

Northern Virginia exodus pulls down Virginia's income; Martinsville shows state's fastest wage growth

The state's median household income has fallen. One reason is because high-income workers in Northern Virginia are moving out of state.

by **Dwayne Yancey**
Cardinal News
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Virginia is growing poorer and its most affluent region is to blame.

Meanwhile, a part of the state that's seen decades of hard luck and bad luck is now posting some of the biggest income gains in the state.

That may seem a contradiction in terms, but the changing demographics of Virginia are unlike the ones we've been accustomed to. The region whose economy should be of most concern right now is Northern Virginia, while the region with the most hopeful positive changes is Martinsville and Henry County.

All of that's contained in the new round of data that the U.S. Census Bureau recently released. One headline from that: The median household income in the country is declining.

That is not a data point that Democrats will find helpful as they head into a presidential election year, although the answer is not quite as clear-cut as it was in 1980 when Ronald Reagan posed his devastatingly simple question in a debate against President Jimmy Carter: “Are you better off today than you were four years ago?”

What happens if we re-ask Reagan’s question today? The Census Bureau puts the nation’s median household income at \$74,580, a decline from a pre-pandemic high of \$78,250. However, the Census Bureau [attributes](#) part of the decrease to the end of multiple pandemic-era programs:

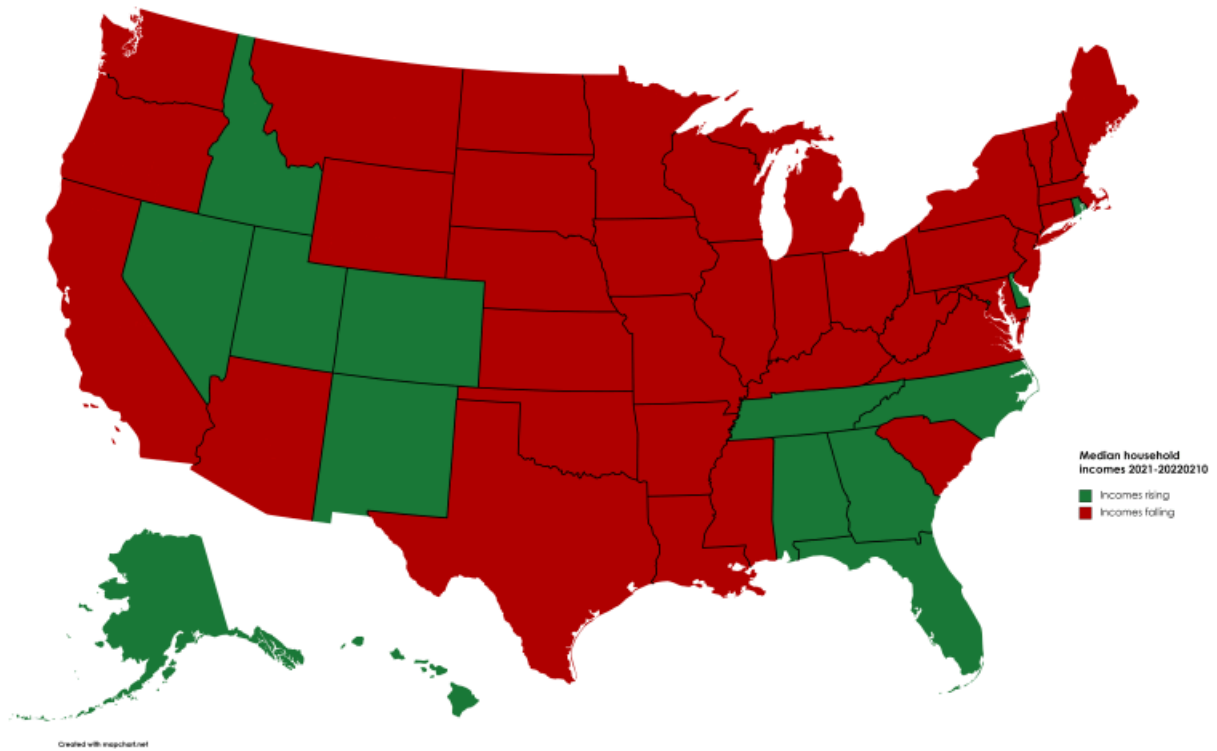
“In 2022, several policies enacted by the American Rescue Plan Act (ARPA) expired, including an expansion of the Earned Income Tax Credit (EITC) for filers without children and full refundability of the Child Tax Credit (CTC) and Child and Dependent Care Tax Credit (CDCTC). ARPA also increased the maximum amount of CTC.

“In 2020 and 2021, most households also received Economic Impact Payments (EIP) that were no longer issued in 2022.

