

# North Carolina's Changing Population Dynamic



July 2020

## Executive Summary

- North Carolina's population growth has been larger than most other states' over the past decade and was poised to continue strong population growth prior to the COVID-19 pandemic.
- Migration has been a key component of the state's growth and is likely to remain a driver of population growth over the next decade.
- COVID-19 has created uncertainty around projected growth patterns.
- COVID-19 and resulting economic uncertainty may affect natural population growth factors. Long-term migration patterns may potentially include people relocating to NC from higher density urban areas in other states/countries.
- NC's rural population is significant, but most growth has occurred in or around larger cities.
- The population is aging and the fastest growth of the 65+ population is in urban areas.
- North Carolina is becoming more diverse.
- Census 2020 is vitally important to North Carolina's economy and electoral representation. COVID-19 may exacerbate the ability to accurately count traditionally hard-to-count populations.

## NORTH CAROLINA POPULATION GROWTH COMPARED TO OTHER STATES

According to the US Census Bureau, the state has shown robust growth, adding roughly 952,000 people between 2010 and 2019. Despite a smaller numeric population increase compared to the 1990s and 2000s, North Carolina experienced the fourth largest numeric gain among states between 2010 and 2019, adding more people than Michigan, New York, Pennsylvania, and Ohio combined. North Carolina's population growth was surpassed by only Texas (+3.8 million), Florida (+2.7 million), and California (+2.3 million).

During the past decade, North Carolina became the ninth most populous state in the nation, with a population nearing 10.5 million in 2019 and, as a result, is expected to gain at least one additional congressional seat after the 2020 Census.

Prior to the COVID-19 pandemic, the State Demographer projected North Carolina would grow by an additional 245,000 people in this biennium, achieving a population of just less than 10.8 million by July 1, 2021. The economic fallout from the pandemic will likely depress growth in the short term due to limited migration, fewer births, and more deaths than previously projected. This may result in a population closer to 10.7 million by July 1, 2021.

## COVID-19 CHALLENGES PROJECTIONS

It will be at least a year before we fully understand the impact of COVID-19 on mortality and fertility, and therefore on natural population growth (defined as births minus deaths). So far, social distancing and other preventative procedures have limited deaths from the pandemic. Deaths in excess of what would be expected would lead to a smaller increase in natural population growth. Fertility rates could further depress growth as they often decline during uncertain times when couples delay major decisions such as having children.

Additionally, COVID-19 will likely challenge the other component of population growth – **net migration**.

While people move for a variety of reasons, chief among them is job opportunities. Even relocating retirees depend upon economic stability. Past economic downturns in the early 2000s and the Great Recession slowed the rate of net migration for the state's urban and rural counties alike (Figure 1). Prior to the pandemic, the rate of migration was gradually recovering from the Great Recession but had not yet returned to the levels of the previous decade.

In the longer term, the pandemic may draw more people to North Carolina from other areas, especially from high-density urban areas elsewhere in the United States and abroad.

# 4TH

NC experienced the 4th largest numeric gain among states between 2010 and 2019.

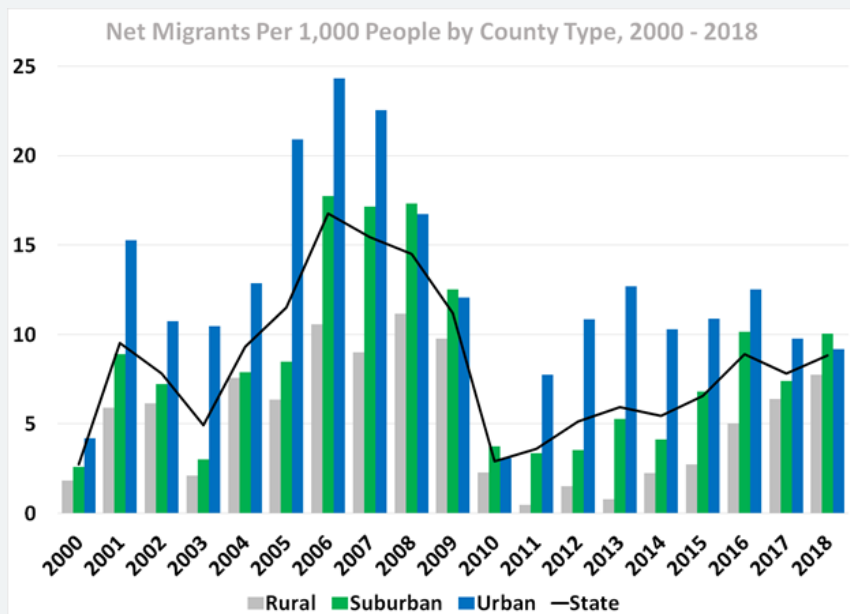
# 9TH

NC is now the 9th most populous state in the U.S.

