

A Reprint from *Tierra Grande*

An influx of people entering Texas in the wake of Hurricane Katrina made Texas the fastest-growing state in the nation (in numerical terms) from 2000 to 2006.

From April 1, 2000, to July 1, 2006, Texas' population grew from 20.9 million to 23.5 million, an increase of 12.7 percent. By comparison, California increased from 33.9 million to 36.5 million during the same period, a 7.6 percent increase.

Both states recorded a faster rate of increase than the 6.4 percent population increase the nation posted from 2000 to 2006, when it grew from 281.4 million to 299.4 million.

Although it is impossible to determine exactly how many people migrated to Texas from Louisiana as a result of Hurricane Katrina, Texas' average annual population increase of approximately 400,000 per year from 2000 to 2005 increased to 579,000 from 2005 to 2006. The number of domestic migrants (people coming to Texas from other states) grew from roughly 60,000 from 2004 to 2005 to nearly 218,000 from 2005 to 2006.

Texas domestic migration has been on the rise after falling to a low of about 36,000 from 2003 to 2004. According to the office of the state demographer, Texas received at least 120,000 persons from Louisiana, and perhaps as many as 160,000 persons from 2005 to 2006, most as a result of Katrina. These figures hold even allowing for a likely increase in domestic migration from other sources.

Texas' population growth is extraordinary even without the effects of the hurricane. At its present growth rate, Texas will likely be home to approximately 25 million people by 2010, an increase of roughly four million people in the first decade of the millennium. This is similar to the growth rate of the 1990s, and it represents a number roughly equivalent to the 1990 populations of Houston, Dallas, San Antonio and Corpus Christi combined.

Texas' percentage growth rate from 2000 to 2006 (12.7 percent) was the seventh fastest among the large states in the nation (those with populations of nine million or more in 2006). Only Florida, with a 2006 population of 18.1 million (a 13.2 percent increase from 2000 to 2006), and Georgia, with a 2006 population of 8.9 million (a 14.4 percent increase from 2000 to 2006), exceeded the Texas growth rate.

Texas' 23.5 million 2006 population was greater than all other states except California (with a population of nearly 36.5 million in 2006) and substantially greater than the next largest states of New York (with a 2006 population of 19.3 million) and Florida (with 18.1 million). Illinois, with a population of 12.8 million, and Pennsylvania, with 12.4 million, lag behind by more than 10 million. Whether viewed historically or comparatively, Texas' population is showing substantial growth.

What also remains evident is that the sources of Texas' growth in the post-2000 period are not identical to those of the previous decade. In the 1990s, about 50 percent of the state's population increase of roughly 3.9 million was attributed to natural increase (births minus deaths), about 30 percent to domestic migration and 20 percent to international migration (or immigration).

Of Texas' nearly 2.7 million population increase from 2000 to 2006, roughly 52 percent was from natural increase, 18 percent from domestic migration and roughly 30 percent from international migration. Domestic migration, which generally involves people with higher levels of education who enter higher-paying jobs than natives of the state, has decreased as a proportion of growth during the post-2000 period compared with the 1990s. International migration also has decreased. This category always involves some persons with high levels of education, but larger proportions with lower education levels who enter lower-paying jobs than natives.

Assuming that population growth levels boosted by Katrina do not continue, and that little net outmigration of these persons from Texas occurs, the 2000 to 2010 period would result in an increase of roughly 744,000 domestic migrants and nearly 1.3 million international migrants.

These patterns would be opposite of those in the 1990s, when the state recorded roughly 1.2 million domestic migrants and 777,000 international migrants. Although domestic migration has increased in the last few years, it is likely that population growth from 2000 to 2010 will not result in the average income growth that occurred in the 1990s.

Despite this qualifier, Texas' rapid population growth is clearly fueling the markets for all kinds of goods and services. The important role population growth plays in real estate markets will no doubt continue. ♣

*Dr. Murdock (steve.murdock@utsa.edu) is a research fellow with the Real Estate Center; Lutch Brown Distinguished Chair, Department of Demography and Organization Studies, College of Public Policy at the University of Texas at San Antonio; and state demographer of Texas.*



## THE TAKEAWAY

Texas' average annual population increase of 400,000 people from 2000 to 2005 increased to 579,000 from 2005 to 2006. This suggests (depending what one assumes about other domestic migration) that 120,000 to 160,000 people moved to Texas as a result of Hurricane Katrina.



MAYS BUSINESS SCHOOL

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

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

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