“The rollback of these tax policies had the largest effect on post-tax income among the nation’s lowest-income households.”

That’s a lot to explain to voters, and the general rule of politics is if you’re explaining, you’re losing.

We have plenty of time to deal with the politics, though. Today, let’s look at the changing economics and demographics of Virginia.



This map shows which states are seeing their median household incomes rise and which ones have seen them fall from 2021 to 2022. Source: U.S. Census Bureau.

The report found only 14 states where median household income has gone up from 2021 to 2022, mostly in two clusters — one in the Southeast, the other in the Rocky Mountains states. In some of those states, the change was quite small: In Colorado, the median household income was up by just \$40. By contrast, it was up \$5,026 in Delaware.

In any case, Virginia was not among those lucky 14. In Virginia, the median household income fell from \$87,861 to \$85,873, a decline of 2.3%.

We should note that in Virginia's two neighbors to the south — North Carolina and Tennessee — the median household income grew. Not by much, but it still grew. Gov. Glenn Youngkin often points to North

Carolina as an economic competitor; he will not like these statistics. Nor should anybody in Virginia.

So why did Virginia's numbers go down? The reasons the Census Bureau cites for the national decline apply here, as well. But so does something else: the state's continuing out-migration.

Youngkin is the first governor I've seen who has talked about this, and he's talked about it a lot: Ever since 2013, more people have moved out of Virginia than have moved in. The state's population is still growing, because births outnumber both deaths and that net out-migration. However, birth rates are falling everywhere, so Virginia's population growth is slowing. In theory, if Virginia's birth rate fell more, the state could find itself losing population. Regardless, Youngkin has asked why Virginians are, to employ another Reagan phrase, "voting with their feet." Why are so many people moving out?

I've devoted [previous columns](#) to this subject, so I'll just hit the high points. This out-migration once was confined to older age cohorts — baby boomers retiring and moving farther south. It's hard to turn back that tide. In recent years, though, we've seen out-migration in every age cohort, which is far more worrisome to the governor. We're not only exporting our retirees, we're exporting our younger workers, too. It's hard to build the "rip-roaring economy" that Youngkin promised.

Let's look closer at who's moving out: It's higher-income Virginians.

For at least 16 years — the Internal Revenue Service database on migration and income only goes back that far — the people moving out of the state have made more money than the people moving in. And that gap is widening. In 2011, those moving out of Virginia made only

\$1,466 a year more than those moving in. By 2020, the gap was \$6,082 a year. With each moving van, Virginia is losing money.

I've also pointed out in [previous columns](#) that Virginia's out-migration is driven primarily by Northern Virginia and, to a lesser extent, Hampton Roads. Most of rural Virginia now sees more people moving in than out (although localities may still be losing population because, in an aging county, deaths outnumber births and net in-migration). This is, of course, a complete turnaround from what most of us have known.

Furthermore, the Weldon Cooper Center for Public Service at the University of Virginia reported earlier that this year that Northern Virginia isn't simply seeing net out-migration, it's losing population altogether. Let me say that again, louder and more specifically, for the people in the back: Fairfax County is now losing population. That hasn't happened since the 1820s. That's how profound a demographic shift this is.

For now, let's just deal with out-migration and not larger demographic trends: The average income of those moving out of Fairfax County is \$106,356. In Arlington, \$112,206. In Loudoun County, \$115,254. Virginia is losing its highest-income residents. If you subscribe to the "Eat the Rich" theory, you can count that as a good thing. If you like your public schools in rural Virginia funded, it's not, because most rural schools receive most of their funding from the state. With affluent residents leaving the state, Virginia is losing taxable income. We can debate what that tax rate ought to be, but the Virginia tax rate on those who leave the state is obviously zero.

This is a big reason why Virginia's median household income has declined, says Hamilton Lombard, a demographer with the Weldon

Cooper Center. “The out-migration of high income people from Northern Virginia or those who if they had stayed would have seen their income grow, is definitely a factor,” he tells me by email. “In recent decades Northern Virginia has been both Virginia’s wealthiest and fastest growing region, but since 2020 Northern Virginia has seen very little growth, while less wealthy parts of the state are growing, likely helping pull down Virginia’s overall income numbers further.”

The Census Bureau also issued figures on average monthly wages for private sector workers. This data isn’t available on a locality-by-locality basis, but it is available on the level of metropolitan statistical areas and micropolitan statistical areas, which is close enough for our purposes.

From 2021 to 2022, the fastest wage growth in the state came in some of the least affluent areas – the Martinsville and Big Stone Gap micropolitan areas tied for first at 12%, followed by the Virginia part of Kingsport-Bristol at 10%.