# 10.7 M

Projected population of NC by July 2021 is 10.7 million.

**Figure 1**  
Past Economic Downturns Slowed Migration to North Carolina



Source: NC OSBM Population Estimates, Vintage 2018

## MIGRATION REMAINS A CRITICAL COMPONENT OF RECENT & FUTURE POPULATION GROWTH

Beginning in the 1970s, migration became a more important factor in our state's population growth and since 2010, net migration accounted for 68% of the state's population growth. Three of every four of these migrants moved here from other states (the remainder having moved here from abroad). The Census Bureau estimated 639,000 more people moved to North Carolina than left between April 1, 2010 and July 1, 2019, more than any of our neighboring states. Only Florida (+1.3 million net domestic migrants) and Texas (+1.1 million net domestic migrants) had more net domestic migrants than North Carolina, and North Carolina was one of only 22 states with more people moving in from other states than those leaving (at 476,000 net domestic migrants).

The importance of net migration for population growth is projected to continue due to population aging and long-term declines in fertility rates. Between 2020 and 2030, 82% of the state's growth is projected to be derived from net migration.

Net migration  
accounted for  
**68%**  
of population growth  
2010-20

Net migration is  
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of population growth  
2020-30

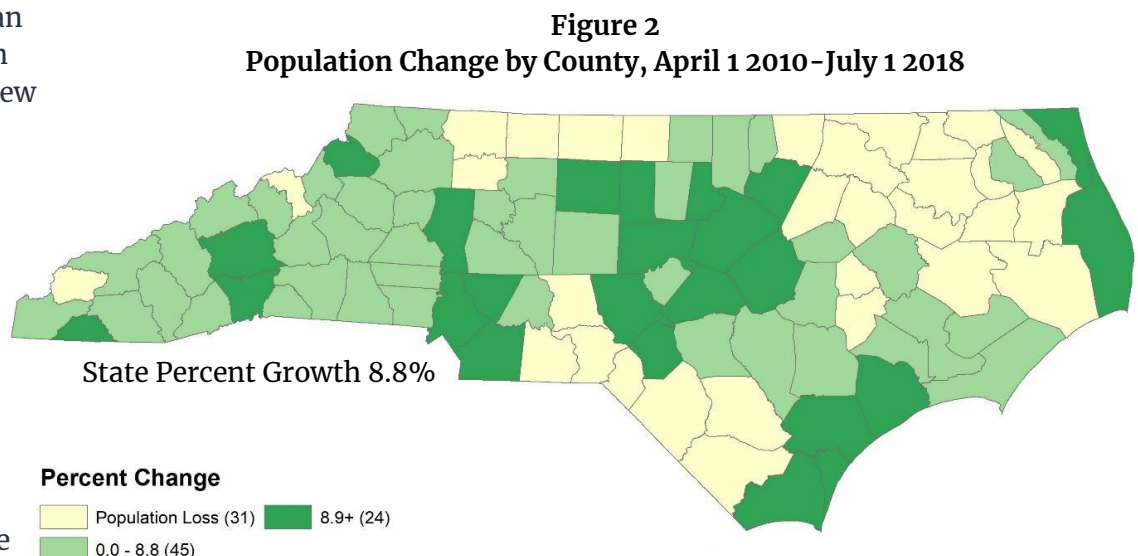
## RURAL POPULATION SIGNIFICANT, BUT MOST GROWTH IS IN LARGER COUNTIES

Population growth in North Carolina's six urban counties (as defined by the [NC Rural Center](#)) accounted for 57% of the 854,000 people added between 2010 and 2018. In fact, 38% of population growth occurred in Mecklenburg and Wake Counties alone. The 14 smaller urban regional city/suburban counties accounted for another 23% of population growth, with the remaining 80 rural counties accounting for 20% the state's population growth.

