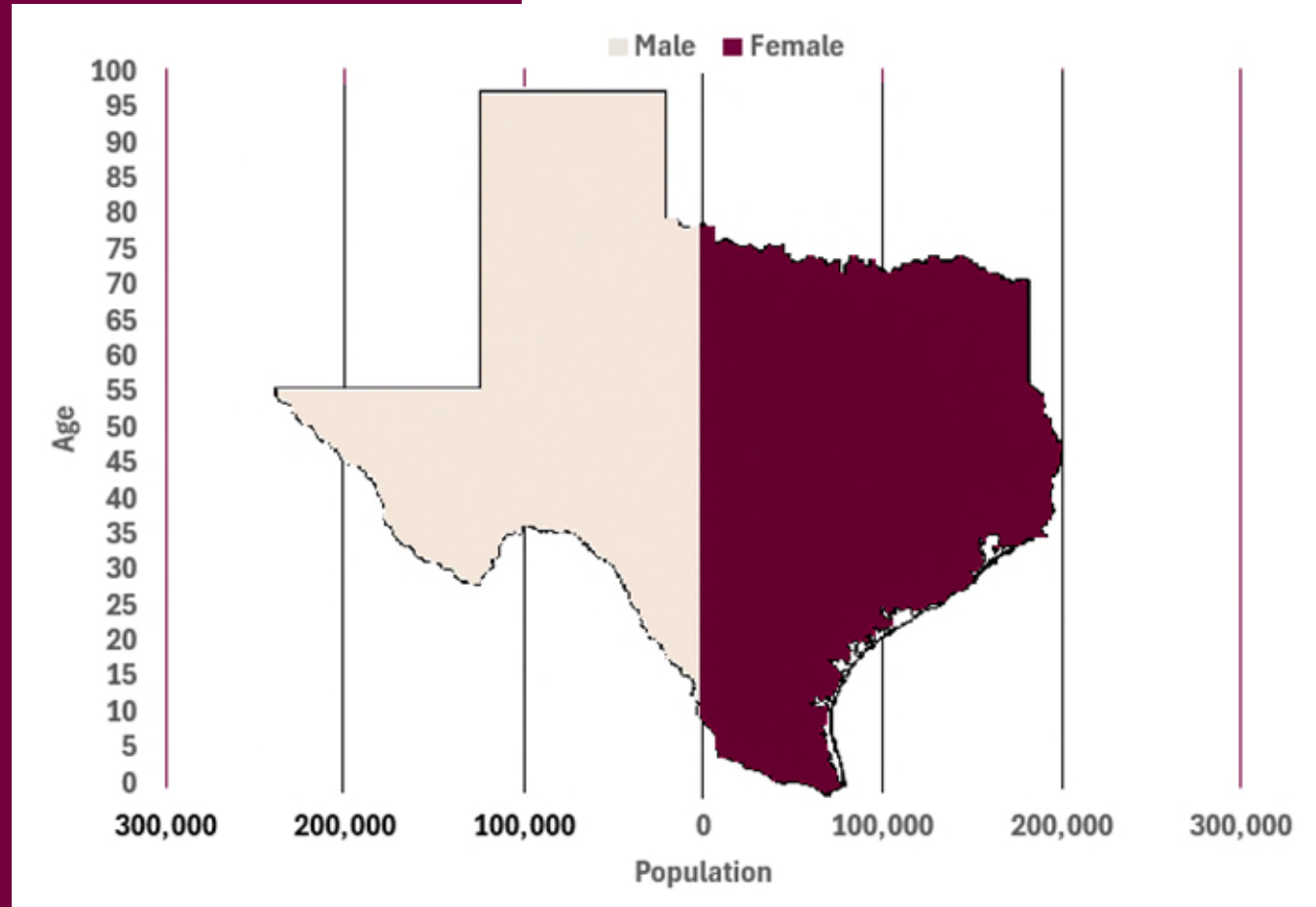


State Demographic Outlook

Global Insights Center

Q4 2025



Key Takeaways

Steady population growth is expected over the next decade for states in the South and Mountain West, but the Northeast and Midwest may see very slow growth or declines.

As a share of total national growth, Texas is forecasted to account for 28% of population, 45% of labor force, and 16% of household growth over the next decade.

Both the size and the demographic mix of a given state's population will impact the availability of labor and the demand for goods and services in that state.

This report presents proprietary state-level demographic and labor force projections developed by The Hartford's Global Insights Center.

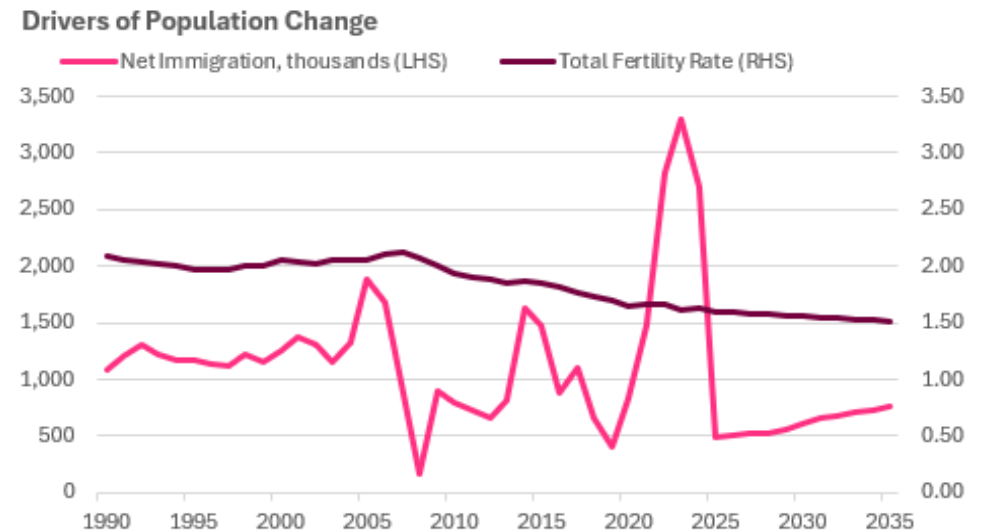
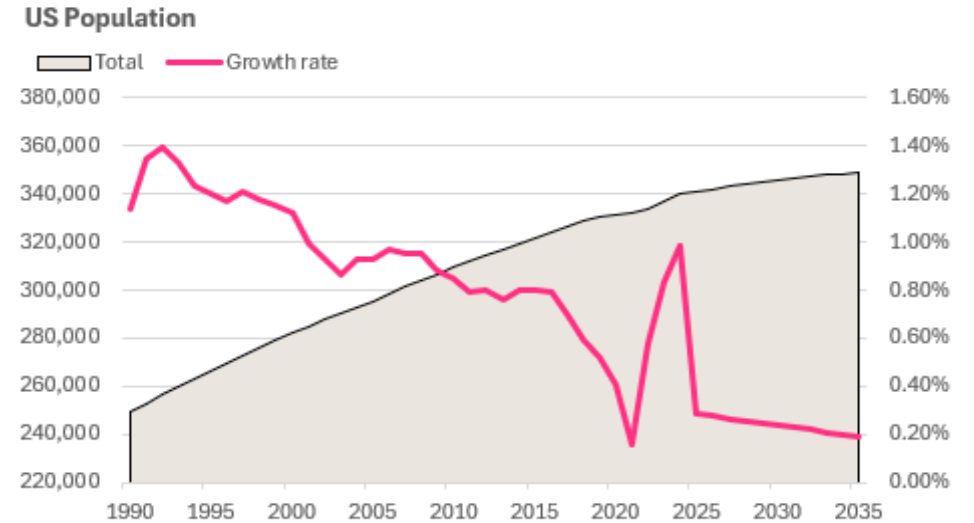
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Overall Trends

