



INDEPENDENT FISCAL OFFICE

April 6, 2021

The Honorable Patrick M. Browne
Chairman
Senate Appropriations Committee
281 Main Capitol Building
Harrisburg, PA 17120

Dear Chairman Browne:

This letter and the attached tables respond to requests for additional information raised at the recent budget hearing for the Independent Fiscal Office (IFO).

Senator Schwank asked about job loss due to the COVID-19 pandemic by gender and the permanency of job loss.

The COVID-19 pandemic had a disparate impact on men and women in the workforce. The U.S. Bureau of Labor Statistics (BLS) publishes national jobs data by gender and other demographic factors. In February 2021, there was a decline of 8.5 million U.S. jobs (-5.4% reduction) relative to the prior year, of which 4.3 million (-5.7% reduction) were held by women. In April 2020, the unemployment rate for women was 15.7% compared to 13.3% for men. By February 2021, the unemployment rate for women had declined to 6.1% and 7.0% for men.¹ Much of the reason for the lower unemployment rate for women is that more working-age women have departed the labor force since the onset of the COVID-19 pandemic and are not currently seeking employment. Since February 2020, the labor force participation rate for both men and women has fallen by 2.0 percentage points.² However, the Federal Reserve Bank of Dallas found that prime working-age women (age 25 to 55) with children had a larger decline (-3.0 percentage points) in labor force participation than prime working-age men with children (-1.2 percentage points) from February to September 2020.

¹ These data are not seasonally adjusted.

² Because there are more women age 16 or older, a 2.0 percentage point reduction in the labor force participation rate has a larger impact on unemployment rates for women over this time. The non-seasonally adjusted data suggest that roughly 542,000 more women left the labor force than men in the U.S. If none had exited the labor force but were instead seeking employment, the unemployment rates for both men and women would be roughly 9.0%.

Single month state-level data based on gender are not published by BLS, but the Pennsylvania Department of Labor and Industry recently released a brief (January 2021) using data from the Current Population Survey that provides some insight. For January 2021, that brief found that the unemployment rate for women was 9.5% (12-month rolling average), while the unemployment rate for men was 9.2%.

The longer-term employment impact of the COVID-19 pandemic is unclear. Individuals that have been laid off or left their job due to pandemic-related reasons may choose to permanently exit the labor force or opt for early retirement. Long-term implications will become more clear once sufficient data have been compiled regarding the demographic characteristics of individuals who lost employment (e.g., gender, age, income level) and the reasons that motivate their choice to reenter or refrain from rejoining the labor force.

Senator Santarsiero requested information on domestic migration for Pennsylvania and border states by age groups.

Please refer to the tables on pages 4 and 5.

Senator Kearney asked how the Commonwealth compares to border states in the education sector and the impact of immigration on the state economy.

Page 9 of the IFO's budget hearings packet contains total net domestic migration trends by state from the U.S. Census Bureau from 2011 through 2019. As of March 10, 2021, the U.S. Census Bureau indicated that 2020 data are not scheduled to be released until May 4, 2021, so the IFO is unable to provide more data on this subject at this time.

The table on page 6 of this response contains statistics on the migration of first-time undergraduate students to and from each state for 2010 and 2018 (latest year available, thousands of students). The first column displays the total number of students that enrolled at post-secondary institutions by the institution's state. Pennsylvania ranked 5th among all states for total number of first-time, post-secondary students in 2010 and 2018, but the number of first-time students declined 17.8% (-25,603 students) during the time period. Pennsylvania's post-secondary institutions rely heavily on out-of-state students coming into the state. In 2018, 28.9% (34,258 students) of first-time students were non-residents. Netting out those Pennsylvania students that leave for other states (20,898), Pennsylvania had a net migration of 13,360 first-time undergraduate students from other states in 2018 (ranked 2nd behind Utah). In 2010, Pennsylvania's net migration from other states totaled 19,281 students (ranked 1st).

The table on page 7 contains full- and part-time state employment at post-secondary institutions for 2010 and 2018. (Although more recent data are available, 2018 was used to match previous table. Data are in thousands.) The final three columns display the percentage change in total full- and part-time employment over the eight-year period. In 2018,

Pennsylvania had the fourth highest number of employees working in post-secondary institutions. However, Pennsylvania employees declined 0.2% over those eight years.