Rural areas remain important to North Carolina as 40% of the state's total population lived in rural counties in 2018.

The populations in all urban and regional city/suburban and most rural counties grew between 2010 and 2018. Of the 31 counties that lost population 2010-2018, all were classified as rural.

Two rural counties—Onslow and Johnston—have grown enough to be reclassified as regional cities/suburban counties and will likely be reclassified as such after the 2020 Census.



Source: NC OSBM Population Estimates, Vintage 2018

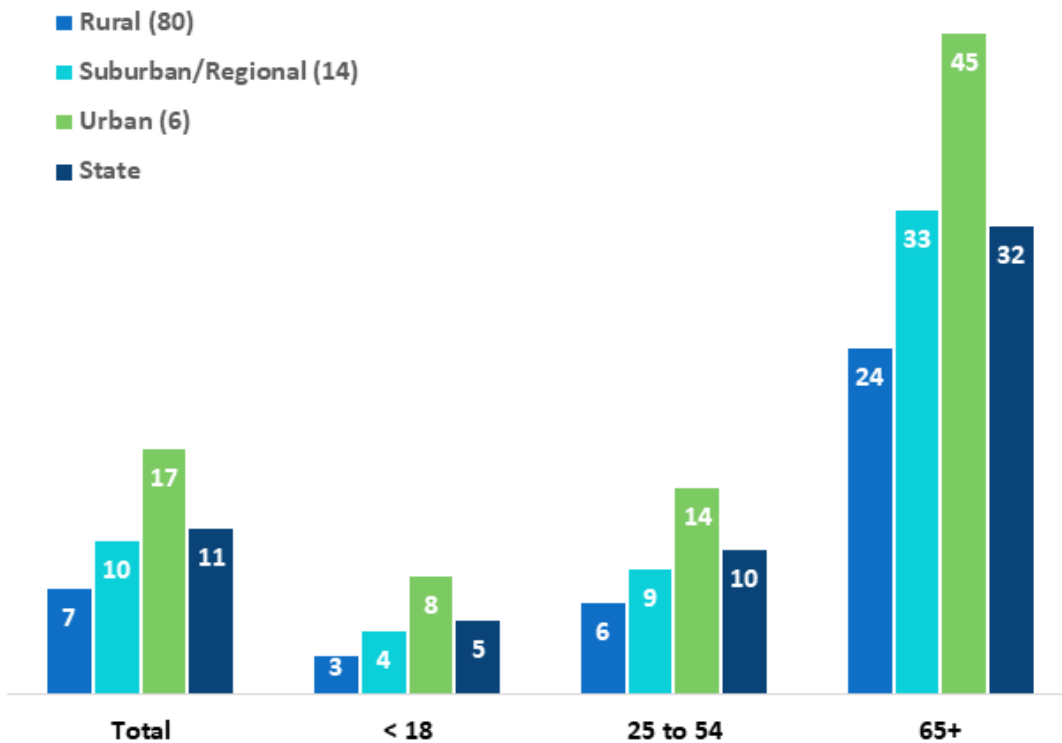
## NORTH CAROLINA'S POPULATION IS AGING

By 2030, the State Demographer projects that one in five North Carolinians will be at least 65 years old, and by 2035 there will be more older adults (ages 65+) than children (ages less than 18). The State Demographer projects that between 2020 and 2030, the older adult population will increase by 576,000 people (32.1%) to 2.4 million in 2030, and the oldest adults (ages 85+) will increase from 194,000 to 276,000.

The older adult population will increase more rapidly than all other age groups in all areas of North Carolina – with the fastest growth occurring in urban counties (see Figure 3). Growth in the prime working age population (25 to 54) will be much slower than older adult populations, with rural counties expecting to see the slowest growth in this age group.

Meanwhile, the childhood population will increase by only 3% in rural areas, 4% in regional city/suburban counties, and 8% in the six large, urban counties.