US National Trends: Population growth across the country to slow

The US population is expected to grow more slowly due to a slowdown in immigration and birthrates

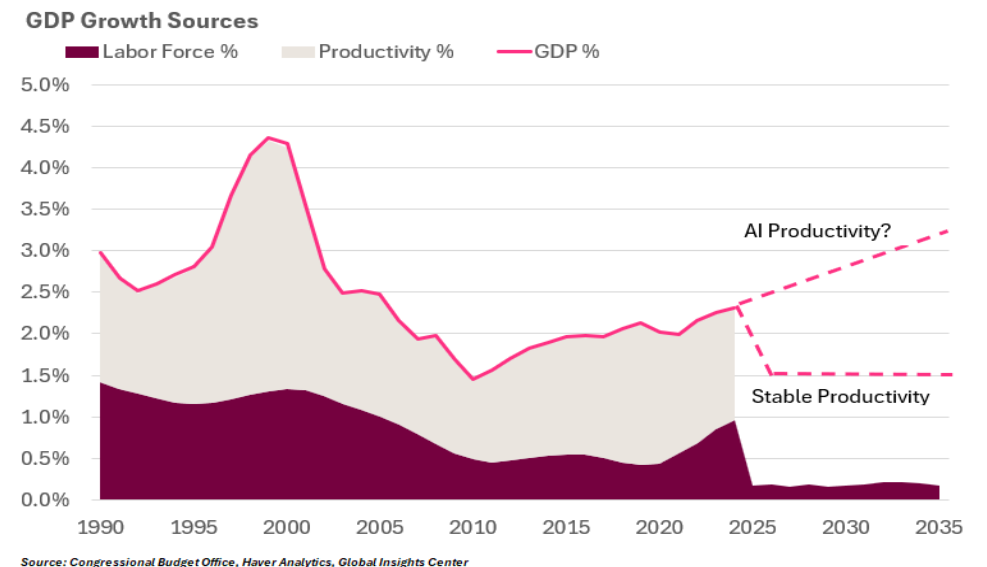
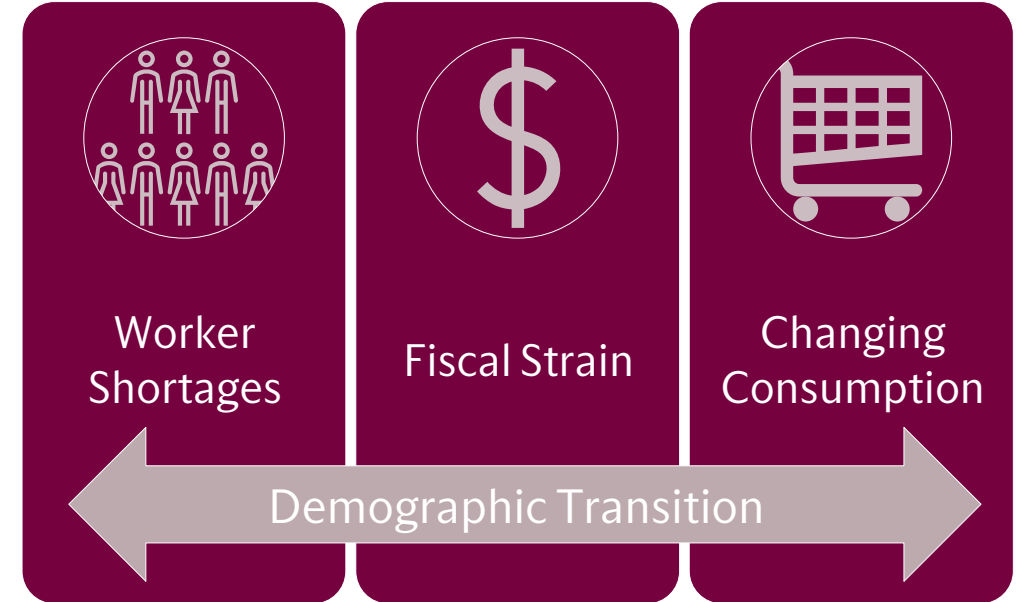
- Recapping national trends before diving into state trends, between 2025 and 2035, US population will increase by 8 million, the lowest 10-year growth rate since the 1860s.
- Birth rates began declining below replacement levels in 2010, and continued gradual declines are expected.
- Declining birth rates have made the US increasingly reliant on immigration for growth. After the recent spike in 2022-24, immigration is expected to continue but at lower levels.
- See our separate national demographic outlook report for full details.



Demographic Change: Reshapes labor markets, consumption, and fiscal sustainability

The slowdown in population growth could have profound economic impacts.

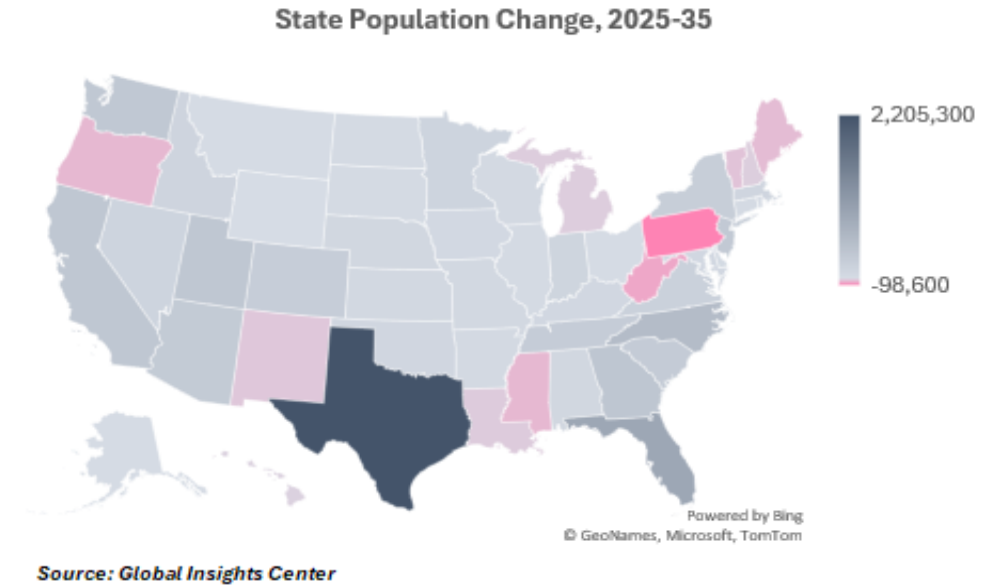
- Slower growth in the working-age population makes it harder for businesses to expand and otherwise leads to slower GDP growth.
- An aging population strains fiscal budgets through higher spending on retirement and healthcare.
- The shifting age mix of consumers reshapes demand for goods and services.
- Slower growth can hurt global competitiveness, though demographic challenges are not unique to the US.
- Faster productivity growth, potentially from AI, becomes essential to sustaining economic performance through the demographic transition.



