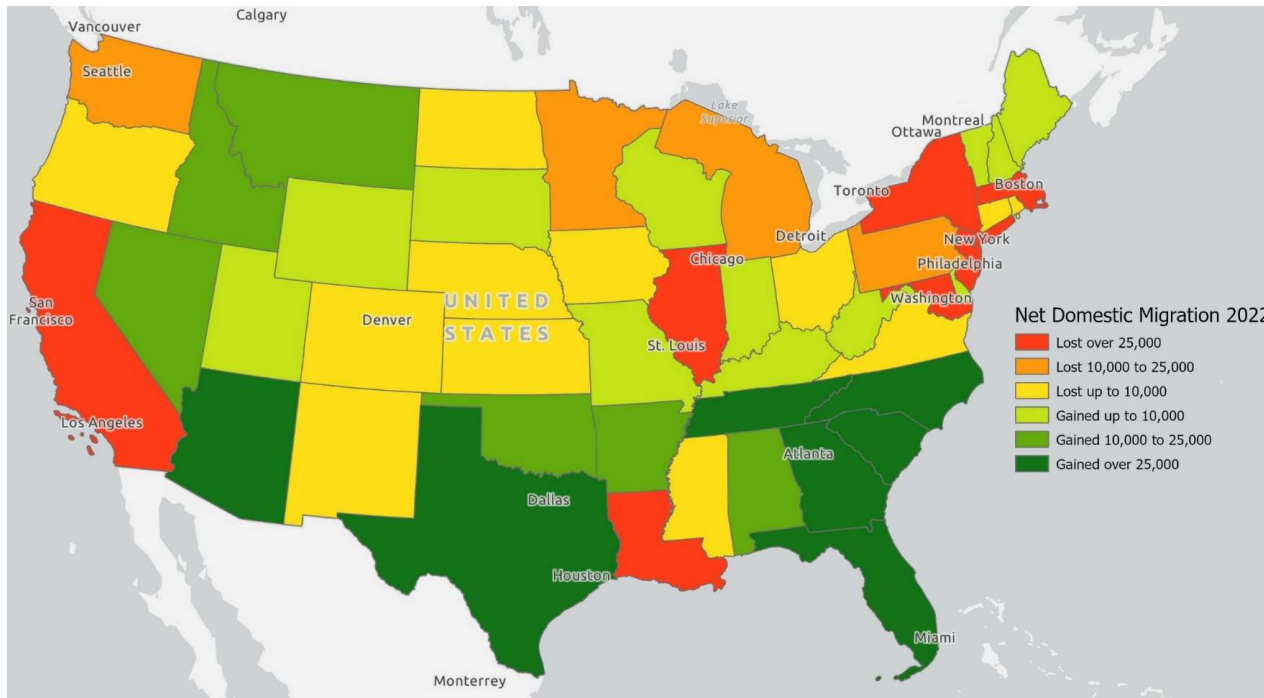
Virginia loses residents to its southern neighbors and gains from the north



IRS Annual Migration Data

- Virginia has lost the most residents to fast growing states in the Southeast.
- West Virginia gained nearly as many Virginians as Tennessee.
- While the Northeast Corridor has historically been the main source of migrants to Virginia, an increasing number of new Virginians come from the West Coast.