**Figure 3**  
**More Rapid Growth of Older Adult Population in Urban Areas**  
Projected Percent Change of Selected Age Groups, 2020–2030



Source: NC OSBM Population Projections, Vintage 2019

*The older adult population will increase more rapidly than all other age groups in all areas of North Carolina*

## CENSUS 2020

The 2020 Census count is currently underway. Those who have not responded can still respond by going to [my2020census.gov](https://my2020census.gov).

In late summer/early fall the US Census Bureau will complete non-response follow-up and enumerate people currently experiencing homelessness; those living in dorms, nursing homes, prisons, and similar facilities; and people living in RV parks, hotels, and other temporary situations.

The 2020 Census count is important to North Carolina because it will:

- Determine our representation in Congress;
- Direct the distribution of federal funds, bringing approximately \$44 billion annually back to North Carolina, including approximately \$1.4 billion to support rural North Carolinians through Cooperative Extension distributions, housing loans and rental assistance, water and wastewater system grants, and business and industry loans;
- Impact the distribution of at least \$1.5 billion in state funds to local communities; and
- Provide data for state and local governments planning and private sector decisions that spur economic development.

**For all these reasons, it is critical that every North Carolinian is counted this year.**

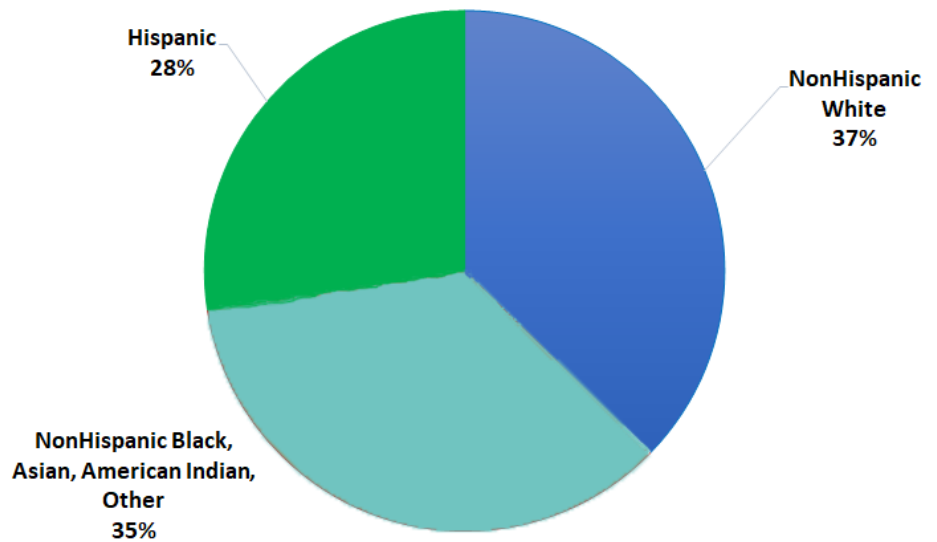
Unfortunately, some populations are often undercounted during the census. The pandemic has made the decennial census count exceptionally challenging and pushed the census timeline. It is likely Congress will approve a Census Bureau proposed delay in reporting the apportionment counts from December 2020 to April 2021, and redistricting data from April 1, 2021 to July 2021.

Governor Cooper's [Complete Count Commission](https://census.nc.gov) (census.nc.gov) will continue to work with local and state complete count committees and nonprofit groups to ensure that everyone responds to the once-a-decade population count.

## NORTH CAROLINA IS BECOMING MORE DIVERSE

In addition to an aging population, North Carolina, like the United States as a whole, is becoming more racially and ethnically diverse. At least 38% of North Carolinians are Black, Hispanic, Asian, American Indian, or multiracial. These race/ethnic groups accounted for 66% of total population growth since 2010 and will account for approximately five of every eight persons added between now and 2039.

**Figure 4**  
**Five of Every Eight People Added Now -2039 will be a Person of Color**  
Proportion of Population Growth Attributed to Each Group, 2020 - 2039



Source: NC OSBM Population Projections, Vintage 2019

The latest population projections suggest that by 2039, 43% of North Carolinians will be a person of color (5.5 million of 12.9 million total people).

This transformation can be seen in the diversity of our schools. By 2018, close to half of the under 18 population was a child of color and Hispanic, Asian, and multiracial children accounted for all of the growth in the childhood population since 2010.