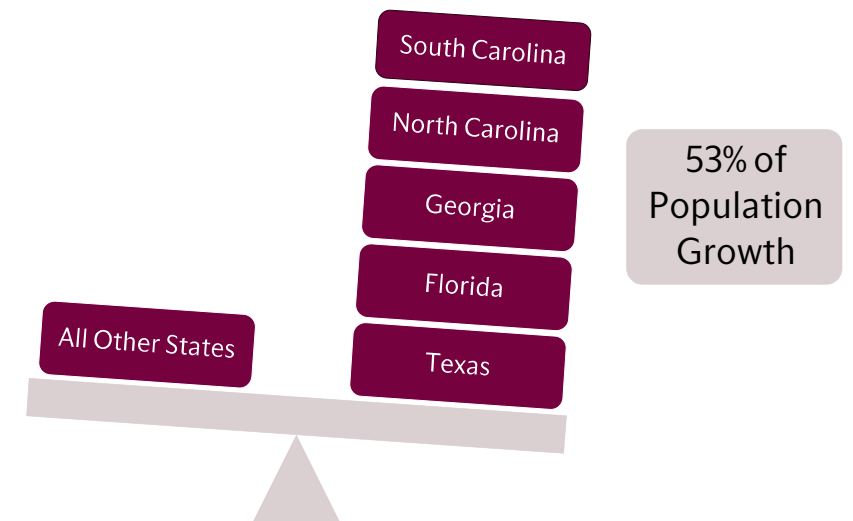
State Population Nominal Changes: Population shifting from north to south

Texas is expected to add more than 2 million new residents over the next 10 years.

- **Texas:** will have the second-largest population in the country with the second-fastest growth rate, resulting in gains that account for 28% of all US population growth.
- **North Carolina, South Carolina, Georgia, and Florida:** will have 2 million more residents across all 4 states.
- **Northeast and Midwest:** will add about 1.2 million residents, about the same as the Mountain West cluster of Utah, Colorado, Arizona, Nevada, and Idaho.
- **Pennsylvania:** will lose the most residents, declining by -98,600.



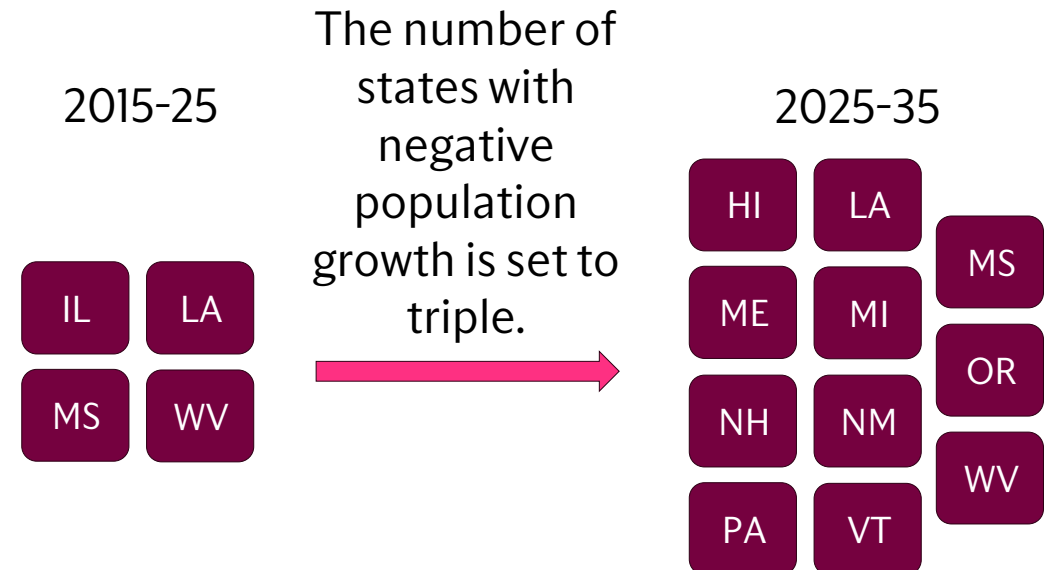
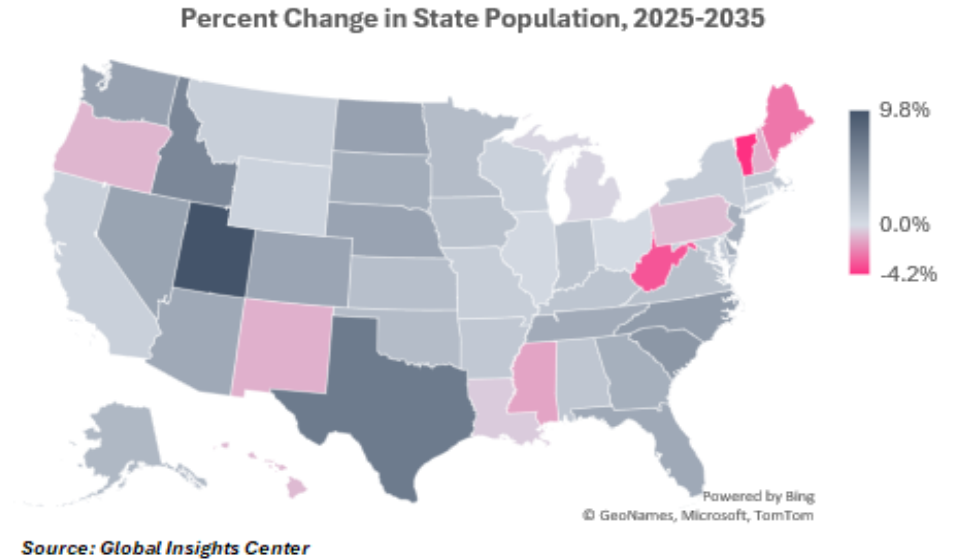
47% of
Population
Growth



State Population Percent Changes: Growth rates will be uneven

Over the next decade, 11 states may see declining population.

- **South and Mountain West:** will likely grow the fastest, while the Northeast and Midwest see slow growth or declines.
- **Utah:** will be the fastest growing state over the next decade in percent terms, growing at nearly 10%, with Texas second at 7.0%.
- Between 2015 and 2025, the US population grew by 6.3%, and 13 states grew by more than 10%. Over the next decade, the average US national population growth will be 2.3%, and no states will exceed a growth rate of 10%.
- **Vermont:** will experience the greatest decline at -4.2%.