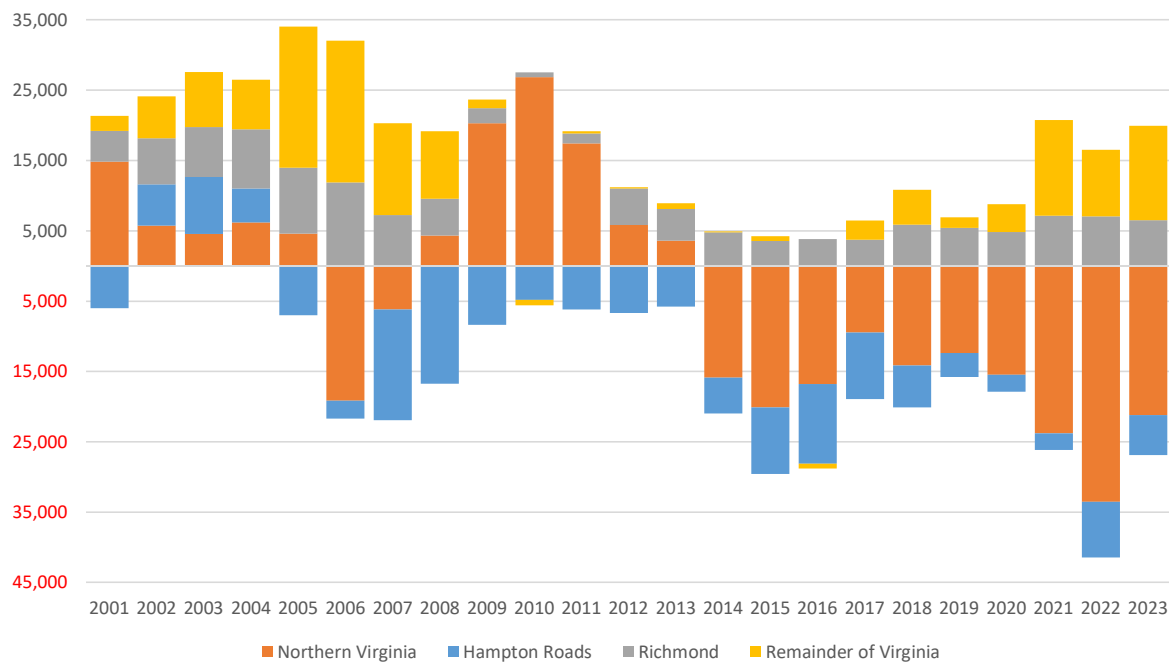
National migration trends mirror Virginia's migration trends



IRS Annual Migration Data

- Migration within the U.S. has tended to flow from the Northeast, Midwest and West Coast states to the Southeast and Mountain states.
- Migration within the U.S. has flowed from more urban to less urban states. From higher cost regions to lower cost regions.

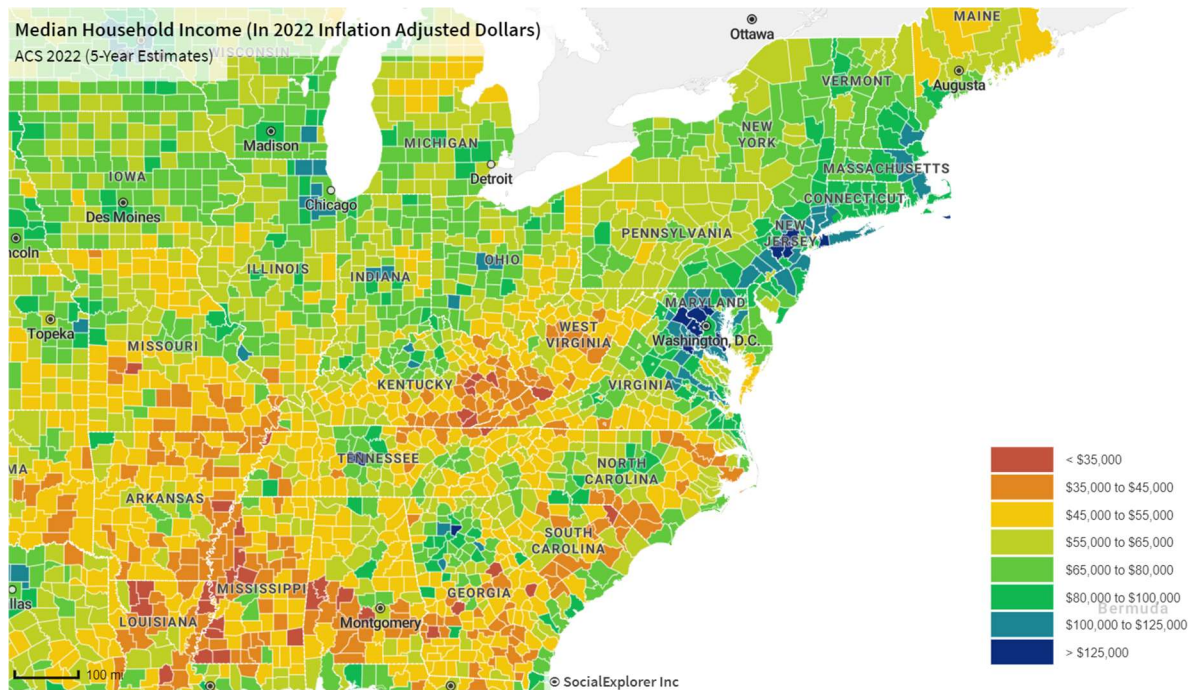
Northern Virginia has driven Virginia's out-migration



