Section 3

Reversing the Net Out-Migration of College-Educated Nebraskans

Priority 3. Reduce, eliminate, and then reverse the net out-migration of Nebraskans with high levels of educational attainment.

The third priority recommended by the 2003 LR 174 Task Force was to reduce, eliminate, and then reverse the net out-migration of Nebraskans with high levels of educational attainment. This priority was advised because data from the 2000 U.S. Census showed that Nebraska lost more college-educated adults than the state attracted between 1995 and 2000. Furthermore, during the same period, Nebraska attracted a significant net in-migration of adults with less than a high school education. The results of this analysis underscore the importance of connecting Nebraska employers and individuals who are educated at Nebraska's colleges and universities.

The migration analysis presented in the 2004 Baseline Report was based on the U.S. Census Bureau's estimates of the numbers of adults aged 22 to 64 who left and entered the state during the five-year period preceding the 2000 census. These estimates and the resulting estimates of net migration were based on responses to questions asked on the 2000 Census long-form, completed by a one-in-six sample of U.S. households.

Migration estimates based on 2000 census data were included in the 2004 Baseline Report with the intention that they would later be compared to data collected through the 2010 decennial census. However, the U.S. Census Bureau no longer collects migration data comparable to the data collected in 2000. Instead, the Census Bureau replaced the long-form of the decennial census with the annual American Community Survey (ACS).

First conducted in 2005, the ACS is an ongoing survey that provides annual population estimates for the United States. The ACS is collected monthly over the course of the survey year, and migration estimates are obtained by asking if members of a household lived in a different residence one year ago.

Compared to the decennial census, the major advantage of the ACS is that it provides new estimates of interstate migration every year, rather than only once every 10 years. For the purposes of this report, the major disadvantage of the annual ACS is that it provides estimates of the numbers of 22- to 64-year-olds who migrated to and from Nebraska based on small samples of individuals who entered or left the state. As a result, the migration estimates for 22-to 64-year-olds developed from ACS data can vary dramatically from one year to another, not because any significant changes in migration patterns have occurred, but because estimates based on small samples commonly fluctuate due to sampling error. In contrast, the migration data collected through the long-form of the decennial census in 2000 were from large samples of respondents, thus resulting in estimates with small margins of error.

In 2022, the nationwide ACS had an initial sample of approximately 3.54 million housing unit addresses. Using the total ACS sample, the U.S. Census Bureau publishes estimates of the number of adults 25 years of age or older that move in to or out of each state. However, the only way to obtain migration estimates for 22- to 64-year-olds is to develop them based on a smaller sample of ACS data that is available for public use, Public Use Microdata Sample (PUMS).

The ACS PUMS files include the survey responses obtained from an annual sample of about 1% of Nebraska's households. However, only a small fraction of the individuals surveyed report that they lived in Nebraska for less than a year or that they moved out of Nebraska within one year of the survey. When these groups of respondents are classified by level of education, sample sizes are further reduced, thereby decreasing the reliability of the migration estimates by education level.

Even though migration estimates based on ACS data can be expected to vary quite dramatically from one year to another, they are currently the *only* available statistics for monitoring Nebraska migration patterns. Consequently, the Coordinating Commission has reported the estimates for 22- to 64-year-olds by education level since ACS data first became available for public use.

Generally, only limited conclusions can be drawn from one-year migration estimates, due to the small samples on which the estimates are based each year and the relatively high margin of error associated with each estimate. Theoretically, by calculating average annual migration estimates based on the combined data collected through five consecutive ACS surveys, these limitations may be reduced. Therefore, average annual migration estimates presented in this section are calculated using five-year ACS PUMS files.

This section summarizes the average annual migration estimates based on the 2018-2022 ACS data collected from samples of 22- to 64-year-olds that migrated to and from the state, and compares these estimates to those based on average annual estimates based on 2013-2017 ACS. To provide context to the average annual migration estimates, the educational attainment of 22- to 64-year-olds is also discussed. While out-migration of Nebraskans with at least a bachelor's degree continues to be a serious issue that Nebraska must address, it is worth noting that the educational attainment of 22- to 64-year-olds continues to increase, albeit less than it would have if net out-migration were curtailed.

