

While the pace of the recovery following the Great Recession is picking up and most indicators we watch have improved since our October 2013 Monitor, the outlook is still hazy. In most states, unemployment rates continue to decline but remain above historic levels. The national unemployment rate was 7.0 percent in November, down from a revised 7.2 percent in August and 7.8 percent from 2012. (The national rate declined to 6.7 percent in December, but state rates discussed here are current through November.) Forty-two states had lower unemployment rates in November than at the same time last year, but the rate has increased for a few of these states over the last three months. Earnings growth across states paints a slightly less optimistic picture. Although real average weekly earnings were up 1.1 percent in November 2013 for the country as a whole compared to a year earlier, earnings declined in 17 states. Housing is also recovering: home prices rose in all states in the third quarter of 2013, and almost every state issued more building permits in 2013 than in 2012. For all but three states, the state coincident index from the Philadelphia Fed, a broad measure of the state economy, also shows continued growth.

States still face challenges. The majority still have not fully recovered from the Great Recession because of the depth of the recession and the relative tepidness of this recovery compared with to earlier recessions.¹ In all states except North Dakota and Minnesota, unemployment rates were higher in November 2013 than in 2007. Unemployment rates in Arizona and Idaho were still twice their 2007 levels. The national unemployment rate is 44 percent higher than it was in 2007. The decline in public employment is widespread and one contributor to the relative weakness of this recovery. Housing starts and home prices, too, remain below levels found in the peak years in the mid-2000s, but this might actually be a positive sign, indicating housing is on a more normal trajectory and may be avoiding some of the prior excesses that contributed to the recession.

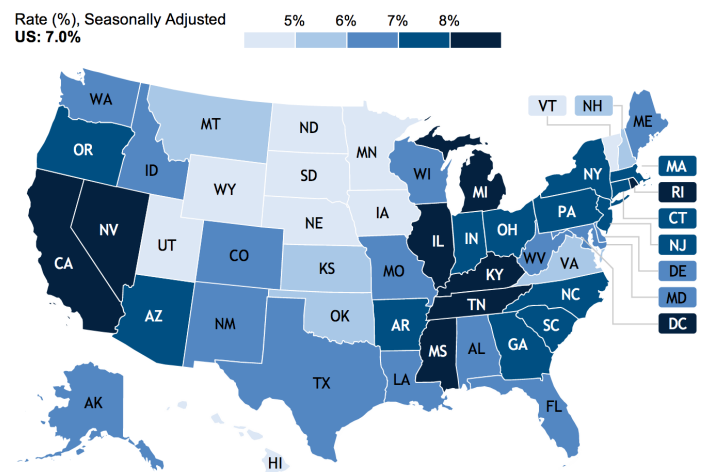
This issue of the State Economic Monitor describes trends at the state level, noting particular differences in state economies focused on employment, state government finances, housing, and economic conditions. Because of health reform’s likely growing role in states’ economic and fiscal health, we include a special supplement on state Medicaid expansion rates on page 7. The next issue of the State Economic Monitor will come out in April 2014.

EMPLOYMENT AND EARNINGS

National employment has been growing but remains 1.3 million below its 2007 peak. The lower employment level stems largely from declines in government employment (see page 3). The unemployment rate fell to 7.0 percent in November, a decline of 0.8 percentage points from a year earlier, reflecting the trend in most states. But state rates varied widely, from 2.6 percent in North Dakota to 9.0 percent in Nevada and Rhode Island. Hawaii, Iowa, Minnesota, Nebraska, North Dakota, South Dakota, Utah, Vermont, and Wyoming had rates below 5 percent; California, Illinois, Kentucky, Michigan, Mississippi, Nevada, Rhode Island, Tennessee, and Washington, DC, still had rates above 8 percent (figure 1).

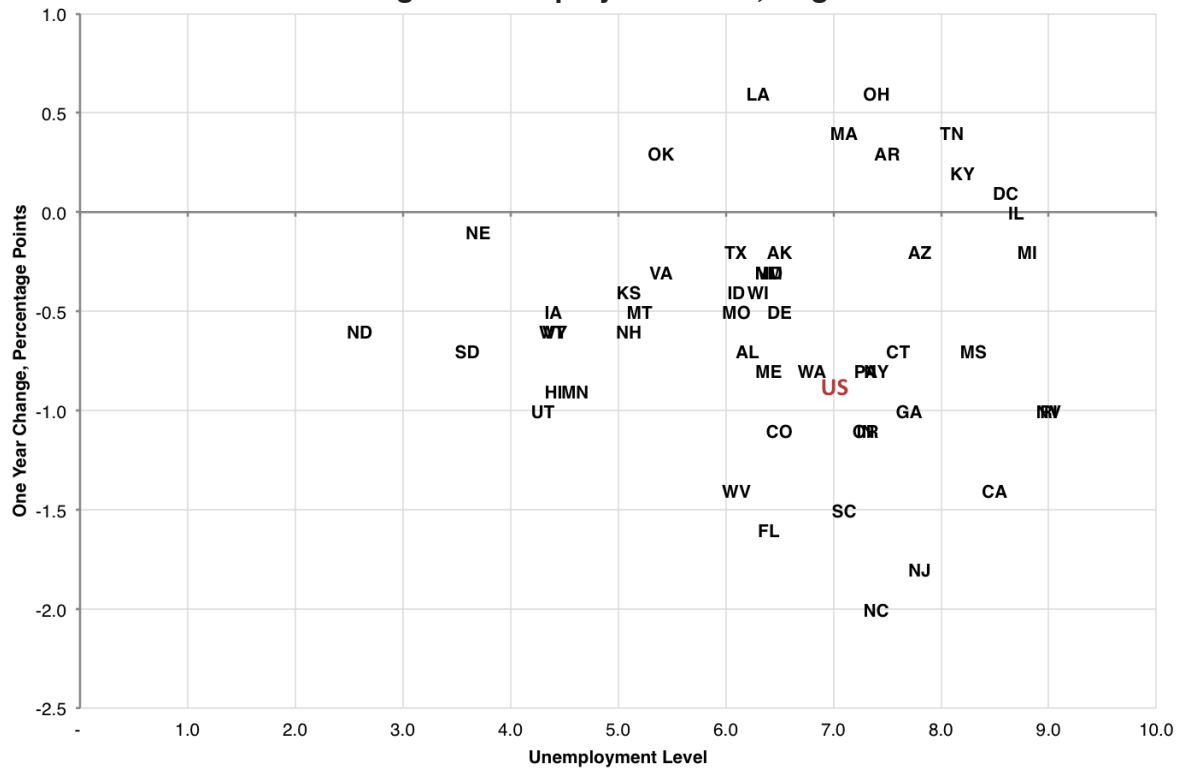
The changes in state unemployment rates are encouraging. Thirteen states experienced declines of 1 percentage point or more over the past year; three of those states—Florida, New Jersey, and North Carolina—saw their unemployment rates fall by more than 1.5 percentage points (figure 2). In eight states

Figure 1. Unemployment Rates, November 2013



Source: Bureau of Labor Statistics

Figure 2. Level vs. One-Year Change in Unemployment Rate, August 2013



Source: Bureau of Labor Statistics

(including the District of Columbia), however, the rate has increased. Despite the improvement, the rate in many states is still above pre-recession levels.