Census Domestic Migration Estimates

- Northern Virginia has contributed to three-quarters of Virginia's out-migration since 2013.
- Hampton Roads accounted for a quarter of Virginia's out-migration.
- Richmond and the remainder of Virginia are attracting more Northern Virginians, helping lower migration out of Virginia.

Northern Virginia contains some of the country's wealthiest counties

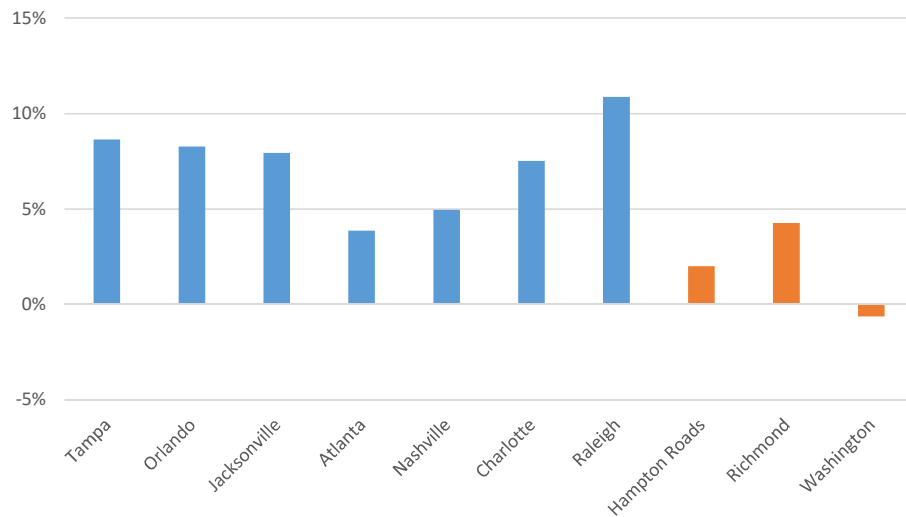


- The Washington DC MSA has the highest median household income in the country after the San Francisco Bay area.
- Northern Virginia contains some of the most expensive housing in the country outside Coastal California.