Meanwhile, the slowest wage growth during that time came in Northern Virginia – 5%.

Metro or micropolitan area	Wage growth 2021-2022
Big Stone Gap	12%

Martinsville	12%
Bristol	10%
Bluefield	9%
Danville	9%
Roanoke	9%
Blacksburg-Christiansburg	9%
Staunton	9%

Winchester	9%
Harrisonburg	8%
Rural Virginia	8%
Lynchburg	7%
Richmond	7%
Hampton Roads	7%
Charlottesville	6%

Northern Virginia	5%
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Monthly wage growth 2021-2022. Source: Census Bureau

When we look at a wider time frame to measure 2019 to 2022 – from before the pandemic to last year – we see similar patterns. The single fastest wage growth during that came in Martinsville, at 24%. But Northern Virginia was near the bottom at 17%.

Metro or micropolitan area	Wage growth 2019-2022
Martinsville	24%
Winchester	23%
Charlottesville	22%

Lynchburg	22%
Richmond	21%
Staunton	21%
Hampton Roads	20%
Roanoke	20%
Rural Virginia	20%
Blacksburg-Christiansburg	19%

Harrisonburg	18%
Bristol	17%
Danville	17%
Northern Virginia	17%
Big Stone Gap	16%
Bluefield	14%

Monthly wage growth from 2019 to 2022. Source: U.S. Census Bureau

Northern Virginia is an economic behemoth. When its economic growth slows down, we should all pay attention. I am reminded of the famous quote from the late Canadian Prime Minister Pierre Trudeau (father of the current PM), who described living next to the United States like this: “Living next to you is in some ways like sleeping with

an elephant. No matter how friendly and even-tempered is the beast, if I can call it that, one is affected by every twitch and grunt.” The same applies to Northern Virginia and the rest of the state. Right now we should all be paying attention to its economic (and demographic) twitching and grunting.

The micropolitan area with Martinsville and Henry County has the statistical advantage of lower wages overall, so it’s easier to show a bigger percentage increase. Still, these are the numbers. It’s been a long time since the Martinsville-Henry County area — which in 2000 saw the collapse of the textile industry — has been at the top of any chart of good statistics. It is now, so we’re all in need of some attitude adjustment.

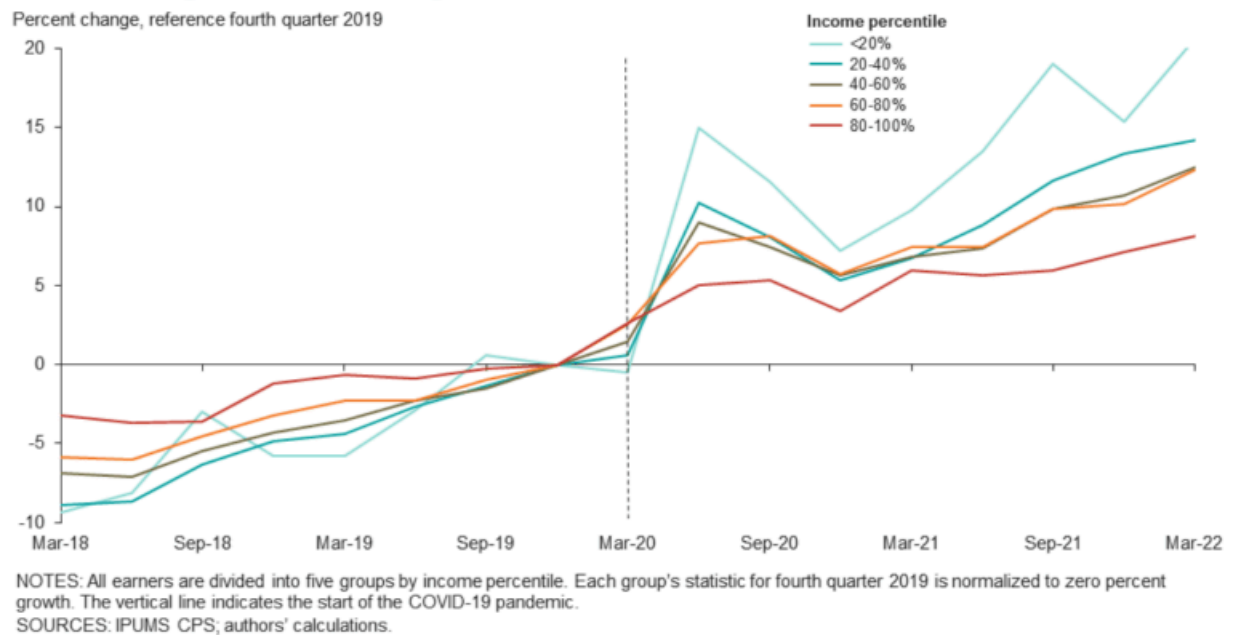
The actual dollar figure increases in Martinsville and Henry County are impressive, too: an increase of \$377 a month. Only Richmond, Winchester and Northern Virginia, in that order, have seen bigger ones. That also shows just how wide the income gap in Virginia remains: An extra \$396 a month in Northern Virginia translates into a slow increase, an extra \$377 a month in Martinsville translates into the biggest percentage growth in the state.