An important recent addition to the *Higher Education Progress Report* is the inclusion of Nebraska's educational attainment goal set by the 107th Legislature, Second Session, in LR 335. It is the goal of the State of Nebraska that at least 70% of 25- to 34-year-old Nebraskans have a degree, certificate, diploma, or other postsecondary or industry-recognized credential with economic value by 2030. To analyze progress towards this goal, this section begins with data from the Lumina Foundation's *A Stronger Nation*.³¹

Nebraska's Coordinating Commission for Postsecondary Education – 2024 Progress Report

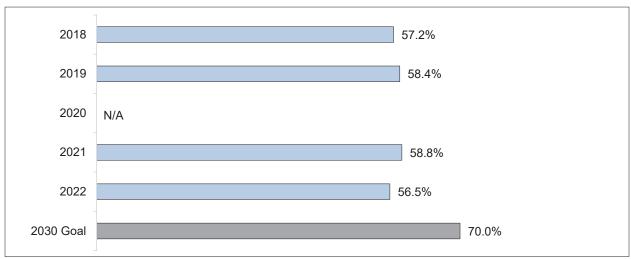
³¹ Data for *A Stronger Nation* comes from two sources. One-year files from the U.S. Census Bureau's American Community Survey (ACS) are used for degree attainment. Since the ACS does not include data for short-term credentials (high-value certificates and certifications), estimates for short-term credentials are produced by Georgetown University's Center on Education and the Workforce. Short-term credential estimates are not available by race/ethnicity.

Credential Attainment for 25- to 34-Year-Olds

- As shown in <u>Figure 3.1</u>, the Lumina Foundation estimates that between 2018 and 2021, credential attainment of Nebraskans aged 25 to 34 increased from 57.2% to 58.8%. However, as of 2022, only 56.5% have obtained a credential or higher. This is a decline of 2.3 percentage points from 2021. It is the goal of the State of Nebraska to reach 70.0% credential attainment by 2030 for 25- to 34-year-olds.
- As shown in <u>Figure 3.2</u>, it is estimated that 6.5% of Nebraskans aged 25 to 34 have obtained a short-term credential.

Figure 3.1

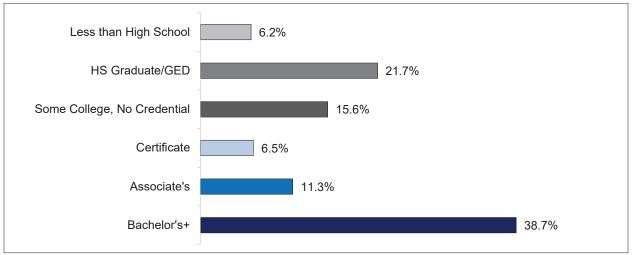
Credential Attainment of 25- to 34-Year-Old Nebraskans
2030 Attainment Goal Compared to 2018 through 2022 Estimates



Note. Data for 2020 is excluded due to quality concerns. See https://www.luminafoundation.org/stronger-nation/report/#/progress for more information. Data source: Lumina Foundation, *A Stronger Nation*, 2024.

Figure 3.2

Credential Attainment of 25- to 34-Year-Old Nebraskans by Level 2022 Estimates



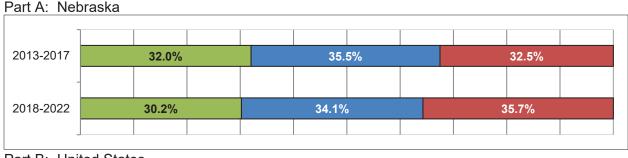
Note. See https://www.luminafoundation.org/stronger-nation/report/#/progress for more information. Data source: Lumina Foundation, *A Stronger Nation*, 2024.

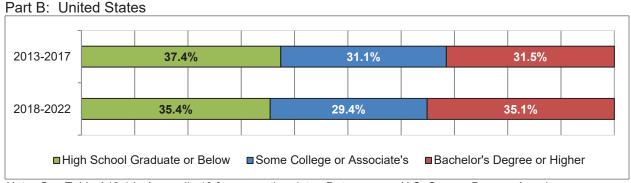
Educational Attainment for 22- to 64-Year-Olds

- Between 2013-2017 and 2018-2022, Nebraska's estimated population of 22- to 64-year-olds increased 1.5% (from 1,033,149 to 1,049,094). (See <u>Table A13.1</u> in <u>Appendix 13</u>.)
- Analysis by education level reveals that between 2013-2017 and 2018-2022, Nebraska's estimated population of 22- to 64-year-olds:
 - Decreased 1.8 percentage points for high school graduates or below.
 - Decreased 1.4 percentage points for those with some college or an associate's degree.
 - Increased 3.2 percentage points for those with a bachelor's degree or higher.
- As shown in <u>Figure 3.3</u>, the result of these increases and decreases is that overall, educational attainment in Nebraska is increasing.
- Educational attainment is also increasing for the United States as a whole, as shown in Figure 3.4. Nevertheless, Nebraska has consistently had higher percentages of 22- to 64-year-olds with some college or an associate's degree and for those with a bachelor's degree or higher. However, as shown below, educational attainment for the nation is increasing at a higher rate than Nebraska. Between 2013-2017 and 2018-2022, bachelor's degree or higher increased 3.2 percentage points for Nebraska and 3.6 percentage points for the nation.