Wealthy regions don't typically grow as quickly

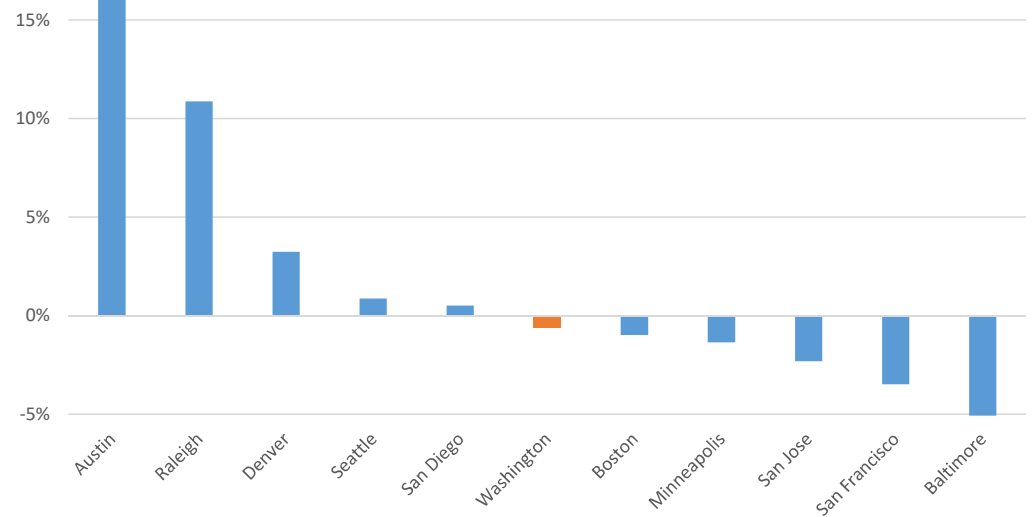
Major Southeastern Metro Areas

Change in Labor Force 2020-2024



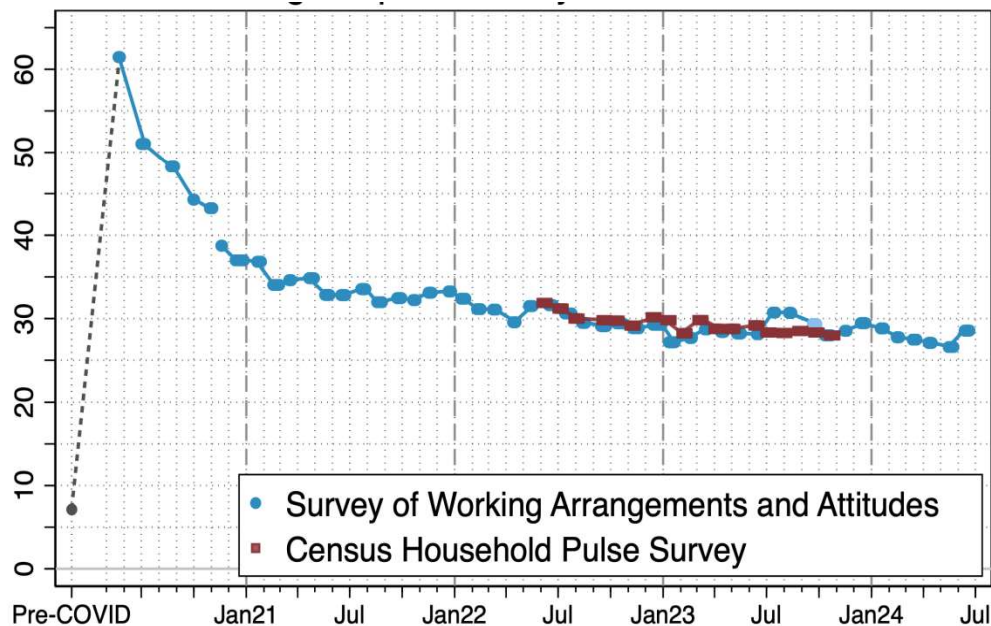
Major Metro Areas with Household Incomes above \$85K