Unemployment since the Great Recession. While unemployment rates provide a helpful indicator of the state of an economy and the status of the work force, states have different relationships with the national rate. Unemployment rates are consistently higher than the national rate in some states and consistently lower in others. One way to account for this is to compare each state's unemployment in November with its average rate in 2007, the last year before the recession (figure 3). Nationwide, November 2013 unemployment was 44 percent higher than in 2007. Only Minnesota and North Dakota had lower unemployment in November than in 2007. Rates were double their pre-recession levels in two states—Arizona and Idaho—and almost double in six more: Alabama, Delaware, Maryland, Nevada, New Jersey, and New Mexico.

A second measure of labor force strength is growth in real earnings (i.e., earnings adjusted for inflation). Real earnings reflect both worker productivity and labor market tightness, increasing when employees become more productive and when workers are harder to find. Real earnings also drive future spending, as workers tend to buy more when their earnings increase.

Weekly earnings for all private employees averaged \$829 in November, ranging from \$677 in Nevada to \$1,401 in Washington, DC (figure 4). Arkansas, Kentucky Mississippi, Montana, and South Dakota also had weekly earnings below \$700. Average private earnings in Washington, DC, continue to be significantly higher than any state. Massachusetts has the second-highest earnings at \$973. The sequester and the federal budget brinkmanship do not seem to have affected private

Figure 3. Unemployment Relative to 2007, November 2013

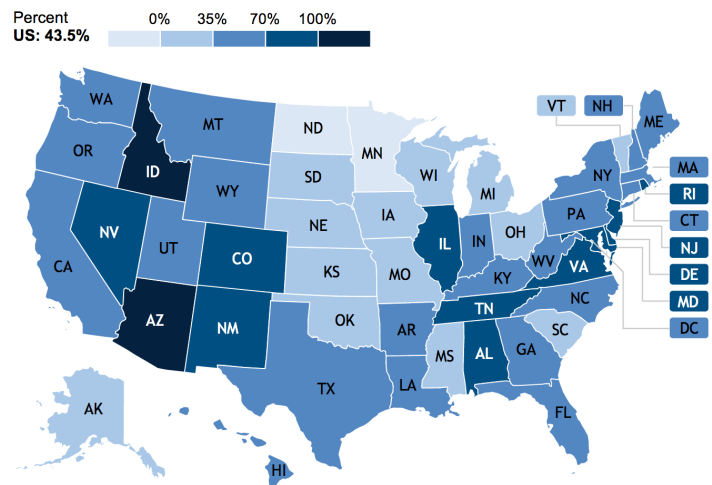
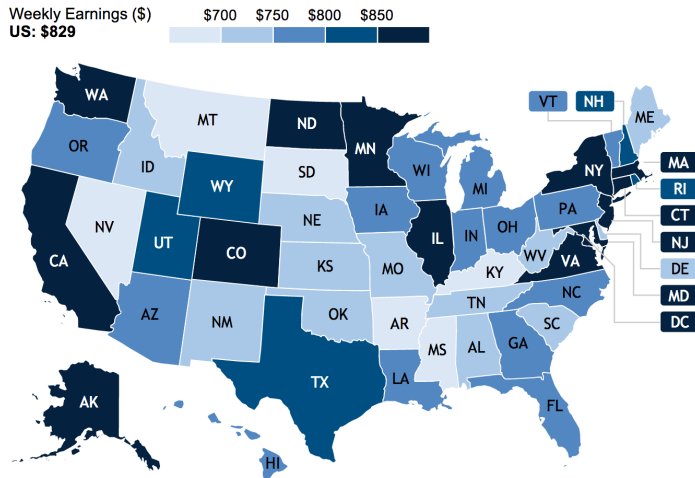
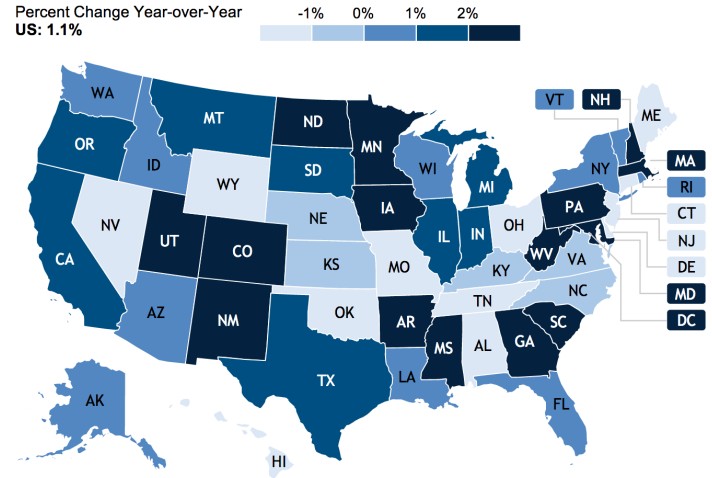


Figure 4. Average Weekly Earnings, Private Employment, November 2013



Source: Bureau of Labor Statistics

Figure 5. Real Average Weekly Earnings, Private Employment, November 2013

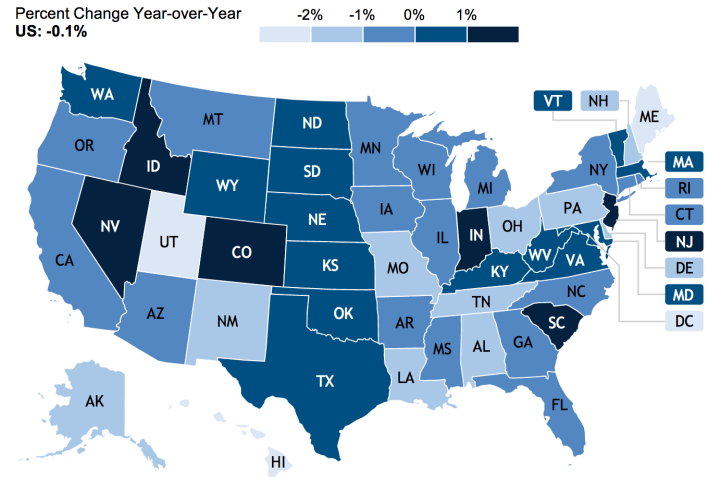


Source: Bureau of Labor Statistics

earnings in DC for those who are employed. However, real earnings reflect wages for jobs within an area, not the wages of residents of an area. So, though private earnings in the nation's capital remain high, District residents, particularly unskilled, face one of the highest unemployment rates in the country.