Figure 3.3

Educational Attainment of 22- to 64-Year-Olds
Based on the 2013-2017 and 2018-2022 American Community Survey





Note. See <u>Table A13.1</u> in <u>Appendix 13</u> for supporting data. Data source: U.S. Census Bureau, American Community Survey five-year Public Use Microdata Sample (PUMS) files, 2013-2017 and 2018-2022 (compiled and prepared by Nebraska's Coordinating Commission for Postsecondary Education).

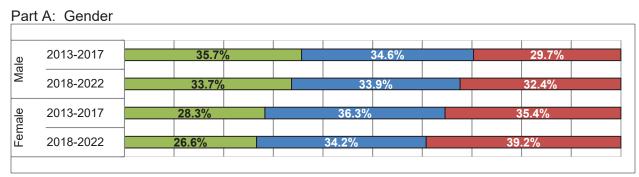
As shown in Figure 3.4, attainment rates vary by gender and by race/ethnicity.

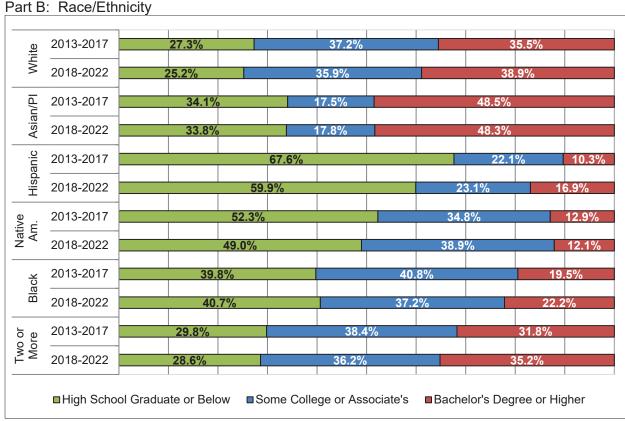
- Between 2013-2017 and 2018-2022, the percentage of males with a bachelor's degree or higher increased from 29.7% to 32.4% while the percentage of females with bachelor's degree or higher increased from 35.4% to 39.2%.
- While educational attainment is increasing for most groups outlined in <u>Figure 3.4</u>, large attainment gaps remain. Furthermore, while overall educational attainment is higher for Nebraska than the nation, Nebraska has lower attainment levels when analyzed by race/ethnicity for all groups included in <u>Figure 3.4</u>. (See <u>Table A13.2</u> and <u>Table A13.3</u> in Appendix 13 for comparable national rates.)

Figure 3.4

Educational Attainment of 22- to 64-Year-Old Nebraskans by Gender and Race/Ethnicity

Based on the 2013-2017 and 2018-2022 American Community Survey





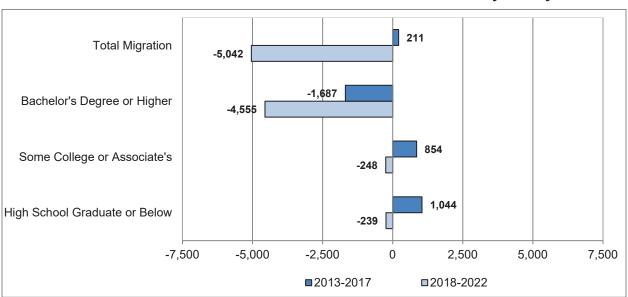
Note. Does not include rates for the racial category "Other" due to small sample sizes. See <u>Table A13.2</u> and <u>Table A13.3</u> in <u>Appendix 13</u> for supporting data. Data source: U.S. Census Bureau, American Community Survey five-year Public Use Microdata Sample (PUMS) files, 2013-2017 and 2018-2022 (compiled and prepared by Nebraska's Coordinating Commission for Postsecondary Education).

Migration Estimates for 22- to 64-Year-Olds

- <u>Figure 3.5</u> summarizes the average annual net migration estimates for Nebraska by education level, based on the results of the 2013-2017 and 2018-2022 ACS.³²
- Analysis by education level reveals that between 2013 and 2017, Nebraska had an average annual net out-migration of 1,687 working-age adults with a bachelor's degree or higher. Furthermore, it is estimated that between 2018 and 2022, Nebraska had an average annual net out-migration of 4,555 working-age adults with a bachelor's degree or higher. The result of this continued pattern of net out-migration over the last 10 years is that Nebraska has lost an estimated 31,210 working-age adults with high levels of education.
- <u>Figure 3.5</u> demonstrates that the net out-migration of highly educated working-age Nebraskans has not been eliminated since the 2003 LR 174 Task Force prioritized the issue.