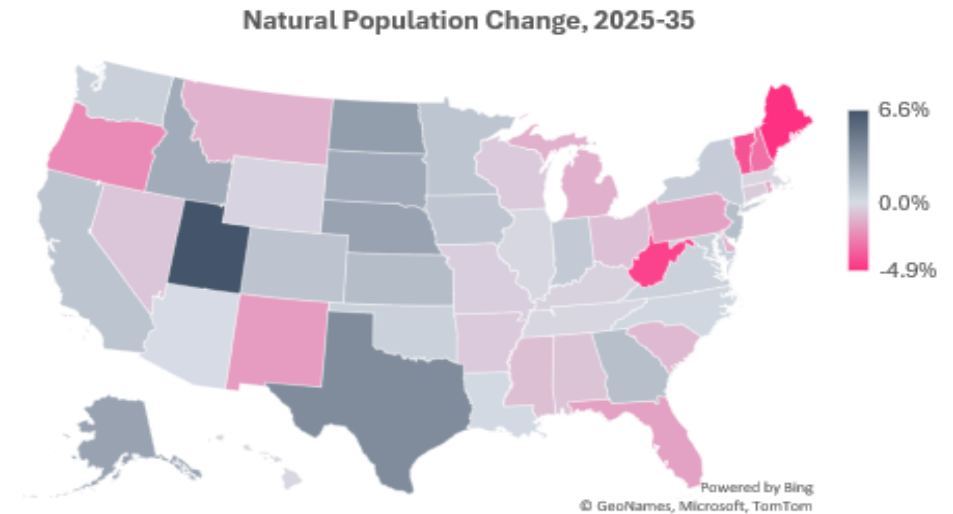
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Components of Change: Births, Migration, and Aging

State Birth Trends: Natural change (birth rates) can skew age dynamics

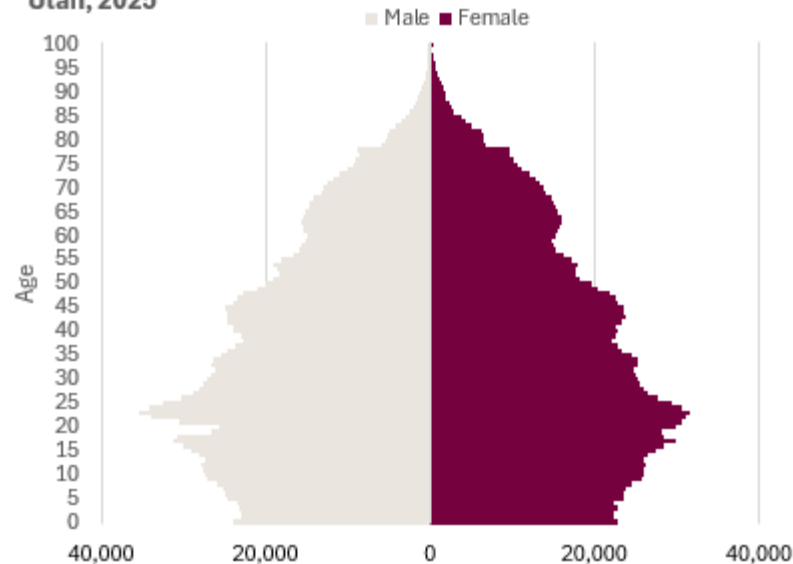
28 States may experience more deaths than births over the next 10 years.

- The age structure of a state determines the natural change in population from births and deaths.
- States with younger populations, such as Utah and Texas, have a higher share of people in prime childbearing years, which results in more births and a growing population.
- Older states like Maine and Vermont experience fewer births and more deaths, leading to population decline.



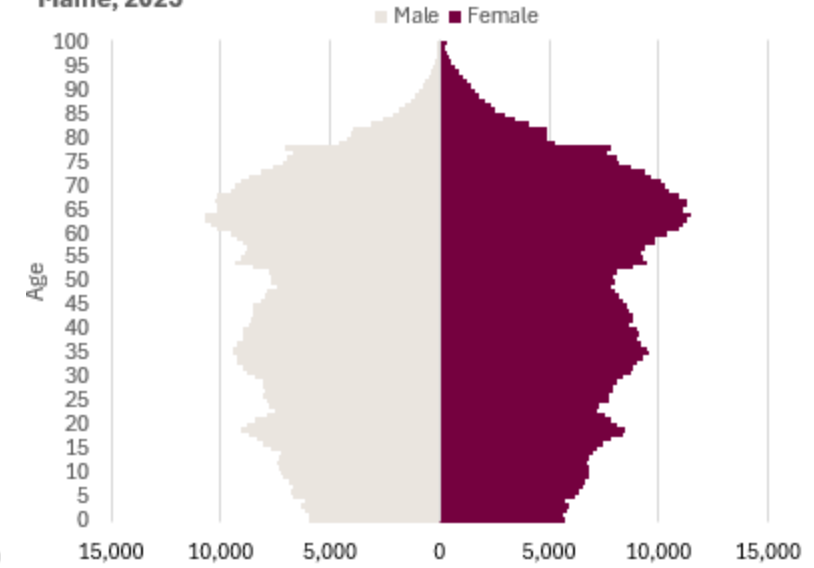
Source: Global Insights Center

Utah, 2025



Source: The Hartford's Global Insights Center

Maine, 2025



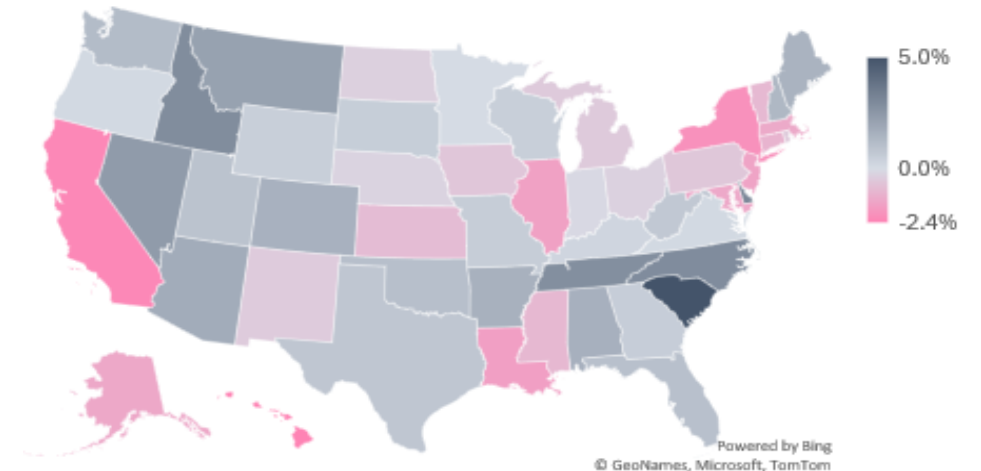
Source: The Hartford's Global Insights Center

Domestic Migration: Carolinas, Texas, Florida likely to attract most inbound movement

Domestic movements are heavily driven by housing costs.