Real average weekly earnings for private employees are on an upward trend. They were higher in 34 states in November than they were a year earlier and were slightly more than 1 percent higher for the country overall. Gains exceeded 2 percent in 16 states, led by North Dakota with almost 6 percent growth and DC with 5 percent growth (figure 5). However, real average weekly earnings declined in 17 states. Connecticut and Delaware had the largest decreases—over 4 percent.

Figure 6. Public-Sector Employment, November 2013



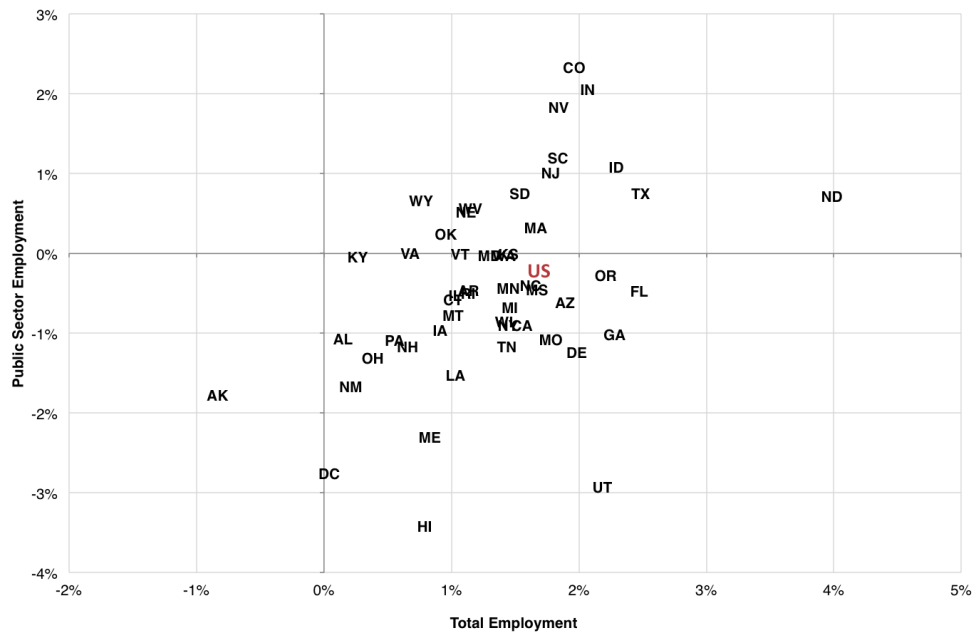
Source: Bureau of Labor Statistics

GOVERNMENT EMPLOYMENT AND FINANCES

November marks the 40th straight month that US public-sector employment (federal, state, and local government employees) has fallen on a year-over-year basis. The drop was only 0.1 percent, however, suggesting that public employment is stabilizing. But declines appear to be shifting toward lower federal employment, which fell almost 3 percent, offsetting positive growth of 0.3 percent for state and local employment. Thirty states had changes of between -1 and 1 percent in total public employment (figure 6). Public employment contracted more than 1 percent in 14 states, led by Hawaii, Utah, and Washington, DC, where public employment fell about 3 percent (table 1).

As was the case last quarter, Alaska was the only state where total employment fell compared with a year earlier (figure 7). Not surprisingly, public employment and total employment are correlated: states with big drops in public employment tend to have lower overall employment growth. In Alaska, government employment, which accounts for one-quarter of total employment, declined almost 2 percent, reflecting an 8 percent decline in federal employment in the state (table 5). North Dakota is an outlier in the other direction: its energy boom has caused total employment to grow much faster

Figure 7. Year-over-Year Change in Total Employment vs. Year-over-Year Change in Public-Sector Employment, November 2012–November 2013

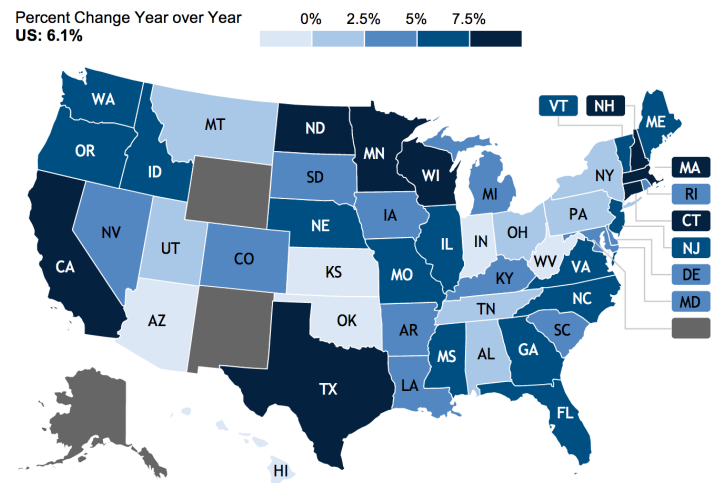


Source: Bureau of Labor Statistics

than public employment. This growth pattern partly reflects the government’s inability to grow fast enough to provide the necessary public services for North Dakota’s booming population.²

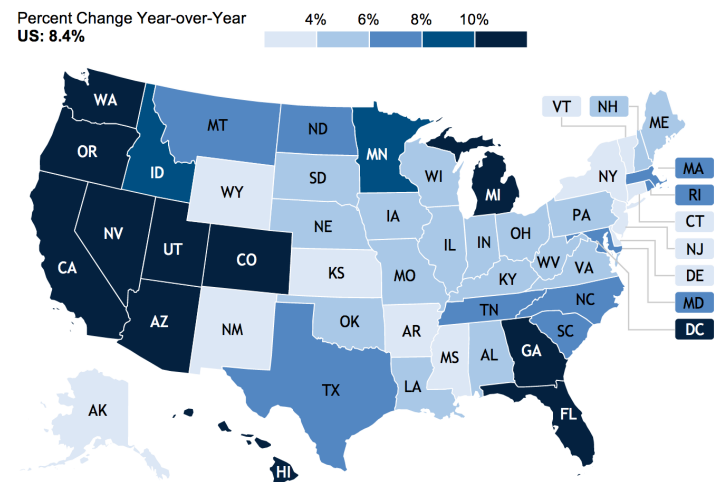
State tax revenues increased 6 percent over the past year (third quarter 2012 to third quarter 2013).³ North Dakota recorded the largest gain, more than doubling its revenues, while California’s revenues rose more than 12 percent, largely because of voter-approved tax increases. New Hampshire, Texas, and Wisconsin also saw revenue gains exceeding 10 percent. At the other extreme, six states collected less tax revenue: Arizona, Hawaii, Indiana, Kansas, Oklahoma, and West Virginia (figure 8).