Figure 3.5

Nebraska Average Annual Net Migration of 22- to 64-Year-Olds by Education Level
Based on the 2013-2017 and 2018-2022 American Community Survey



Note. See <u>Table A13.4</u> in <u>Appendix 13</u> for supporting data. Data source: U.S. Census Bureau, American Community Survey five-year Public Use Microdata Sample (PUMS) files, 2013-2017 (compiled and prepared by the Center for Public Affairs Research, University of Nebraska Omaha) and 2018-2022 (compiled and prepared by Nebraska's Coordinating Commission for Postsecondary Education).

³² Net migration is the difference between the estimated numbers of individuals who moved to or from Nebraska. If net migration is positive, the number of people who moved to the state is higher than the number who left Nebraska. If net migration is negative, the number of people who left the state exceeded the number who moved to Nebraska. Migration estimates from the ACS PUMS surveys are based on survey responses from a small number of working-age adults that moved in to or out of Nebraska. As shown in <u>Table A13.4</u> in <u>Appendix 13</u>, the 2018-2022 ACS PUMS data reveals that only 1,139 highly educated, working-age adults were surveyed that moved in to or out of Nebraska (approximately 230 survey respondents per year).

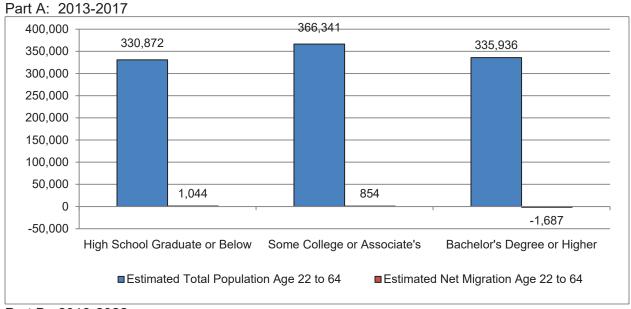
Migration Estimates Compared to Educational Attainment for 22- to 64-Year-Olds

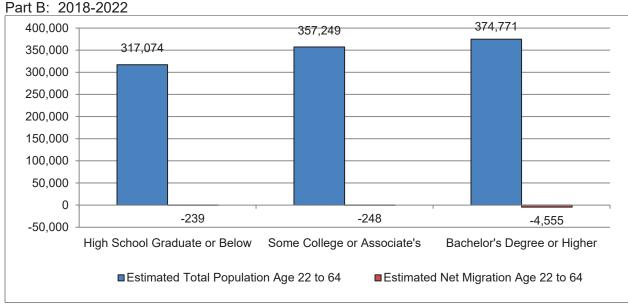
Current estimates from the U.S. Census Bureau reveal there is reason to be concerned about the net migration of working-age adults, particularly at the bachelor's degree and above level.

As illustrated in <u>Figure 3.6</u>, the latest available average annual net migration estimate at each education level is small relative to the corresponding total estimated working-age population of the state. Nevertheless, repeated positive or negative net migration will have a corresponding positive or negative effect on the size and quality of the state's labor force over the long run.

- Analyzing the overall educational attainment and the overall net migration of 22- to-64-yearolds reveals that for every 10,000 people in Nebraska with a high school education or below, there was an average annual net out-migration of 7.5 people for 2018-2022, compared to an average annual net in-migration of 31.6 people for 2013-2017.
- For every 10,000 people in Nebraska with some college or an associate's degree, there was an average annual net out-migration of 6.9 people for 2018-2022, compared to an average annual net in-migration of 23.3 people for 2013-2017.
- For every 10,000 people in Nebraska with a bachelor's degree or higher, there was an average annual net out-migration of 121.5 people for 2018-2022, compared to an average annual net out-migration of 50.2 people for 2013-2017.
- As previously discussed, only limited conclusions can be drawn about the net migration of 22- to-64-year-olds due to the small samples on which the estimates are based each year and the relatively high margin of error associated with each estimate. Caution should be exercised when interpreting the migration estimates based on American Community Survey data.
- A better future measure to analyze the net migration of Nebraskans with high levels of education attainment would be to obtain data from the postsecondary institutions related to where their recent college graduates are employed.

Figure 3.6
Nebraska Educational Attainment of 22- to 64-Year-Olds Compared to the
Nebraska Average Annual Net Migration of 22- to 64-Year-Olds by Education Level
Based on the 2013-2017 and 2018-2022 American Community Survey





Note. See <u>Table A13.1</u> and <u>Table A13.4</u> in <u>Appendix 13</u> for supporting data. Data source: U.S. Census Bureau, American Community Survey five-year Public Use Microdata Sample (PUMS) files, 2013-2017 (compiled and prepared by the Center for Public Affairs Research, University of Nebraska Omaha) and 2018-2022 (compiled and prepared by Nebraska's Coordinating Commission for Postsecondary Education).