“Martinsville had the lowest reported income in [first quarter] data for any metro or micro area but the larger income gains allowed it to inch up relative to Northern Virginia,” Lombard says. “Martinsville’s larger income gains are likely related to the fact that there has been a manufacturing boom nationally in recent years and among Virginia’s metro and micro areas, Martinsville has the largest share of its workforce employed in manufacturing (nearly one in five workers).”

Furthermore, after adjusting for inflation, the only places in Virginia to experience income gains from 2021 to 2022 were in the southern

and western parts of the state, Lombard says. “This trend is very much in line with national trends, which have seen lower income and blue collar workers see larger income gains or smaller declines on average than most higher income and white collar workers,” he says.

Nominal Earnings Grew Fastest Among Low-Income Earners



The chart by the Federal Reserve Bank in Dallas shows how lower-income workers have seen their wages rise the fastest.

[A report by the Federal Reserve Bank in Dallas](#) tells us the pandemic has been good for lower-income workers: “Before the pandemic, growth in nominal earnings was comparable across all five earnings quintiles. But once the pandemic struck, the lowest quintile of earners saw the fastest rate of growth in earnings.”

Different people might answer that “Are you better off?” question different ways.

But wait, there’s more good news: “The higher wages also appear to be pulling more southern Virginians into the workforce,” Lombard says.

“Even though the 20 to 65 population is declining in the Martinsville region, the number of private sector employees has not declined, causing labor force participation rates to rise. This is a positive change, particularly when you consider that over the past decade, parts of Southwest Virginia have had over three-fifths of adults not employed or looking for work, compared to one-fifths or one quarter in Northern Virginia.”

So, here’s something to celebrate in Martinsville. It may be McLean we need to worry more about.

Highland County's Maple Festival won't have a Maple Queen this year. Blame demographics (partly).

A drought in births 17 years ago is now catching up with the county. Here's how an aging population and declining birth rates have played out in the state's smallest county.

by **Dwayne Yancey**

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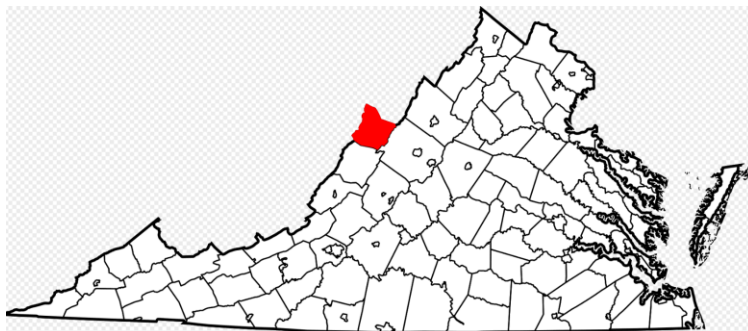
The Highland County Maple Festival, the county's annual celebration of its Vermont-like maple sugar farms, will take place this year without one of the traditional staples: There will be no Maple Queen.

The organizers canceled the pageant after only three girls indicated interest; the rules called for at least five contestants. "Unfortunately, participation in the pageant has been dwindling for years," a pageant spokesperson told [The Recorder](#), the weekly newspaper that serves Highland. The chamber of commerce, which runs the pageant, increased the scholarship money awarded to finalists. It changed some of the rules. It extended the deadline. "There was not enough interest from the eligible pool of contestants themselves to proceed," the chamber spokesperson said.

There are lots of reasons why girls today may not be as interested in pageants as they once were – changes in cultural values and all that. However, there’s another factor at play here, and it’s contained in that phrase “the eligible pool of contestants.” There simply aren’t as many girls in Highland County as there once were.

This is a small county to begin with – population-wise, the smallest in the state, with 2,232 counted in the 2020 census. That’s down from a height of 5,647 in 1900. Not only is Highland County getting smaller, it’s also getting older – dramatically so. In 1980, the median age in Highland was 34.4. By 2019, it was 59.3, the oldest in the state.

These are two trends – a dwindling population, and an aging population – that we see throughout rural Virginia. They just play out more vividly in Highland County when the county can’t find enough girls interested in being Maple Queen.



Highland County. Courtesy of David

Benbennick.