Figure 8. Total Tax Revenue, Third Quarter, 2013



Source: Dadayan and Boyd (2013)

Figure 9. House Prices, Third Quarter, 2013



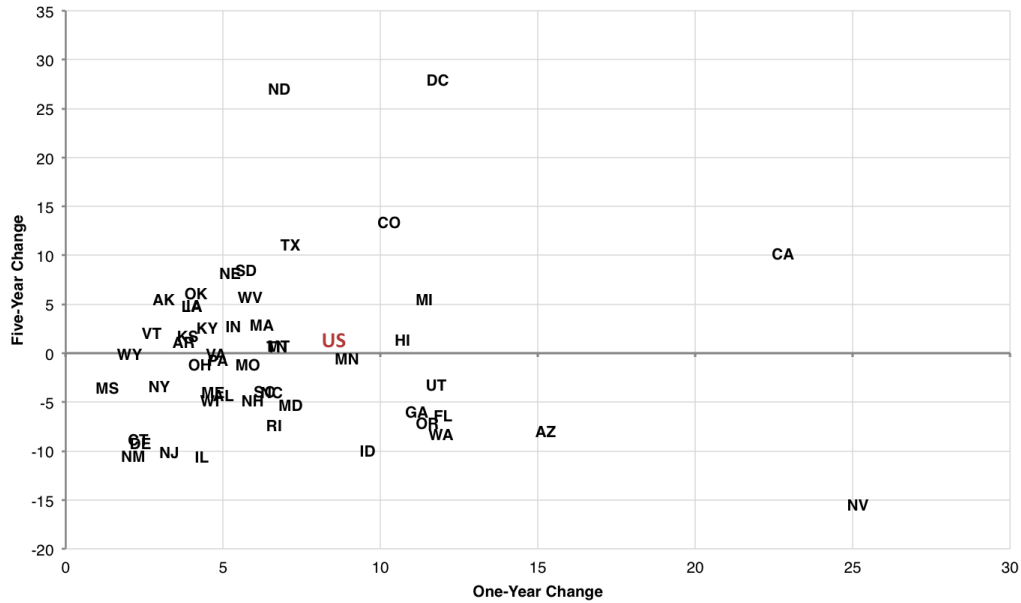
Source: Federal Housing Finance Administration, State House Price Indexes

HOUSING

Home prices continue to rise across the country, although at very different rates. Nationally, home prices increased more than 8 percent from the third quarter of 2012 to the third quarter of 2013. Growth was particularly strong in the West, where seven states saw prices rise more than 10 percent (figure 9). In contrast, the Northeast saw smaller price climbs: prices in Connecticut, New York, and Vermont all increased less than 3 percent. Prices rose faster in Rhode Island and Massachusetts (7 and 6 percent, respectively) but still lagged the national average.

Much like the other indicators, the trend in housing prices showed mixed performance across the states. While nominal prices, as measured by the Housing Price Purchase-Only Index, rose over the past year, they are still below levels reached five years ago in many states (figure 10). Washington, DC, and North Dakota are outliers because their unique characteristics have supported strong markets. Both have high five-year growth rates—28 and 27 percent, respectively—roughly

Figure 10. One-Year Change vs. Five-Year Change in House Prices, Q3 2013

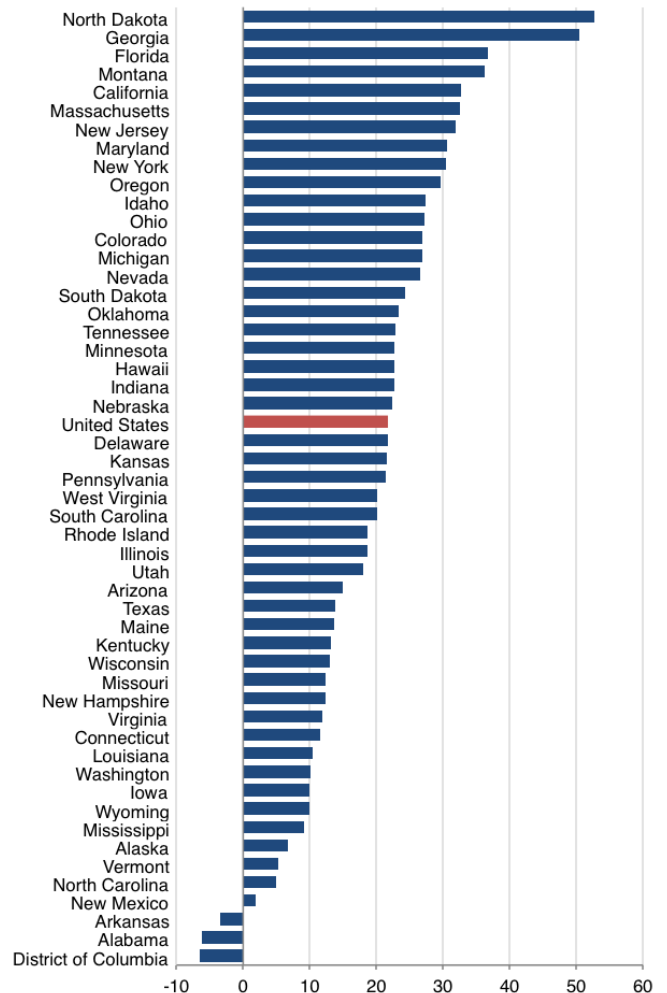


Source: Federal Housing Finance Administration, State House Price Indexes

twice the rate in Colorado, the next highest state. California and Nevada experienced strong year-over-year growth, but this partly reflects larger previous price drops. Even with a 25 percent increase in housing prices this year, however, Nevada house prices are still 15 percent below their 2008 level. In 29 states (including Nevada), house prices are lower than they were five years ago. Nationally, nominal prices have returned to where they were five years ago, still below the bubble peak in 2007 but a significant improvement from our last Monitor, which showed a 4 percent decline.