The figure on page 8 illustrates the cumulative growth of post-secondary employment from 2010 through 2019 (latest year) for the United States, Pennsylvania and border states. Of the states shown, Delaware had the highest cumulative growth rate through 2019 (14.0%) and West Virginia had the lowest cumulative growth rate (-6.1%). Pennsylvania had nearly flat growth in post-secondary employment over the nine years.

Chairman Browne asked if the IFO and the Department of Revenue had discussed the differences in the current year revenue estimates.

During the Department of Revenue's (DOR) Senate Budget Hearing, DOR noted that the Executive Budget came together in late December/early January and stated that recent revenues have exceeded the projections contained in that document. The IFO estimate was finalized towards the end of January. Overall, the IFO's forecast is higher across all revenue sources. The IFO did not confer with DOR prior to publication of its projections, but a comparison of forecasts suggests that the IFO forecast reflects stronger current economic activity (i.e., sales and use tax and withholding) as well as activity attributable to tax year 2020 (i.e., final corporate net income and personal income tax payments). Neither the IFO estimate nor the estimate published in the Executive Budget include the most recent federal stimulus (American Rescue Plan).

During the hearing, several members also raised questions regarding the revenue proposals contained in the Executive Budget. The IFO will release a report later this month that contains an analysis of those proposals. Thank you for the opportunity to submit additional information on these topics. If you have further questions, please do not hesitate to contact my office.

Sincerely,



Matthew J. Knittel
Director, Independent Fiscal Office

Attachments

2019 Pennsylvania Domestic Migration			
Age Group	Inflow to PA	Outflow from PA	Net Migration
0-4	14,629	14,013	616
5-9	12,166	10,463	1,703
10-14	15,125	9,877	5,248
15-19	34,489	28,338	6,151
20-24	35,639	43,327	-7,688
25-29	42,112	38,737	3,375
30-34	27,916	24,471	3,445
35-39	18,386	17,841	545
40-44	14,393	10,880	3,513
45-49	9,086	13,011	-3,925
50-54	12,612	10,187	2,425
55-59	11,836	9,203	2,633
60-64	9,138	11,208	-2,070
65-69	6,681	9,693	-3,012
70-74	4,070	6,157	-2,087
75-79	3,286	3,317	-31
80+	<u>4,440</u>	<u>6,364</u>	<u>-1,924</u>
Total	276,004	267,087	8,917

Age Group	Inflow to PA	Outflow from PA	Net Migration
0-19	76,409	62,691	13,718
20-64	181,118	178,865	2,253
65-79	14,037	19,167	-5,130
80+	<u>4,440</u>	<u>6,364</u>	<u>-1,924</u>
Total	276,004	267,087	8,917

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates, 2019.

2019 Domestic Migration by Selected States and Age						
Age	Delaware			New York		
	Inflow	Outflow	Net Migration	Inflow	Outflow	Net Migration
0-19	7,976	4,930	3,046	56,221	100,611	-44,390
20-64	22,837	19,994	2,843	189,642	291,742	-102,100
65-79	2,670	2,321	349	9,396	26,646	-17,250
80+	<u>982</u>	<u>585</u>	<u>397</u>	<u>3,551</u>	<u>7,912</u>	<u>-4,361</u>
Total	34,465	27,830	6,635	258,810	426,911	-168,101
Age	Maryland			Ohio		
	Inflow	Outflow	Net Migration	Inflow	Outflow	Net Migration
0-19	35,986	44,781	-8,795	64,373	43,799	20,574
20-64	102,156	117,364	-15,208	137,329	134,973	2,356
65-79	6,435	12,046	-5,611	12,027	14,837	-2,810
80+	<u>2,534</u>	<u>3,169</u>	<u>-635</u>	<u>4,189</u>	<u>3,007</u>	<u>1,182</u>
Total	147,111	177,360	-30,249	217,918	196,616	21,302
Age	New Jersey			West Virginia		
	Inflow	Outflow	Net Migration	Inflow	Outflow	Net Migration
0-19	35,772	63,113	-27,341	12,495	9,361	3,134
20-64	102,738	147,852	-45,114	27,252	28,603	-1,351
65-79	5,419	17,411	-11,992	1,550	3,267	-1,717
80+	<u>2,429</u>	<u>3,665</u>	<u>-1,236</u>	<u>636</u>	<u>1,307</u>	<u>-671</u>
Total	146,358	232,041	-85,683	41,933	42,538	-605
Age	Florida			Michigan		
	Inflow	Outflow	Net Migration	Inflow	Outflow	Net Migration
0-19	117,391	111,173	6,218	28,434	30,482	-2,048
20-64	382,644	301,803	80,841	88,346	104,962	-16,616
65-79	89,752	43,015	46,737	8,919	13,680	-4,761
80+	<u>18,031</u>	<u>16,090</u>	<u>1,941</u>	<u>3,736</u>	<u>2,809</u>	<u>927</u>
Total	607,818	472,081	135,737	129,435	151,933	-22,498
Age	North Carolina			Virginia		
	Inflow	Outflow	Net Migration	Inflow	Outflow	Net Migration
0-19	78,327	65,025	13,302	69,878	71,269	-1,391
20-64	196,379	170,560	25,819	186,239	201,626	-15,387
65-79	24,565	15,434	9,131	12,946	14,084	-1,138
80+	<u>7,685</u>	<u>3,852</u>	<u>3,833</u>	<u>3,974</u>	<u>4,311</u>	<u>-337</u>
Total	306,956	254,871	52,085	273,037	291,290	-18,253