Hamilton Lombard, a demographer with the University of Virginia’s Weldon Cooper Center for Public Service, walked me through the census numbers. In 1940, Highland County saw 100 births, in a county that was then home to 4,875 people. By 2000, Highland’s population was down to 2,536, not quite half of what it had been in 1940 – but births had dropped even more precipitously, from 100 a year into the

teens per year. That's a reflection of both an aging population and a national decline in birth rates – women are having fewer children, and there are fewer women in child-bearing years in Highland.

This decline happened gradually – until it didn't. Highland's population hasn't changed that much from 1980 to today, down about 700 people overall, but the number of births has fallen from 56 in 1980 to 30 in 1990 to 16 in 2000 and has generally been in the teens ever since. “Not coincidentally, the number of births in Highland reached a record low of only nine in 2006,” Lombard tells me. “The handful of females born that year would be in the age range to compete in the Maple Queen Pageant. Since then, the number of births have rebounded a bit in Highland and are now in the upper teens, hitting 20 in 2016 for the first time in two decades.” In 2021, Highland saw 17 births.

Big picture: Demography really is destiny and a drought in births 17 years ago is now catching up with Highland's Maple Queen pageant.

It's not alone. Colleges are worried about the same thing. This is the so-called “enrollment cliff” that they fret about. I've written before about that – how declining college enrollment isn't because colleges are doing a poor job, but because declining birth rates simply mean there are fewer college-age students to go around. You can't enroll students who were never born. You can't put a Maple Queen crown on them, either.

Highland's inability to field enough contestants for Maple Queen may not be the most important consequence of our changing demography but it's an easy illustration of what happens when there are fewer people in younger age cohorts. More significantly, with fewer young adults, communities face shrinking labor pools (which makes it hard

to recruit new employers, which in turn helps accelerate out-migration) and slower economic activity (young adults setting up households and raising kids tend to spend more than older adults).

Let's use Highland's lack of a Maple Queen as the jumping-off point to look at how much births have fallen in other communities. Let's start with Roanoke, because its population in the 2020 census was almost the same as it was in the 1980 census. In between, the city's population fell but is now coming back up. The Star City counted 100,220 people in 1980 and 100,011 in 2020. Even though those two populations are about the same, the number of births fell – from 1,485 in 1980 to 1,190 in 2000. That is why we see these two things today: the city school system planning for declining enrollment (even though the city's population is growing slightly) and an entire economic development apparatus in the Roanoke Valley that's trying to increase the number of young adults. Think of it this way: If Roanoke's births in 2000 had equaled the births in 1980, the city would have 295 more people about to turn 23. Many of them would just now be graduating college and entering the workforce. Now think of all those “now hiring” and “help wanted” signs you see.

This is demography in action. The figures are even starker in some rural areas where the population is declining.

The most dramatic example is in Buchanan County, a coalfield county that has seen the steepest population declines in the state. In 1980, when coal was in demand following the “oil shocks” of the previous decade, the county's population peaked at 37,989. By 2020, the county's population was just over half that – 20,355. The decline in births is even bigger.

In 1940, Buchanan County saw 1,146 births. Obviously families were bigger then but it's a good statistical marker to lay down. From 1940 to 1980, the county's population grew, but births declined to 616 in 1980, just over half of what they were with a smaller population four decades earlier. Since 1980, Buchanan's population has plummeted by 46%. But its births have plunged by 73% – from 616 to 166.

Dickenson County next door has seen similar trends. In 1950, the county had 734 births. Dickenson's population peaked in 1950 at 23,939 and fell through the next two decades before rising again in 1980 to 19,906. Since then, the county's population has fallen to 14,124 – a drop of 29%. Births, however, have fallen by 66% – from 302 in 1980 to 104 in 2021.

This is why those localities have closed schools.

Some other localities to look at: Henry County and Martinsville. Last year the hospital in Martinsville shut down its labor and delivery unit, saying there wasn't enough business to support operations.

Here are the figures:

Births in Henry County peaked in 1960 at 1,045 and declined to 811 in 1990. Since then they've fallen by a little more than half – to 402 in 2021.

In Martinsville, births peaked in 1950 at 1,072. In 2021, the city saw 132 births.

Now, just for fun, let's look at some localities where the population has been growing.

Roanoke County: Population up, but births down – from 914 in 1990 to 836 in 2021.

Montgomery County: Population up, but births down – from 894 in 1990 to 649 in 2021.

Lynchburg: Population up, but births down – from 1,050 in 1990 to 960 in 2021.

Granted, some of those drops aren't that big, but any decline, against the backdrop of rising population, illustrates something else: Our age structure is changing. We have more people in older age cohorts and fewer in younger age cohorts.