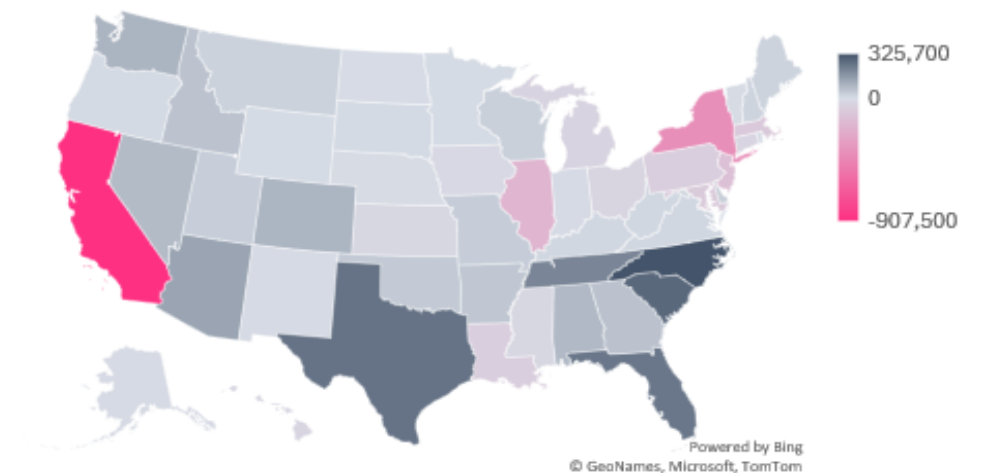
- Areas with high housing costs generally see outmigration to areas with lower housing costs.
- **California:** will see the largest outmigration, losing just over 900,000 residents to other states over the next 10 years.
- **The Northeast:** will see significant outmigration of 738,000 residents.
- **The Carolinas, Texas, and Florida:** will see the largest net inbound movement of domestic migration.

Domestic Migration Population Change, 2025-35



Source: Global Insights Center

Domestic Migration Population Change, 2025-35



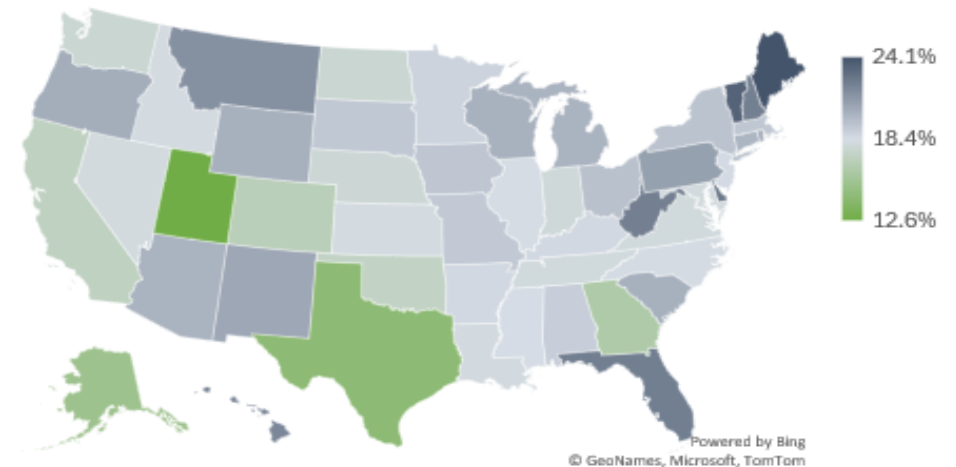
Source: Global Insights Center

Average Age: Elder age population also skewing in certain states

Elder Americans are more prevalent in the Northeast, Midwest, and retirement destinations like Florida.

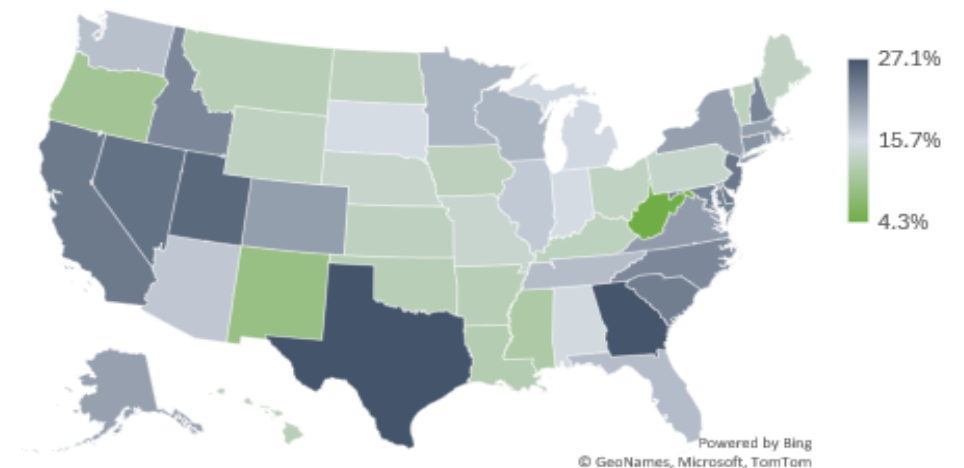
- **Maine and Vermont:** individuals aged 65 and older make up nearly a quarter of the population in these 2 states; almost twice the share of Utah.
- **Texas and Georgia:** will see large percentage increases in the elder population over the next 10 years.
- The elder aged population is increasing everywhere,
- But migration of retirees from the Northeast and Midwest to the South Atlantic will result in notable increases in those states.