Change in Labor Force 2020-2024

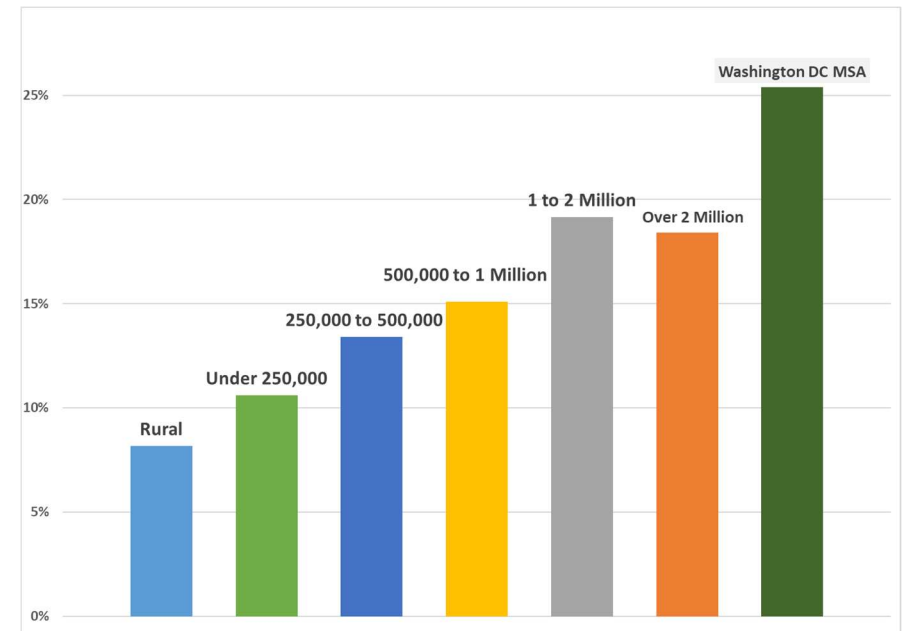


The persistence of remote work may fuel further migration from Northern Virginia

Percentage of paid full days worked remotely in the U.S.