Statewide, the number of people 60-64 is almost the same as the number 15-19 but those statewide numbers mask vast regional disparities.

To go back to our Highland County example, there are four times as many people 60-64 as there are 15-19. “While Highland is extreme even for rural Virginia, only 13 of Virginia’s 95 counties have more residents between 15 and 19 than 60 to 64,” Lombard says.

Even Arlington County, which has one of the youngest median ages of any non-college town in the state, has slightly more people 60 to 64 than 15 to 19.

In Roanoke, the gap is a little wider – 6,326 in the older age cohort, 5,327 in the younger one. That’s a fairly youthful distribution in our part of the state. More typical would be Bedford County – 6,795 older to 4,665 younger. Or Pittsylvania County – 4,938 to 3,379.

In some counties, the gap becomes wider. In Buchanan County, which we looked at earlier, the gap is 1,652 in the 60-64 cohort and 998 in the 15-19 group.

In Surry County, the 60-64 age cohort is more than double the 15-19 cohort – 639 to 299.

And then there's Highland County, where there are 274 people in the 60-64 age group and 65 in the 15-19 age group. And only three of them wanted to be Maple Queen.

For ninth straight year, more people move out of Virginia than move in

New data from the Internal Revenue Service show that Northern Virginia is losing the most people, and it seems to be primarily working-age adults, not retirees.

by **Dwayne Yancey**

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Virginians continue to vote with their feet. And their moving vans.

For the ninth straight year, more people have moved out of Virginia than have moved in.

And the gap between those two numbers is growing; it's now the biggest deficit the state has seen in four years.

That's according to the latest migration data from the Internal Revenue Service, which tracks where people file their tax returns from. (Yes, the government knows where you live.)

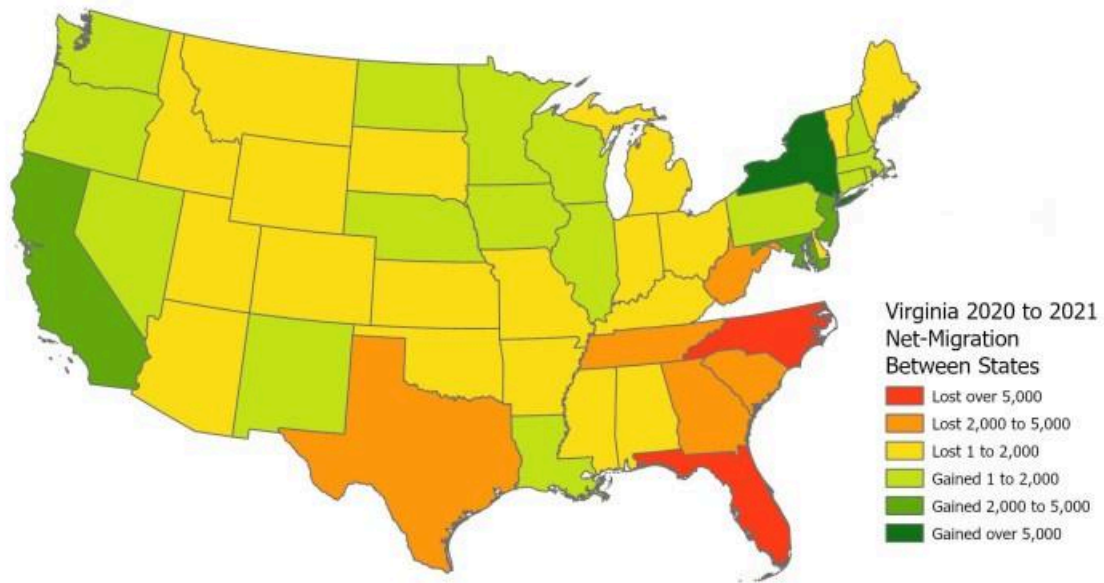
This is a key metric: If more people are moving out than moving in, that suggests there aren't enough reasons to hold people here, be that jobs or something else. Gov. Glenn Youngkin has said that net migration is a statistic he regularly pays attention to as a way of monitoring the state's economic health, and he's repeatedly called attention to years of net out-migration as a sign that the state isn't creating enough jobs. He's used net out-migration as a reason why the state should both cut taxes and to ramp up workforce development and site development.

He won't like these numbers, which [just came out last week](#), although there is one political consolation: These numbers are for 2021, before he took office. I suspect he will use this data to make anew the case for tax cuts, currently held up in stalled negotiations over amendments to the state budget.