Old Age (65+) Share of Population, 2025



Source: Global Insights Center

Change in Old Age Population, 2025-35



Source: Global Insights Center

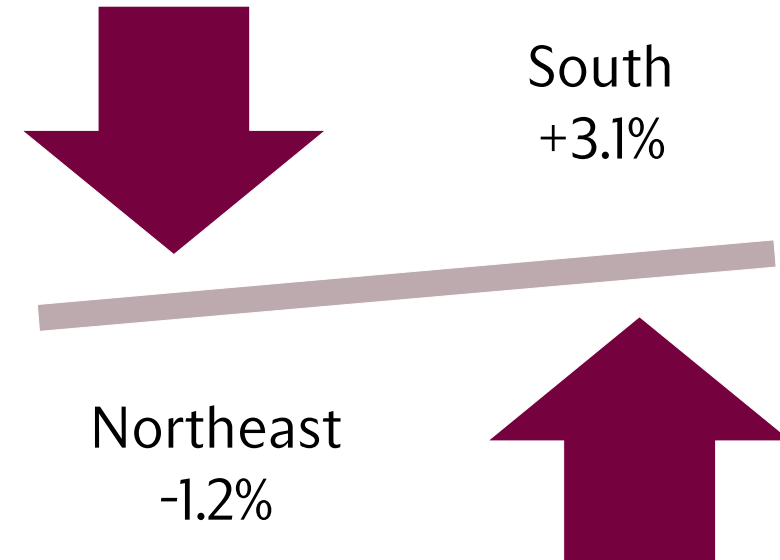
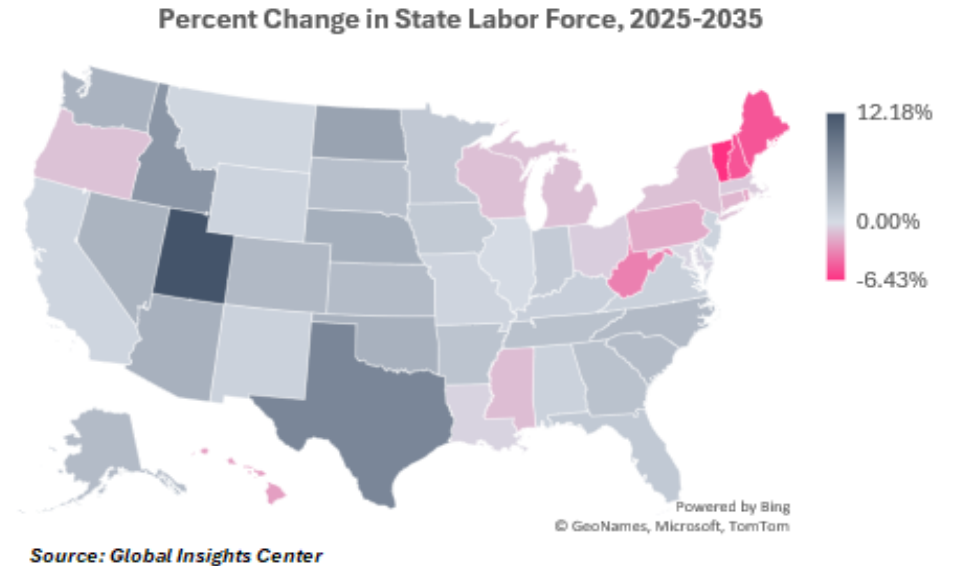
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Labor Force Changes

Labor Force Growth: Unprecedented declines in labor availability in some states

17 States may see declines in labor force over the next decade.

- The combination of slowing growth and aging populations will reduce the labor force across sections of the country, something never before seen.
- There have been isolated examples of labor force declines: **West Virginia** in the 1980's due to the collapse in coal mining, **Michigan** in the 2000's due to auto industry restructuring.
- These examples were demand-for-labor driven. The US has never seen supply-driven labor force declines until **Vermont** began to decline in the 2010s.
- Vermont is the bellwether for the Northeast and Midwest.

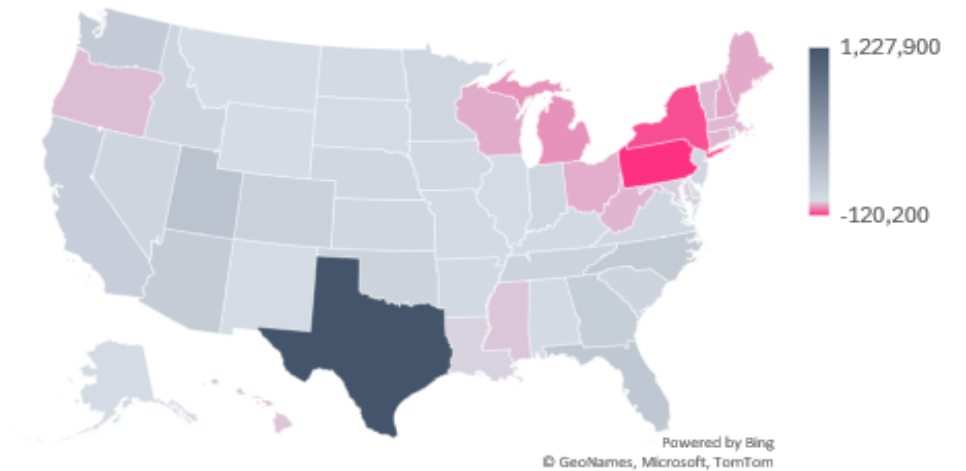


Labor Force Growth: Texas dominates labor force growth

Companies looking for labor will need to look to the South and West.

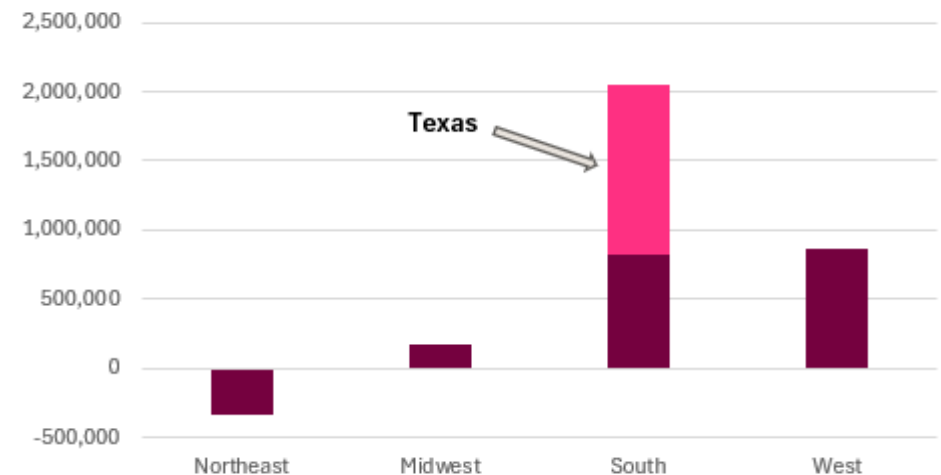
- Young and fast-growing states will see an outsized share of labor force growth.
- **Texas:** will see labor force growth of over 1.2 million, 45% of the total US growth.
- **Utah:** the 29th largest state by population, will rank #2 in labor force growth, adding 228,000 workers, more than the entire Midwest.
- **New England:** combined will see labor force decline by 162,000.
- **Michigan, Ohio, and Wisconsin:** combined will decline by 118,000.

Change in State Labor Force, 2025-2035



Source: Global Insights Center

Change in Labor Force, 2025-2035



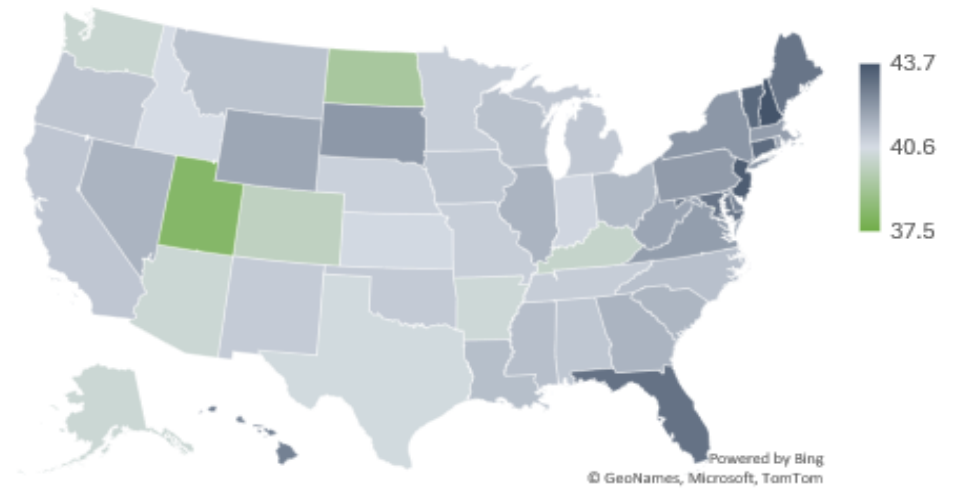
Source: Global Insights Center

Labor Force Age: Median age of labor set to decline in South and Midwest

State labor force aging will be much slower than population aging.