Housing permits provide a gauge of future housing construction and the strength of state-level housing markets. Nationally, the 12-month moving average of permits issued increased 22 percent in November over the past year (figure 11), a strong performance but weaker than last quarter's 27 percent.⁴ Only Alabama, Arkansas, and the District of Columbia reported a decrease in the number of permits issued. Not surprisingly, North Dakota ranks highest, with permits increasing more than 50 percent. Since 2008, almost 30,000 permits for new houses, the equivalent of almost 10 percent of the existing housing stock in the state, have been issued in North Dakota. Williams and Ward counties in North Dakota rank first and second in new housing unit growth in the United States from 2011 to 2012, according to the Census; these counties are in the northwestern part of the state, the epicenter of the energy boom.

Figure 11. Percentage Change in Average Monthly New Housing Permits, 12-Month Average, November 2012–November 2013



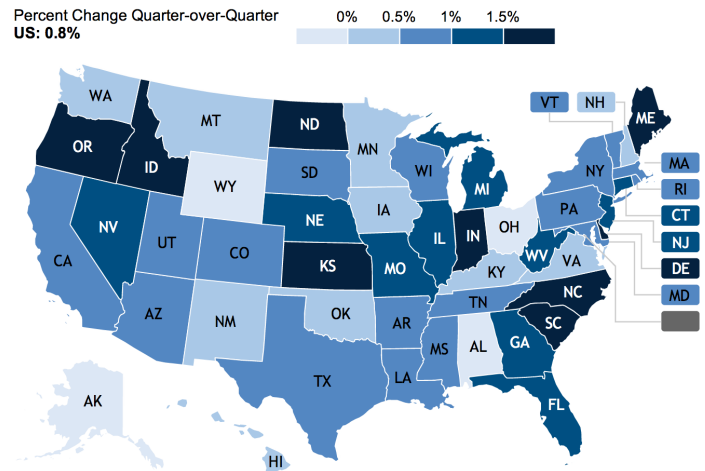
Source: Census

ECONOMIC GROWTH

The state coincident indices produced by the Federal Reserve Bank of Philadelphia combine four components of economic growth—nonfarm employment, average manufacturing hours worked, unemployment rate, and real wages—into a single measure of broad economic activity. A decline in a state’s coincident index can indicate recession, and states’ coincident indices often do not match national patterns.

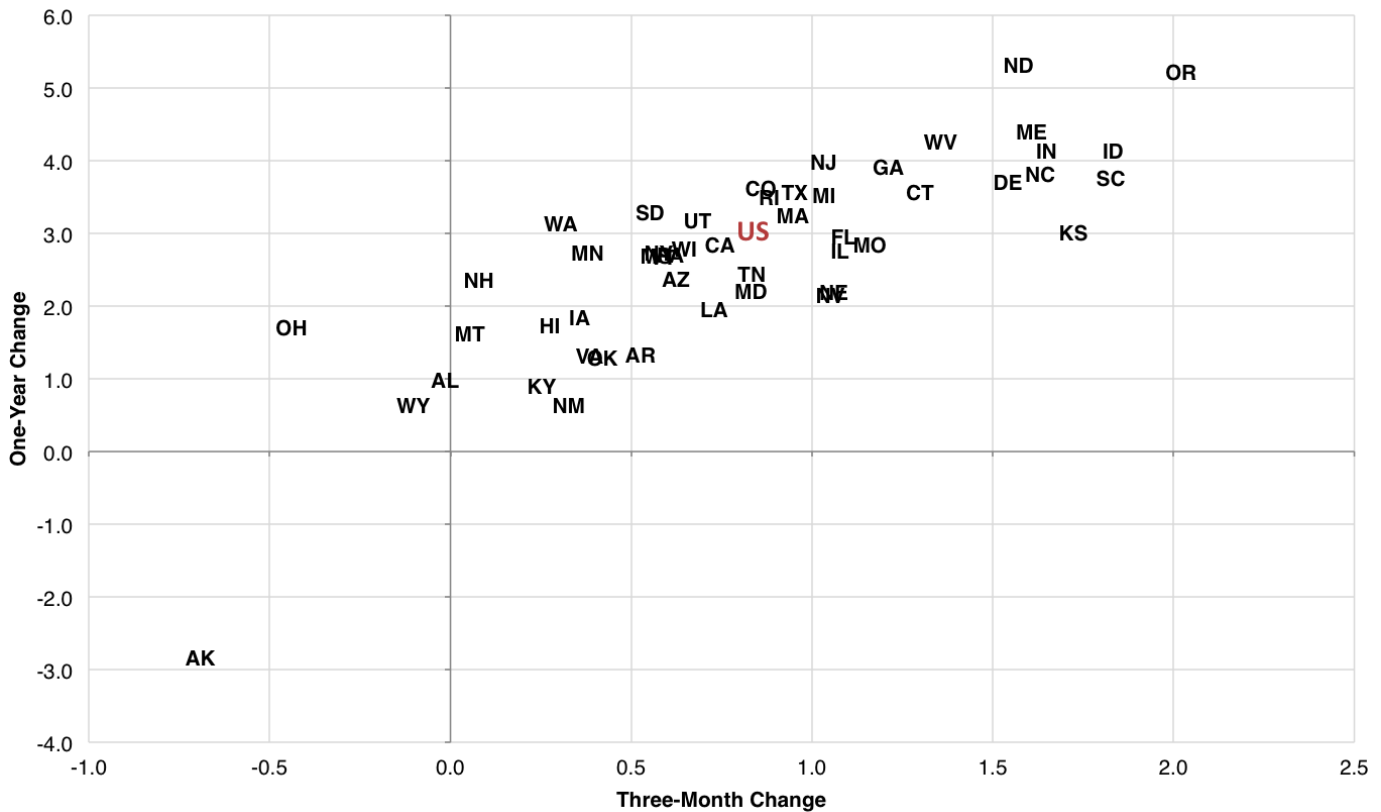
Over the past quarter, the national coincident index grew 0.8 percent. The measure increased by 1.5 percent or more in nine states, led by Oregon’s 2 percent growth. Only three states—Alaska, Ohio, and Wyoming—saw their coincident indices decline over the past quarter (figure 12). Alaska was the only state whose index fell over the past year (figure 13); it was also the only state with a drop in year-over-year employment, a significant component of the coincident index. This drop partly reflects contracting federal and