I should caution that these numbers don't mean that Virginia is losing population. It's not. Two things drive population growth (or population decline). One is migration, whether more people are moving in or out. The other is whether there are more births than deaths or the other way around. Virginia has continued to gain population, but only because births have outnumbered both deaths and this net out-migration. However, the increased net out-migration does have the effect of slowing the state's population growth. It also reflects market choice. People don't choose to be born or die but they do choose where they want to live, and from 2013 onwards we've seen Virginians vote against Virginia.

We might want to wonder why.

Here are some key takeaways:



Here are the states that Virginia is swapping population with. Virginia is gaining population from the green states and losing it to the yellow, orange and red states. Courtesy: Hamilton Lombard, Weldon Cooper Center for Public Service, the University of Virginia.

1. Virginia is gaining people from the Northeast and California; losing people to the South.

In 2018, Virginia saw net in-migration of 11,365 from Northeastern states; by 2021 that had grown to a net of 18,191.

By contrast, in 2018 Virginia saw net out-migration of 17,846 to Southern states; by 2021 that deficit had grown to 31,898.

Not surprisingly, migration to and from other parts of the country is smaller, although the net in-migration from the West Coast is growing. In 2018, we had a net gain of 97 from the West Coast; by 2021 that was

up to 5,737. That reflects increased out-migration from Oregon and Washington but especially California.

Statistics are funny things, so there are several ways to look at this.

In terms of raw numbers, here are Virginia's 10 biggest sources of out-of-staters in 2021:

Maryland: 26,777
North Carolina: 21,874
Florida: 19,093
California: 18,441
New York: 14,198
Texas: 13,544
Foreign: 10,748
District of Columbia: 9,796
Pennsylvania: 9,726
Georgia: 8,069

However, keep in mind that people are moving out of state at the same time — and at greater rates. So here are the top 10 places that Virginians are moving to:

Florida: 29,687
North Carolina: 28,366
Maryland: 23,150
Texas: 17,803
California: 13,917
Georgia: 10,456
South Carolina: 9,369
Pennsylvania: 8,995

Foreign: 8,679
Tennessee: 8,099

You've probably already spotted some significant trends. Florida and North Carolina are the biggest destinations. Now, combine all that — those moving in and those moving out — and you see the places with which we have population surpluses and the places with which we have population deficits.

Surpluses (net in-migration)

New York: 6,285
California: 4,524
Maryland: 3,627
District of Columbia: 3,420
New Jersey: 2,750
Foreign: 2,069
Connecticut: 1,080
Massachusetts: 956
Pennsylvania: 731
Illinois: 708

Deficits (net out-migration)

Florida: 10,594
North Carolina: 6,492
Texas: 4,259
South Carolina: 3,053
Georgia: 2,387
West Virginia: 2,256
Tennessee: 2,086

Colorado: 906

Alabama: 795

Ohio: 500

Some might look at these lists and conclude that Virginia is attracting people from Democratic states and losing them to Republican states (Colorado would be an exception, and North Carolina has a split state government.) That's certainly one way to look at this, although whether politics is the driving factor is debatable. There are lots of other ways to describe these trends: People are moving to Virginia from colder states and moving out to warmer ones. Maybe politics has nothing to do with it. I'll let the political types debate that. I'll just point out the numbers:

Virginia's net out-migration to Florida is growing. We had a population trade deficit with Florida of 5,917 people in 2018. Now it's up to 10,594. In terms of numerical change, that's the single biggest one among all the states we swap populations with. Whether that's because of Florida's political climate, its tax climate or simply its old-fashioned weather climate, *something* is happening here.

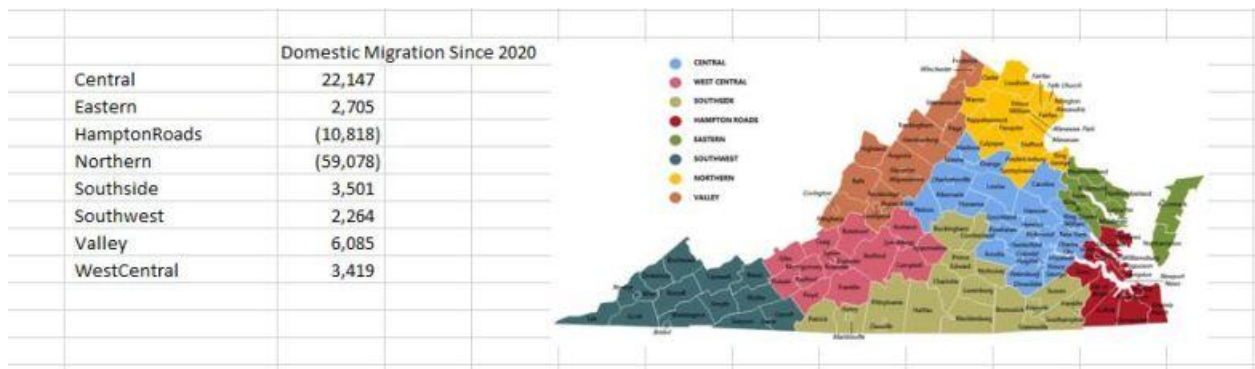
I'll also point out another curious trend: Virginia is increasingly losing people to ... West Virginia. In 2018, we had a population trade deficit of 881 with the Mountain State. By 2021, that was up to (or down to) 2,256.