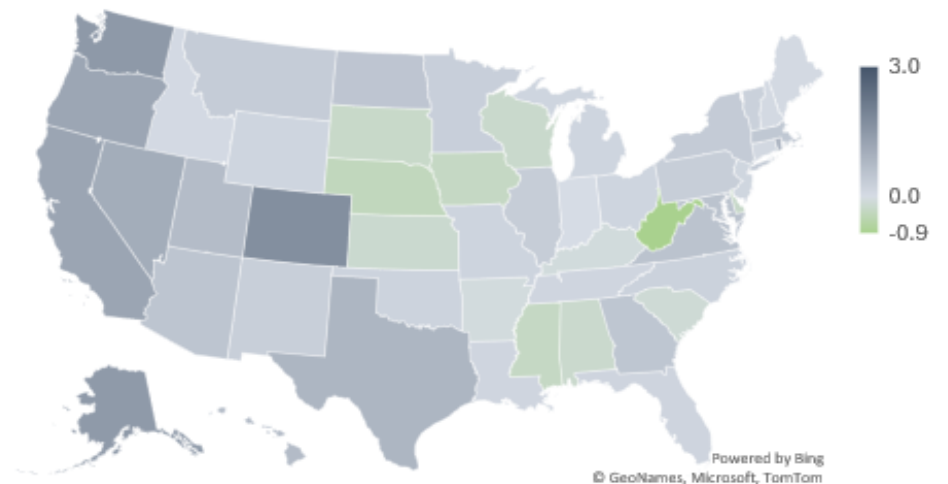
- The labor force in the Northeast is considerably older than in other parts of the nation.
- However, due to large numbers of retirements, the Northeast states will see only limited additional aging in their labor force over the next decade.
- In contrast, states in the Southwest and west have a generally younger labor force that will age more rapidly.
- Portions of the South and Midwest will actually see their labor force getting younger over the next decade as retirements remove the oldest workers.

Labor Force Median Age, 2025



Source: Global Insights Center

Change in Labor Force Median Age, 2025-35



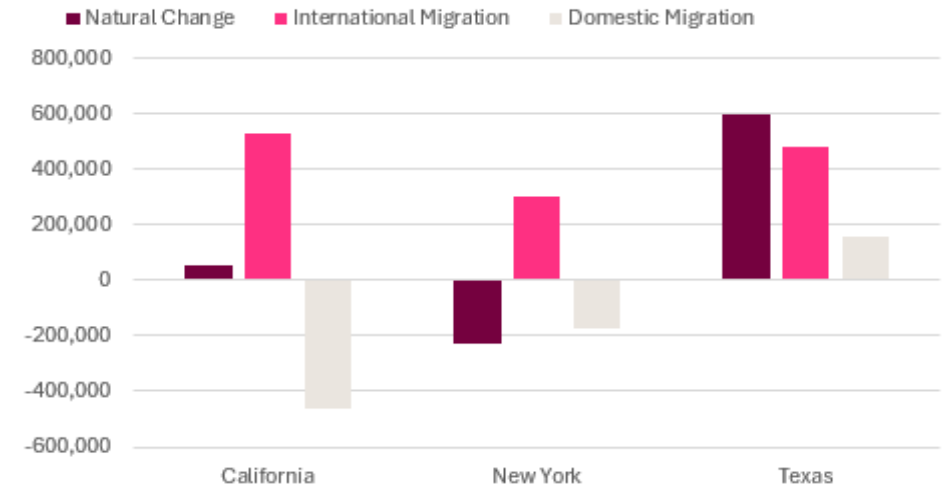
Source: Global Insights Center

Labor Force Growth: Texas growth broad-based, in others its mainly immigration

Texas leads the nation in labor force growth, driven by balanced contributions.

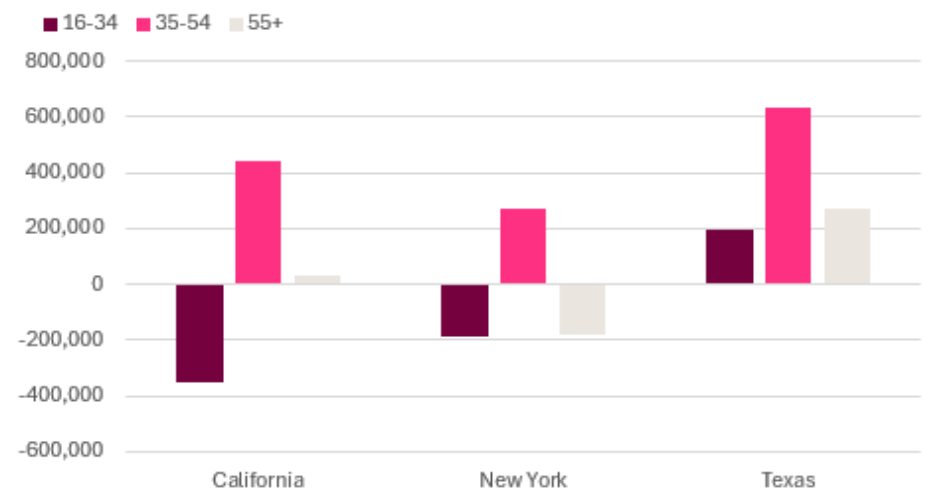
- Texas: labor growth expected to take place due to birth rates, international migration, and domestic movement of residents.
- New York and California: outbound movement of residents and low birth rates expected to curtail overall availability of labor, even when accounting for international migration. see natural labor force growth from more new entrants and fewer retirements.
- The baby bust, the smaller generation that followed the boomers, is entering the 55+ age range over the next ten years, limiting labor force growth in that category despite the aging of the population.