Note: Data exclude all international migration.

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates, 2019.

First-time Degree/Certificate-Seeking Undergraduates in Degree-Granting Post-Secondary Institutions								
State	Fall 2010 (000s)				Fall 2018 (000s)			
	Total 1st Time Enrollment	Migration			Total 1st Time Enrollment	Migration		
		Outflow	Inflow	Net		Outflow	Inflow	Net
Utah	34.8	2.1	8.4	6.3	41.0	2.4	17.3	14.9
Pennsylvania	144.2	20.2	39.5	19.3	118.6	20.9	34.3	13.4
Ohio	122.1	16.9	18.3	1.4	107.6	14.6	27.2	12.6
Arizona	76.1	5.4	22.6	17.1	61.7	6.5	18.3	11.8
Indiana	82.4	8.1	16.5	8.3	64.9	7.6	18.5	10.9
New Hampshire	13.6	5.7	6.1	0.3	20.4	5.0	14.3	9.3
Iowa	47.2	4.1	17.8	13.7	35.6	3.6	12.6	9.0
New York	198.5	33.9	38.2	4.3	188.3	33.4	42.4	8.9
Alabama	53.0	5.8	13.1	7.3	48.3	5.7	13.7	8.0
Florida	176.3	17.3	27.7	10.4	161.0	20.1	27.9	7.8
Massachusetts	76.9	19.8	28.2	8.4	71.9	21.5	29.1	7.6
Washington, D.C.	10.7	2.9	9.8	6.9	10.5	2.6	9.7	7.1
Rhode Island	15.7	3.1	8.7	5.7	15.0	2.8	8.8	6.0
South Carolina	48.2	5.6	10.1	4.5	46.1	5.8	11.5	5.7
Virginia	83.2	13.8	20.4	6.5	79.6	14.0	19.2	5.2
West Virginia	22.9	2.0	9.3	7.3	17.1	1.8	6.8	5.0
Kansas	33.6	4.5	6.9	2.3	31.0	4.2	9.0	4.8
North Carolina	93.2	11.3	15.5	4.2	88.9	11.7	16.0	4.3
Mississippi	37.0	4.6	5.6	1.0	31.0	2.9	6.8	3.9
Oklahoma	39.3	4.2	7.9	3.7	33.8	4.1	7.8	3.7
Oregon	35.5	5.2	8.7	3.5	32.0	5.5	9.1	3.6
Wisconsin	61.3	10.1	11.4	1.3	50.4	9.5	12.6	3.2
Arkansas	29.2	3.1	5.3	2.1	26.6	3.4	6.2	2.8
Vermont	8.2	2.6	5.3	2.6	7.2	2.2	5.0	2.8
Idaho	12.7	3.7	4.0	0.3	14.9	3.3	6.0	2.7
North Dakota	9.1	1.8	4.1	2.3	8.4	1.5	4.1	2.6
Kentucky	43.7	5.4	7.6	2.2	38.6	5.3	7.6	2.3
Tennessee	59.6	9.1	9.5	0.4	57.6	9.3	11.6	2.3
Missouri	64.4	9.2	12.6	3.4	50.9	10.0	12.1	2.1
Colorado	54.4	9.3	12.4	3.1	45.8	11.0	12.9	1.9
South Dakota	10.2	1.8	3.2	1.4	8.6	1.7	3.3	1.6
Montana	9.9	1.8	2.7	0.8	8.5	1.6	3.1	1.5
Nebraska	19.2	3.0	3.6	0.6	18.3	3.1	4.5	1.4
Delaware	8.9	2.5	3.5	1.1	9.9	2.7	4.1	1.4
Maine	12.2	3.7	3.2	-0.5	11.7	3.0	4.3	1.3
Louisiana	43.1	4.8	6.2	1.4	40.9	5.8	6.9	1.1
Wyoming	6.0	1.1	2.2	1.1	4.8	0.9	1.7	0.8
Michigan	101.5	11.2	9.4	-1.8	81.9	10.7	11.2	0.5
New Mexico	22.4	3.0	4.0	1.0	16.7	2.9	3.1	0.2
California	401.9	34.5	33.8	-0.7	387.8	44.6	44.0	-0.6
Alaska	4.3	2.1	0.7	-1.4	2.9	2.0	0.2	-1.8
Hawaii	10.9	3.4	2.1	-1.3	8.6	4.1	2.3	-1.8
Nevada	18.6	3.8	1.6	-2.2	18.1	4.3	2.1	-2.2
Washington	41.1	10.8	6.6	-4.1	48.4	11.7	9.3	-2.4
Georgia	100.2	16.7	16.6	-0.1	87.5	18.7	15.3	-3.3
Connecticut	32.7	15.7	10.0	-5.7	31.7	15.3	11.0	-4.4
Minnesota	55.8	14.1	11.6	-2.5	44.2	14.8	9.9	-4.9
Maryland	51.1	18.9	9.6	-9.3	44.7	17.3	10.2	-7.1
Texas	229.5	26.0	17.6	-8.4	244.2	31.4	18.1	-13.3
Illinois	114.5	30.5	19.5	-11.0	92.5	36.5	16.6	-19.9
New Jersey	71.2	35.0	5.5	-29.5	65.2	34.6	6.3	-28.3
U.S. Total	3,152.6	495.5	584.7	89.2	2,881.7	519.9	626.0	106.1