Does anyone else wonder about this?

2. Northern Virginia is driving the state's out-migration.

We've [reported this before](#) so I won't belabor the numbers, but I will repeat for emphasis that this is happening. Both Northern Virginia and Hampton Roads are losing population. They may have more births than deaths but their net out-migration overshadows everything else. You can read [my previous reporting](#) on this, but the IRS data underscores it.

Some relevant numbers: In 2021, Virginia's population trade deficit with other states was 7,224. Fairfax County's population trade deficit with other states accounted for 3,877 of that, slightly more than half. Here at Cardinal we write a lot about population decline in rural areas, but it's not rural areas that are the problem here. Buchanan County, which has historically seen the biggest percentage declines in population of any Virginia locality over the past few decades, actually saw 18 more people move in than move out in 2021. If the governor wants to fix Virginia's net out-migration, he needs to fix Northern Virginia's net out-migration. In fact ...



Net in-migration and net out-migration by regions of the state. Overall, rural Virginia is seeing more people move in than move out; only Northern Virginia and Hampton Roads are losing population. Courtesy: Hamilton Lombard, Weldon Cooper Center for Public Service, the University of Virginia.

3. Overall, rural Virginia is now seeing more people move in than move out.

4. Virginia's migration trends are more like a Northeastern state than a Southern state.

This isn't new. We've seen this before, but here's yet more data to confirm it. Virginia is losing people through migration; so are many Northeastern states. Meanwhile, virtually every other state in the South is gaining population. Only three Southern states are seeing net out-migration: Louisiana, Mississippi ... and Virginia. That's the company we're keeping.

Virginia's net out-migration was, as we've said, 7,224. By contrast, North Carolina's net in-migration was 77,522. South Carolina's was 64,845. Tennessee's was 62,304. Georgia's was 54,738. You don't want to know Florida's. Oh, heck, maybe you do: 257,487. As someone who lives down a rural road where my closest neighbor is a bear, I'm not exactly a fan of population growth. I'm on pretty good terms with the bear and would take him (or her) over a lot of people, as long as he (or she) stays out of the trash. But I must still ask why so many people are finding those other states more desirable than Virginia. Something seems to happen at the state line when you cross into North Carolina and Tennessee, so what is it? Does William Byrd's old survey line have some magic woven into it?

5. The people moving out make more money than the people moving in.

The total adjusted gross income of people moving into Virginia in 2021 was \$11,083,778. The total adjusted gross income of people moving out of Virginia that year was \$12,916,310. Not only did we lose a net of

7,244 people, we lost \$1.8 million as well. Maybe that doesn't matter to you but it matters to somebody. That's \$1.8 million in lost spending power — money that might have circulated through the Virginia economy somehow.

6. We're losing more workers than snowbirds.

Here's the part that will alarm the governor the most. When Virginia's net out-migration began in 2013, it was confined to older age cohorts — people who retired and became the proverbial snowbirds, flocking to sunnier climes in the Southeast. Over the years, though, we saw every age cohort post net out-migration. Now comes this: Hamilton Lombard, a demographer with the Weldon Cooper Center for Public Service at the University of Virginia, calls my attention to an accompanying set of data, which looks at net in-migration by age and income. "The data has a good deal of suppression to preserve privacy, which makes it difficult to interpret, but it seems to show that the main income groups Virginia is losing are those earning over \$75,000 and 35 and older," he tells me. "The population over 65 only has slight out-migration, so much of the migration to Florida is likely not retirees."

In fact, only 4.9% of the net out-migration appears to be due to those 65 and over (again, this data is limited, so consider it a guide, not gospel). We do see some net in-migration in the under-35 age cohorts; this is a change. It may be just a one-year statistical blip or could be the start of a new trend. We just don't know yet. Lombard's take on the new IRS stats: "Overall though, the trend they show lines up with census data showing Virginia (particularly Northern Virginia and

Hampton Roads) pulling in young adults who are starting their careers and losing many as they progress and have more job options.”

This seems like a demographic alarm bell, one that I know the governor hears ringing.

I'll be diving deeper into these stats to see what else I can find. But these are the headlines for now, and they're not pretty ones.