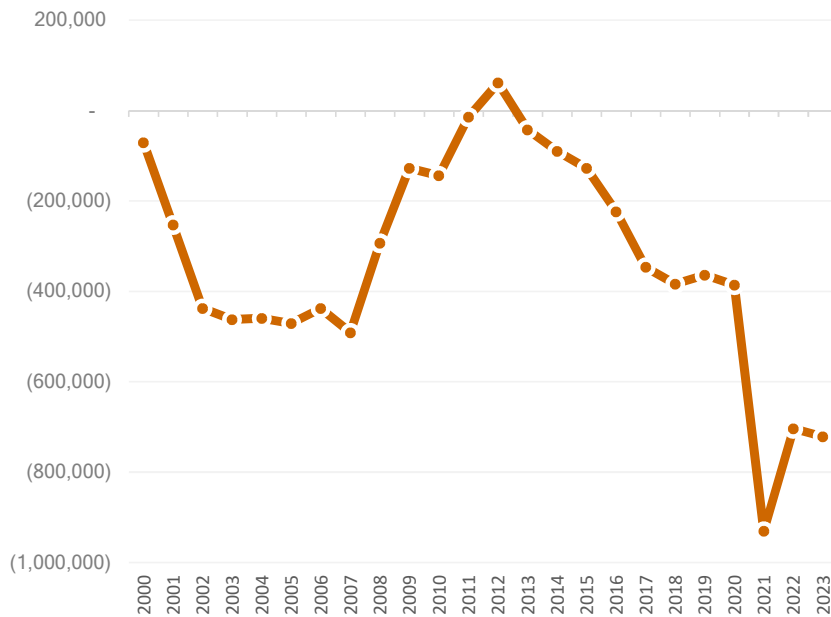


Percent of Workers Fully Remote by Metro Workforce Size

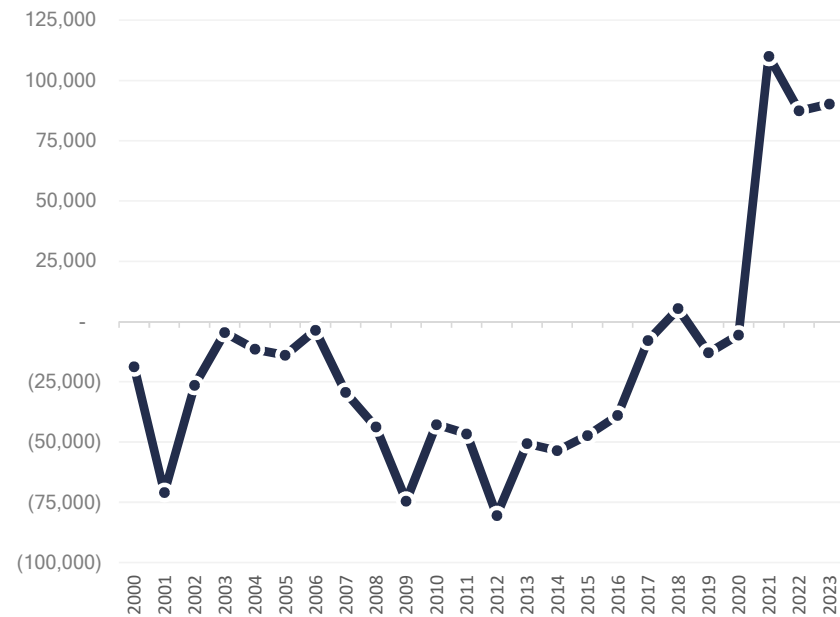


Even as migration from Virginia persists, national migration trends have changed significantly since 2020