Figure 12. State Coincident Indicator, November 2013



Source: Philadelphia Federal Reserve

Figure 13. Three-Month Change vs. One-Year Change in State Coincident Indices, November 2013

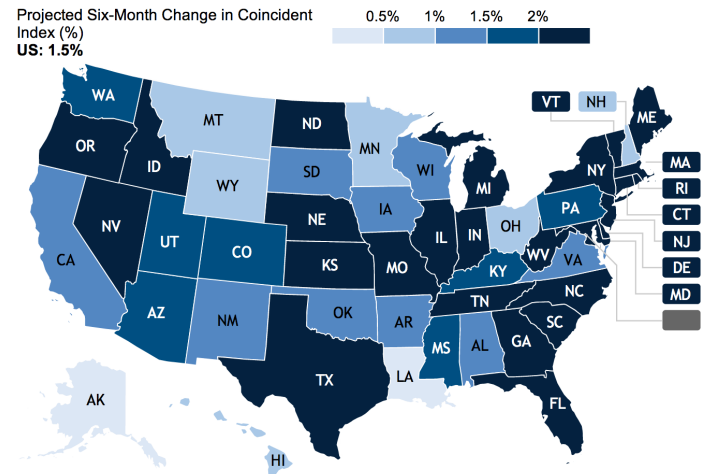


Source: Philadelphia Federal Reserve

manufacturing employment. Economic activity is higher in all other states, led by North Dakota and Oregon with year-over-year growth exceeding 5 percent.

The Philadelphia Fed also produces a leading index for each state. The index measures expected future economic activity and aims to predict the six-month change in the coincident index. The leading index for the United States as a whole was 1.5 for November 2013. Again, Alaska is the only state with a negative outlook. Economic activity is expected to grow more than 4 percent in five states—Idaho, Nevada, New Jersey, North Carolina, and South Carolina (figure 14 and table 4).

Figure 14. State Leading Indices, November 2013



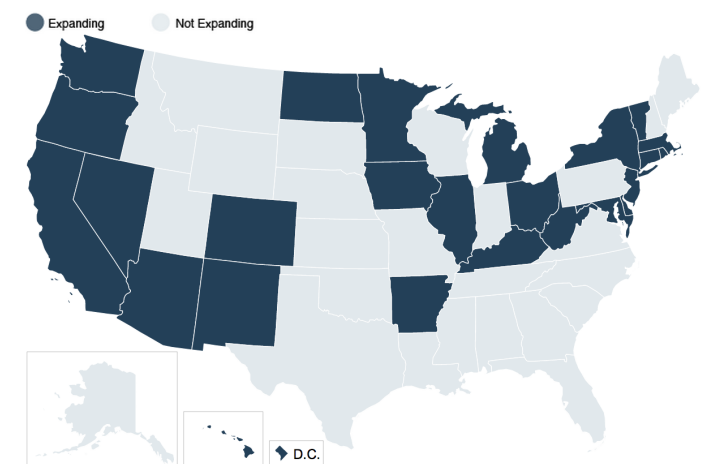
SPECIAL SUPPLEMENT: EXPANSION OF MEDICAID IN THE STATES

A key provision of the Affordable Care Act (ACA) expanded Medicaid to include adults with incomes up to 138 percent of the federal poverty level. To finance this expansion, the federal government will pay for all the costs of covering newly eligible adults from 2014 to 2016, after which the federal share declines annually, reaching 90 percent in 2020 and beyond. A 90-percent match rate for the expansion is much more generous than the current 57 percent average federal share of Medicaid.⁵ However, the June 2012 Supreme Court ruling on the ACA placed that decision in the hands of states by making the Medicaid expansion optional.⁶ Thus far, half of the states have rejected the expansion.

The most-often heard concern about expanding Medicaid is its possible impact on state budgets and economies, particularly when coupled with a perceived need to reduce overall state government spending. The Urban Institute’s Health Policy Center (HPC) has published a series of reports on the impact of the ACA on state budgets. A study released this past summer found that, among states not planning to expand Medicaid, state spending on the health care costs of Medicaid enrollees from 2013 to 2022 would be 3.5 percent higher if they were to expand Medicaid.⁷ On the other hand, federal spending on Medicaid in those states would increase by 28 percent over that same period. This additional spending on health care would affect the state economy and tax revenue. In more detailed state-specific reports on the financial and economic impact of the ACA, HPC has shown that states could actually save money on net by expanding Medicaid.⁸

HPC is tracking states’ expansion of Medicaid to low-income adults and the rollout of the ACA. Twenty-five states and the District of Columbia have expanded Medicaid,⁹ offering fully subsidized coverage to about 4.4 million additional poor

Figure 15. State Plans for Expanding Medicaid



Note: This map is posted on the Urban Institute web site and continues to be updated as state policies and enrollment figures change. Michigan and Iowa will be expanding Medicaid on April 1, 2014; the other states expanded Medicaid on January 1, 2014, or earlier.

uninsured adults. In the states that have refused the expansion, 5.8 million poor uninsured adults¹⁰ who would have become eligible for Medicaid under the ACA will not receive it; even worse, they will fall into the gap between Medicaid and the new subsidies available for health insurance coverage. The ACA assumed state expansion of Medicaid, and eligibility for subsidies was set based on that assumption.¹¹

NOTES

1. See Harris and Shadunsky (2013).
2. See Jack Healy, “As Oil Floods Plains Towns, Crime Pours In,” *New York Times*, November 30, 2013, <http://www.nytimes.com/2013/12/01/us/as-oil-floods-plains-towns-crime-pours-in.html>; and John Eligon, “An Oil Boom Takes a Toll on Health Care,” *New York Times*, January 27, 2013, http://www.nytimes.com/2013/01/28/us/boom-in-north-dakota-weighs-heavily-on-health-care.html?_r=0.
3. For states with available data. No data were available for Alaska, DC, New Mexico, or Wyoming. State tax revenue statistics for this quarter come from the Rockefeller Institute because the federal government shutdown and a change in survey methodology delayed the Census data.
4. See the Urban Institute Housing Finance Policy Center (<http://www.urban.org/center/hfpc/index.cfm>) for national and metro area housing and mortgage statistics.
5. See Rohling McGee et al. (2013).
6. See Kenney et al. (2012).
7. See Holahan, Buettgens, and Dorn (2013).
8. See Rohling McGee et al. (2013).
9. See “State Medicaid and CHIP Income Eligibility Standards Effective January 1, 2014,” <http://medicaid.gov/AffordableCareAct/Medicaid-Moving-Forward-2014/Downloads/Medicaid-and-CHIP-Eligibility-Levels-Table.pdf>.
10. Poor adults are those with incomes below the federal poverty level based on definitions of modified adjusted gross income for the primary tax-filing unit. The primary tax-filing unit for each family is the head of the family, his or her spouse, and any qualifying children or qualifying relatives (as defined by the Internal Revenue Service).
11. See Genevieve M. Kenney, Michael Karpman, and Sharon K. Long, “Uninsured Adults Eligible for Medicaid and Health Insurance Literacy,” The Urban Institute, December 17, 2013, http://hrms.urban.org/briefs/medicaid_experience.html.