Sources of Labor Force Growth, 2025-35



Source: Global Insights Center

Labor Force Growth by Age, 2025-35



Source: Global Insights Center

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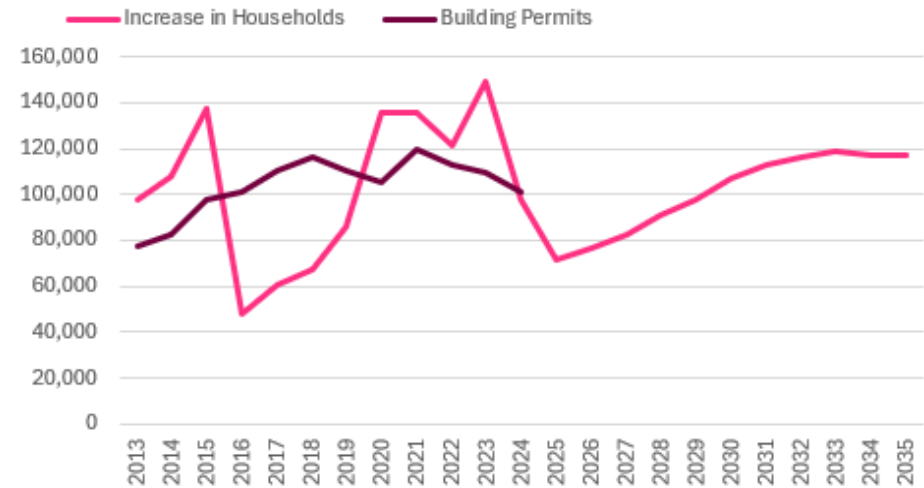
Implications: Housing and Consumption

Housing: California and Texas will still need more homes

Even after significant outmigration due to housing costs, California likely still needs to increase housing production.

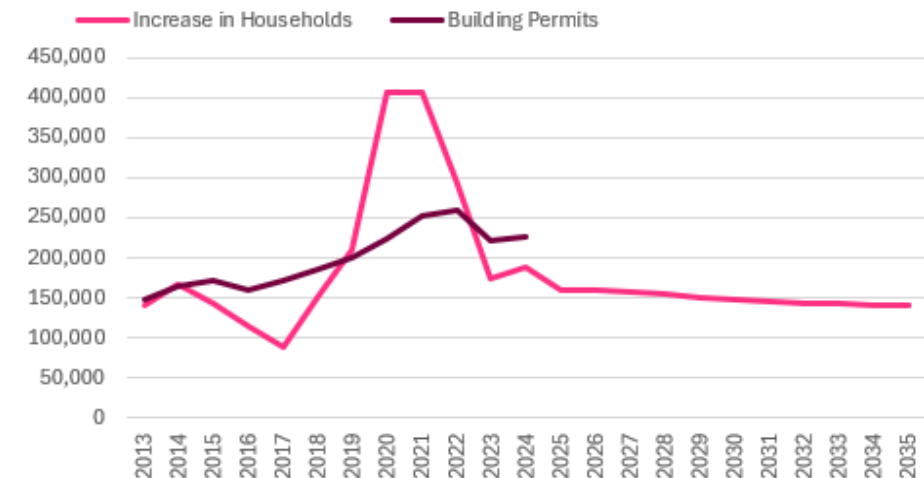
- Household growth tracks demand for residences; over the long term, housing construction needs to exceed growth in households due to demand for second homes and rentals.
- **California:** housing production has fallen short of demand till date.
- A short term drop in the growth of households over the next 5 years may allow for some progress in reducing the housing shortage. Residential construction will still need to grow, albeit at a slower rate.
- **Texas:** building at current levels should generally be sufficient to meet long run demand.

California: Annual Increase in Households, Building Permits



Source: Census Bureau, Global Insights Center

Texas: Annual Increase in Households, Building Permits



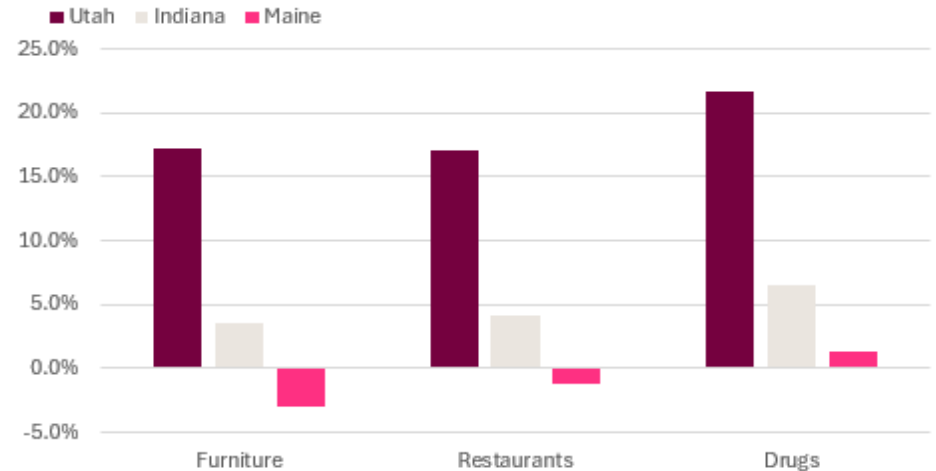
Source: Census Bureau, Global Insights Center

Consumption: Driven by demographics and behavior by age

Demographics affect spending based on the age composition of consumers.

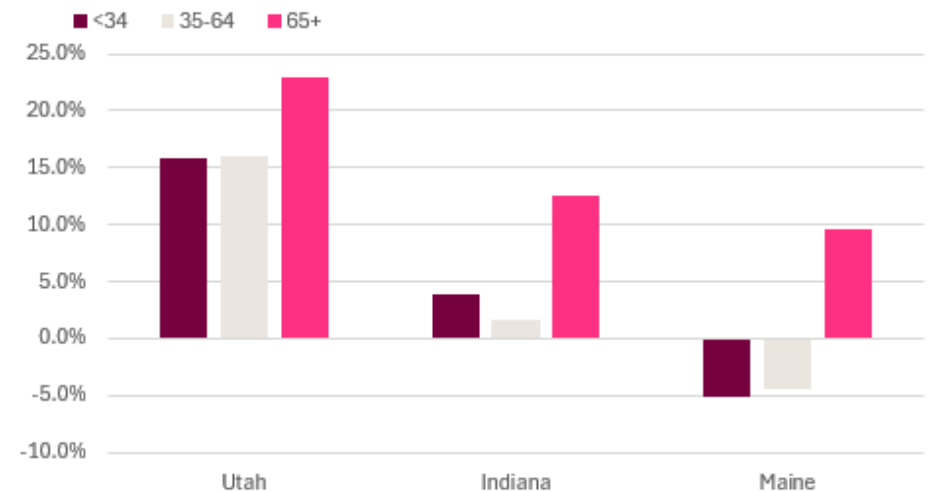
- Population growth leads to more consumers, which leads to more spending.
- **Utah**: sees more consumption growth across the board. But consumption patterns also change by age.
- A declining and aging population can see growth in categories like drugs that the elderly consume more of.
- In the restaurant category, demographics shift who is responsible for growth in **Indiana** and **Maine**.
- Spending preferences vary by ages, and this may impact the types of businesses likely to find success in a given area based on the demographic profile.

Demographic-Driven Change in Spending, 2025-35



Source: Global Insights Center

Change in Restaurant Spending by Age, 2025-35



Source: Global Insights Center

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