Annual Domestic Migration for U.S. Counties with over 1 Million Residents

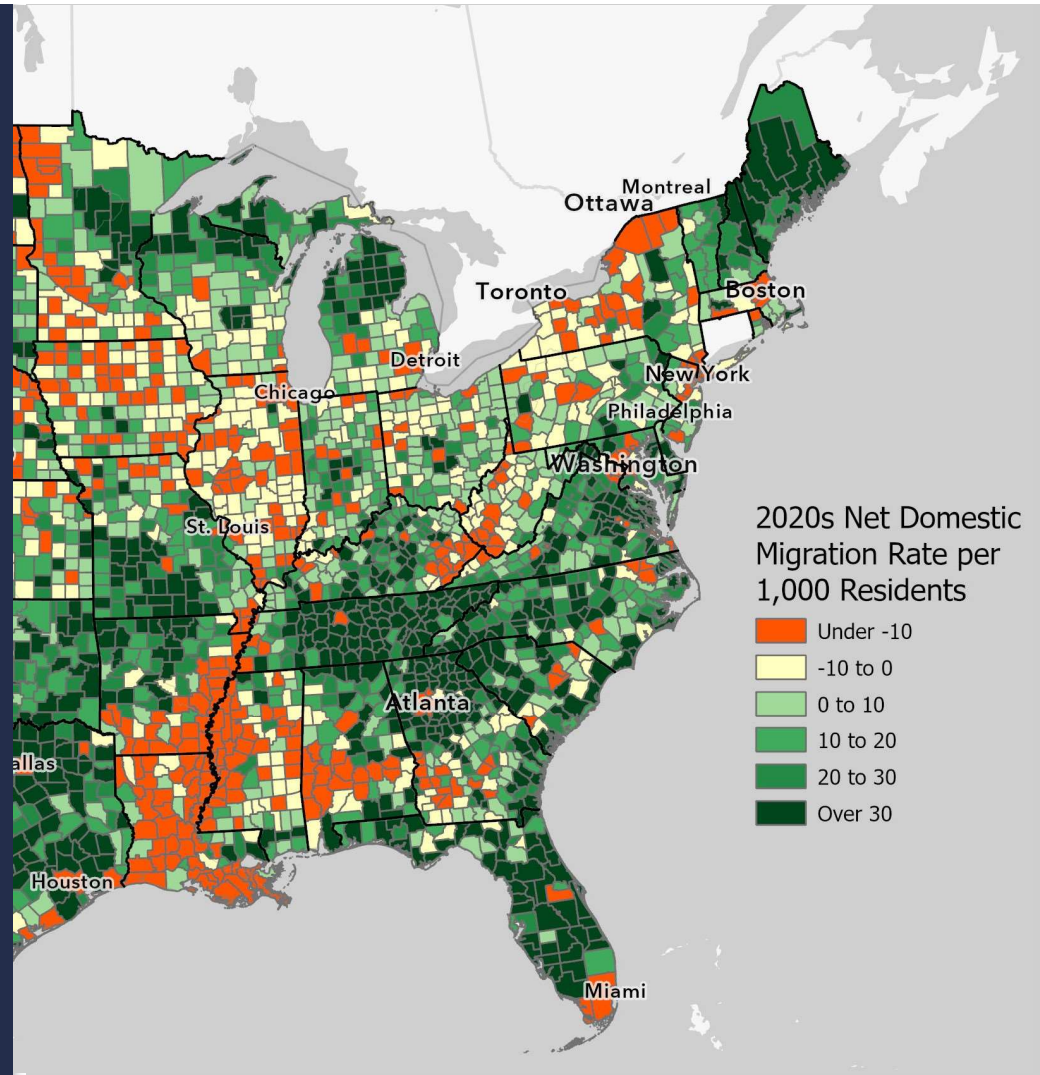


Annual Domestic Migration for U.S. Rural Counties



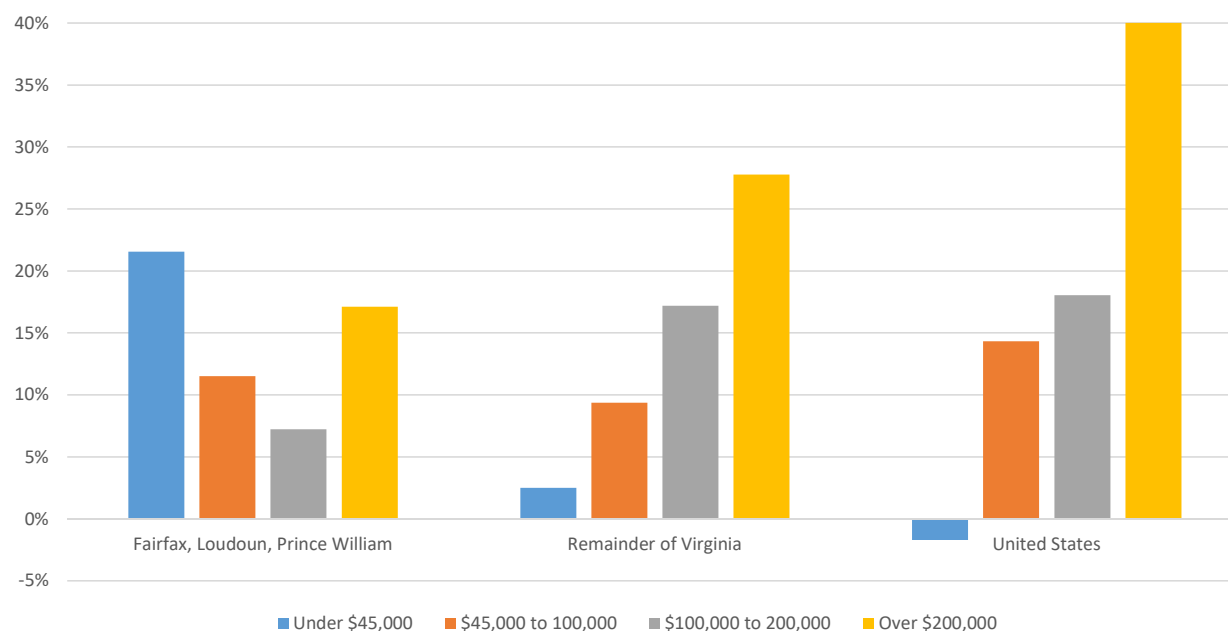
National migration trends are noticeably different from recent decades

- Most of the country's largest metro areas have experienced out-migration since 2020.
- Many smaller metro areas and rural counties have seen in-migration rise since 2020.