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- Rohling McGee, Amy, William Hayes, Anand Desai, Renhao Cul, Stan Dorn, Matthew Buettgens, Caitlin Carroll, and Rod Motamedl. 2013. “Expanding Medicaid in Ohio: Analysis of Likely Effects.” Washington, DC: The Urban Institute.

This issue of the State Economic Monitor was written by Norton Francis and Yuri Shadunsky using the latest available data. For the latest updates on state economic conditions, visit www.stateandlocalfinance.org.

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ABOUT THE STATE AND LOCAL FINANCE INITIATIVE

State and local governments provide important services, but finding information about them—and the way they are paid for—is often difficult. The State and Local Finance Initiative provides state and local officials, journalists, and citizens with reliable, unbiased data and analysis about the challenges state and local governments face, potential solutions, and the consequences of competing options. We will gather and analyze relevant data and research, and also make it easier for others to find the data they need to think about state and local finances. A core aim is to integrate knowledge and action across different levels of government and across policy domains that too often operate in isolation from one another.

The State and Local Finance Initiative is supported by a generous grant from the John D. and Catherine T. MacArthur Foundation and an anonymous funder.

TABLE 1. EMPLOYMENT AND WAGES, NOVEMBER 2013

| STATE | UNEMPLOYMENT RATE (%) | YEAR-OVER-YEAR CHANGE IN UNEMPLOYMENT RATE (PERCENTAGE POINTS) | AVERAGE WEEKLY EARNINGS, ALL PRIVATE EMPLOYEES (\$) | YEAR-OVER-YEAR CHANGE IN AVERAGE WEEKLY EARNINGS, ALL PRIVATE EMPLOYEES (%) | YEAR-OVER-YEAR CHANGE IN TOTAL EMPLOYMENT (%) | YEAR-OVER-YEAR CHANGE IN PUBLIC EMPLOYMENT (%) |
|----------------------|-----------------------|--|---|---|---|--|
| Alabama | 6.2 | -0.7 | 726 | -1.5 | 0.1 | -1.1 |
| Alaska | 6.5 | -0.2 | 931 | 0.6 | -0.8 | -1.8 |
| Arizona | 7.8 | -0.2 | 798 | 0.0 | 1.9 | -0.6 |
| Arkansas | 7.5 | 0.3 | 683 | 2.0 | 1.1 | -0.5 |
| California | 8.5 | -1.4 | 929 | 1.1 | 1.6 | -0.9 |
| Colorado | 6.5 | -1.1 | 902 | 3.7 | 2.0 | 2.3 |
| Connecticut | 7.6 | -0.7 | 926 | -4.6 | 1.0 | -0.6 |
| Delaware | 6.5 | -0.5 | 702 | -4.4 | 2.0 | -1.2 |
| District of Columbia | 8.6 | 0.1 | 1401 | 4.8 | 0.0 | -2.7 |
| Florida | 6.4 | -1.6 | 754 | 0.6 | 2.5 | -0.5 |
| Georgia | 7.7 | -1.0 | 796 | 2.9 | 2.3 | -1.0 |
| Hawaii | 4.4 | -0.9 | 776 | -1.2 | 0.8 | -3.4 |
| Idaho | 6.1 | -0.4 | 703 | 0.0 | 2.3 | 1.1 |
| Illinois | 8.7 | 0.0 | 862 | 1.2 | 1.0 | -0.5 |
| Indiana | 7.3 | -1.1 | 768 | 1.8 | 2.1 | 2.1 |
| Iowa | 4.4 | -0.5 | 752 | 2.3 | 0.9 | -1.0 |
| Kansas | 5.1 | -0.4 | 738 | -0.3 | 1.4 | 0.0 |
| Kentucky | 8.2 | 0.2 | 698 | -0.4 | 0.3 | 0.0 |
| Louisiana | 6.3 | 0.6 | 788 | 0.9 | 1.0 | -1.5 |
| Maine | 6.4 | -0.8 | 708 | -2.6 | 0.8 | -2.3 |
| Maryland | 6.4 | -0.3 | 920 | 3.3 | 1.3 | 0.0 |
| Massachusetts | 7.1 | 0.4 | 973 | 3.8 | 1.7 | 0.3 |
| Michigan | 8.8 | -0.2 | 788 | 1.9 | 1.5 | -0.7 |
| Minnesota | 4.6 | -0.9 | 867 | 2.1 | 1.4 | -0.4 |
| Mississippi | 8.3 | -0.7 | 696 | 2.4 | 1.7 | -0.4 |
| Missouri | 6.1 | -0.5 | 746 | -1.1 | 1.8 | -1.1 |
| Montana | 5.2 | -0.5 | 692 | 1.7 | 1.0 | -0.8 |
| Nebraska | 3.7 | -0.1 | 712 | -0.7 | 1.1 | 0.5 |
| Nevada | 9.0 | -1.0 | 677 | -2.5 | 1.8 | 1.8 |
| New Hampshire | 5.1 | -0.6 | 825 | 2.4 | 0.7 | -1.2 |
| New Jersey | 7.8 | -1.8 | 905 | -1.2 | 1.8 | 1.0 |
| New Mexico | 6.4 | -0.3 | 717 | 3.3 | 0.2 | -1.7 |
| New York | 7.4 | -0.8 | 936 | 0.2 | 1.4 | -0.9 |
| North Carolina | 7.4 | -2.0 | 753 | -0.9 | 1.4 | -0.4 |
| North Dakota | 2.6 | -0.6 | 863 | 5.7 | 4.0 | 0.7 |
| Ohio | 7.4 | 0.6 | 763 | -1.0 | 0.4 | -1.3 |
| Oklahoma | 5.4 | 0.3 | 745 | -1.8 | 1.0 | 0.3 |
| Oregon | 7.3 | -1.1 | 761 | 1.6 | 2.2 | -0.3 |
| Pennsylvania | 7.3 | -0.8 | 793 | 3.8 | 0.6 | -1.1 |
| Rhode Island | 9.0 | -1.0 | 832 | 0.6 | 1.1 | -0.5 |
| South Carolina | 7.1 | -1.5 | 729 | 2.3 | 1.8 | 1.2 |
| South Dakota | 3.6 | -0.7 | 684 | 1.0 | 1.5 | 0.8 |
| Tennessee | 8.1 | 0.4 | 713 | -1.4 | 1.4 | -1.2 |
| Texas | 6.1 | -0.2 | 835 | 1.6 | 2.5 | 0.8 |
| Utah | 4.3 | -1.0 | 824 | 2.1 | 2.2 | -2.9 |
| Vermont | 4.4 | -0.6 | 773 | 0.1 | 1.1 | 0.0 |
| Virginia | 5.4 | -0.3 | 871 | -0.1 | 0.7 | 0.0 |
| Washington | 6.8 | -0.8 | 951 | 0.3 | 1.4 | 0.0 |
| West Virginia | 6.1 | -1.4 | 720 | 4.1 | 1.1 | 0.6 |
| Wisconsin | 6.3 | -0.4 | 771 | 0.9 | 1.4 | -0.8 |
| Wyoming | 4.4 | -0.6 | 824 | -2.3 | 0.8 | 0.7 |
| United States | 7.0 | -0.8 | 829 | 1.1 | 1.7 | -0.1 |