Note: Includes all first-time post-secondary students enrolled at reporting institutions. Degree-granting institutions grant associate or higher degrees and participate in Title IV federal financial aid programs.
Source: U.S. Department of Education, NCES, Integrated Postsecondary Education Data System (IPEDS).

Number Employed by Post-Secondary Institutions by State and Full-time (FT) and Part-time (PT) Status

State	2010 (000s)			2018 (000s)			% Growth (2010 to 2018)		
	Total	FT	PT	Total	FT	PT	Total	FT	PT
California	382.7	231.7	151.0	420.2	262.0	158.2	9.8%	13.1%	4.8%
New York	290.4	180.1	110.3	320.3	204.7	115.7	10.3%	13.7%	4.9%
Texas	276.1	182.9	93.2	269.3	181.2	88.1	-2.5%	-1.0%	-5.5%
Pennsylvania	187.7	124.5	63.1	187.2	129.2	58.0	-0.2%	3.8%	-8.2%
Florida	170.7	104.1	66.5	179.7	115.8	63.9	5.3%	11.2%	-4.0%
Illinois	179.2	110.2	69.0	163.8	103.7	60.1	-8.6%	-5.9%	-12.9%
Massachusetts	142.7	92.1	50.6	156.0	103.0	53.1	9.4%	11.8%	4.9%
North Carolina	137.3	93.3	44.0	149.3	100.3	49.0	8.7%	7.5%	11.4%
Ohio	152.3	92.9	59.5	148.7	96.0	52.7	-2.4%	3.4%	-11.4%
Michigan	118.6	71.5	47.1	115.5	75.9	39.6	-2.6%	6.2%	-15.9%
Georgia	106.1	70.2	36.0	111.4	77.0	34.4	5.0%	9.7%	-4.2%
Virginia	93.0	60.6	32.4	104.8	67.9	36.9	12.7%	11.9%	14.1%
Maryland	89.1	53.9	35.3	95.1	58.5	36.6	6.6%	8.6%	3.6%
Indiana	89.1	57.4	31.7	89.8	58.4	31.4	0.8%	1.8%	-1.0%
Missouri	94.6	59.2	35.4	88.8	56.1	32.6	-6.1%	-5.2%	-7.7%
New Jersey	85.3	54.1	31.2	88.0	54.7	33.3	3.3%	1.2%	6.9%
Arizona	99.6	49.9	49.7	78.4	42.4	35.9	-21.3%	-15.0%	-27.8%
Wisconsin	76.4	48.3	28.1	75.8	50.0	25.8	-0.8%	3.6%	-8.3%
Tennessee	85.8	61.7	24.1	72.1	47.6	24.5	-16.0%	-22.8%	1.6%
Colorado	64.0	36.1	27.8	71.1	45.6	25.4	11.1%	26.2%	-8.6%
Washington	67.7	45.2	22.5	70.1	48.2	21.9	3.6%	6.8%	-2.7%
Minnesota	70.8	44.4	26.4	67.9	41.5	26.3	-4.1%	-6.4%	-0.2%