Growth in Northern Virginia's middle class has been weak

Change 2012 to 2022 by Income Group

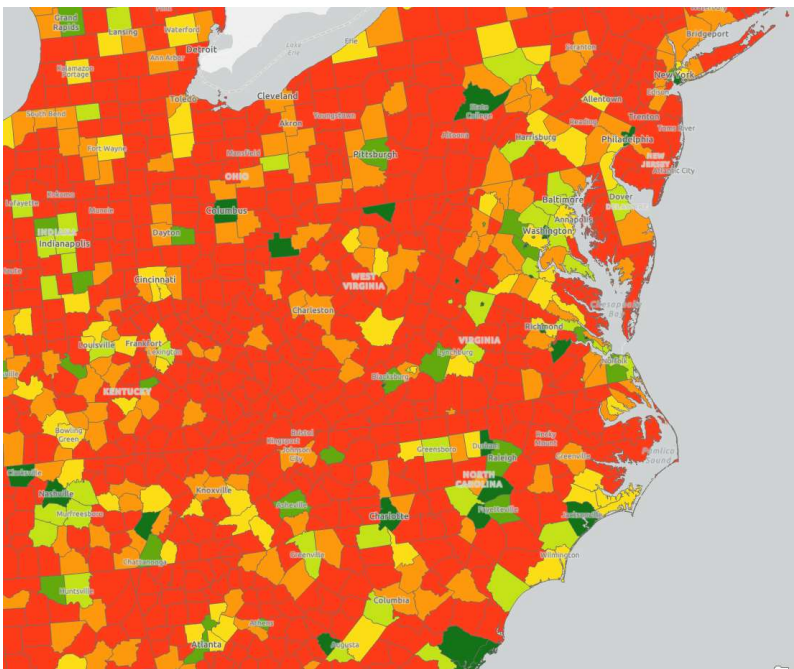


Household income adjusted for inflation in 2022 dollars

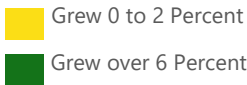
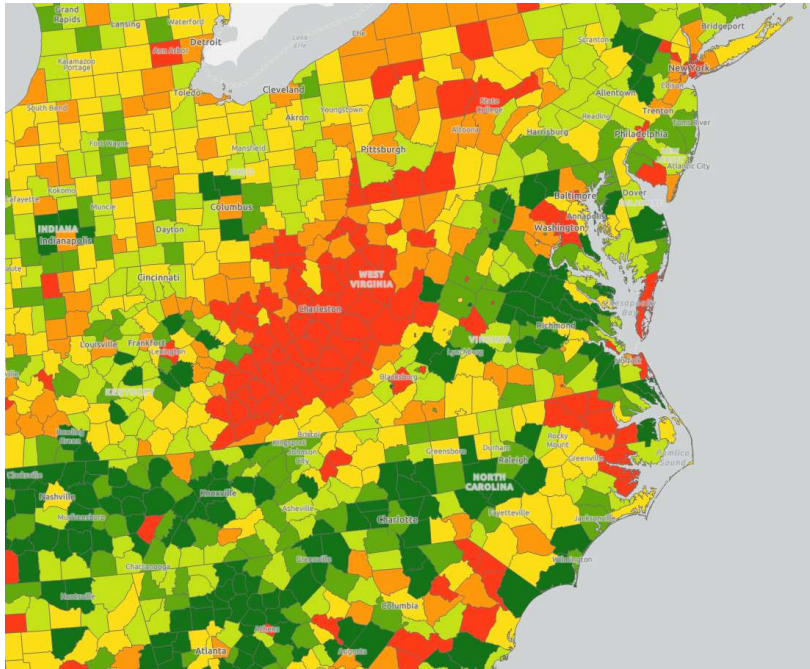
- The lack of affordable housing has likely caused more middle class Northern Virginians to leave and fewer to move in.
- The only income group in Northern Virginia that grew faster than in the rest of the country was its lowest income group.

Current migration trends are transforming Virginia's communities

Percent Change between 2010 and 2013, Age 25 to 44



Percent Change between 2020 and 2023, Age 25 to 44



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