Connecticut	54.1	35.5	18.6	59.8	38.0	21.8	10.5%	7.0%	17.2%
Alabama	57.2	37.7	19.5	58.8	39.5	19.4	2.8%	4.8%	-0.9%
Utah	38.2	23.6	14.5	52.0	33.8	18.2	36.3%	43.2%	25.1%
Oregon	46.8	27.9	18.9	51.7	33.2	18.4	10.4%	19.1%	-2.5%
Kentucky	54.6	35.9	18.7	50.7	35.2	15.6	-7.1%	-2.1%	-16.6%
South Carolina	47.8	30.5	17.4	50.2	32.3	17.8	4.8%	6.1%	2.7%
Iowa	59.9	36.1	23.9	49.5	31.6	17.8	-17.5%	-12.3%	-25.3%
Oklahoma	48.7	32.8	15.9	47.7	33.4	14.3	-2.1%	1.8%	-9.9%
Louisiana	46.2	34.5	11.6	42.7	31.0	11.8	-7.4%	-10.2%	1.1%
Kansas	39.7	24.9	14.7	41.5	26.5	15.0	4.7%	6.3%	2.0%
Mississippi	37.1	27.9	9.2	40.5	29.7	10.8	9.3%	6.4%	17.9%
Arkansas	31.3	22.5	8.8	33.1	24.3	8.7	5.8%	8.4%	-0.7%
Nebraska	29.5	20.2	9.3	30.3	20.7	9.6	2.7%	2.3%	3.6%
Washington, D.C.	27.5	18.9	8.7	28.1	19.2	8.9	2.0%	1.6%	2.8%
New Hampshire	19.1	10.7	8.4	26.8	13.0	13.9	40.4%	21.7%	64.0%
New Mexico	29.0	17.5	11.5	24.4	16.2	8.2	-15.8%	-7.4%	-28.6%
West Virginia	22.4	14.7	7.7	21.0	14.4	6.6	-6.2%	-2.4%	-13.3%
Rhode Island	17.9	12.5	5.4	19.7	13.5	6.3	10.4%	8.0%	16.1%
Nevada	16.7	9.4	7.3	19.4	10.7	8.7	16.5%	14.3%	19.3%
Idaho	13.8	9.2	4.5	17.6	10.8	6.8	28.2%	17.0%	51.3%
Maine	13.9	9.4	4.5	15.4	10.2	5.2	10.8%	8.6%	15.5%
Delaware	11.0	6.6	4.4	12.6	7.4	5.2	13.9%	11.1%	18.0%
Hawaii	12.7	8.4	4.2	12.1	8.3	3.8	-4.6%	-1.8%	-10.3%
Vermont	12.0	8.1	3.9	11.6	8.2	3.5	-3.1%	1.2%	-11.9%
North Dakota	11.5	8.3	3.2	11.2	7.8	3.4	-2.4%	-5.7%	6.2%
Montana	11.0	7.1	3.9	10.8	7.1	3.7	-1.5%	0.0%	-4.3%
South Dakota	9.9	6.5	3.4	9.9	6.7	3.2	-0.2%	2.1%	-4.5%
Wyoming	7.5	4.7	2.8	7.0	4.5	2.5	-6.5%	-4.7%	-9.5%
Alaska	7.9	4.9	3.0	6.4	4.0	2.3	-19.7%	-18.1%	-22.2%
U.S. Total	3,894.0	2,471.6	1,422.4	3,986.1	2,591.2	1,394.9	2.4%	4.8%	-1.9%

Source: U.S. Department of Education, NCES, Integrated Postsecondary Education Data System (IPEDS).