Source: Bureau of Labor Statistics, Current Employment Statistics.



TABLE 2. YEAR-OVER-YEAR CHANGE IN STATE TAX REVENUES, Q3 2012–Q3 2013

| STATE | PERSONAL INCOME TAX (%) | CORPORATE INCOME TAX (%) | SALES TAX (%) | TOTAL TAX REVENUES (%) |
|-----------------------|-------------------------|--------------------------|---------------|------------------------|
| United States | 5.3 | 1.9 | 5.6 | 6.1 |
| New England | 6.9 | 12.5 | 9.4 | 8.6 |
| Connecticut | 5.8 | 20.4 | 22.0 | 9.4 |
| Maine | -2.0 | 8.7 | 8.3 | 6.3 |
| Massachusetts | 8.4 | 14.5 | 6.3 | 9.1 |
| New Hampshire | NA | 10.2 | NA | 11.4 |
| Rhode Island | 4.4 | -12.9 | 4.9 | 4.3 |
| Vermont | 7.4 | -4.7 | 0.0 | 7.2 |
| Mid-Atlantic | 2.0 | -3.5 | 5.2 | 2.5 |
| Delaware | 5.9 | -14.8 | NA | 3.7 |
| Maryland | 7.5 | -15.1 | 1.2 | 3.1 |
| New Jersey | 7.7 | -7.5 | 10.4 | 7.4 |
| New York | -0.4 | 4.7 | 5.6 | 1.6 |
| Pennsylvania | 2.8 | -4.1 | 2.9 | 1.1 |
| Great Lakes | 5.7 | -7.1 | 5.8 | 4.3 |
| Illinois | 6.1 | 13.0 | 7.8 | 6.4 |
| Indiana | -4.8 | -7.8 | 2.5 | -0.9 |
| Michigan | 9.8 | -53.4 | 7.4 | 3.6 |
| Ohio | 3.1 | -95.6 | 3.9 | 1.9 |
| Wisconsin | 13.5 | 19.7 | 9.2 | 11.7 |
| Plains | 2.8 | 17.6 | 5.6 | 9.1 |
| Iowa | 3.5 | 21.5 | 4.6 | 4.5 |
| Kansas | -19.1 | -4.9 | -1.9 | -9.4 |
| Minnesota | 8.1 | 10.8 | 10.3 | 9.2 |
| Missouri | 4.8 | 18.3 | 5.5 | 5.2 |
| Nebraska | 2.0 | 32.9 | 5.6 | 5.1 |
| North Dakota | 29.6 | NM | 5.7 | 106.1 |
| South Dakota | NA | NA | 7.7 | 4.8 |
| Southeast | 4.0 | 8.5 | 4.0 | 4.5 |
| Alabama | 5.4 | -16.6 | 3.9 | 2.3 |
| Arkansas | 1.4 | 13.9 | 6.4 | 4.2 |
| Florida | NA | -0.1 | 7.2 | 5.1 |
| Georgia | 4.9 | 16.0 | -7.9 | 6.2 |
| Kentucky | 3.3 | 33.4 | 2.3 | 4.6 |
| Louisiana | 15.3 | -53.8 | 0.5 | 3.6 |
| Mississippi | -1.0 | 60.0 | 5.8 | 7.1 |
| North Carolina | 2.9 | 38.7 | 5.0 | 5.5 |
| South Carolina | 3.6 | -7.7 | 4.4 | 2.5 |
| Tennessee | 5.5 | -6.0 | 3.6 | 2.1 |
| Virginia | 4.0 | 19.4 | 7.8 | 5.0 |
| West Virginia | -4.5 | -8.6 | -0.3 | -1.2 |
| Southwest | 1.0 | -26.5 | 1.9 | 7.0 |
| Arizona | 6.7 | -24.2 | -15.0 | -6.5 |
| New Mexico | ND | ND | ND | ND |
| Oklahoma | -8.1 | -30.1 | 0.9 | -4.2 |
| Texas | NA | NA | 4.7 | 11.4 |
| Rocky Mountain | 5.1 | -7.2 | 4.0 | 3.4 |
| Colorado | 5.6 | -5.9 | 5.4 | 4.6 |
| Idaho | 4.0 | 24.8 | 4.6 | 5.1 |
| Montana | ND | -20.6 | NA | 1.8 |
| Utah | 3.2 | -19.9 | 1.5 | 1.0 |
| Wyoming | NA | NA | ND | ND |
| Far West | 10.8 | 4.3 | 10.4 | 10.6 |
| Alaska | NA | ND | NA | ND |
| California | 11.7 | 1.5 | 13.2 | 12.5 |
| Hawaii | 4.3 | 72.4 | -5.4 | -2.5 |
| Nevada | NA | NA | 5.8 | 4.9 |
| Oregon | 5.6 | 15.6 | NA | 5.5 |
| Washington | NA | NA | 7.4 | 6.9 |

Source: Dadayan and Boyd (2013).

NA = not applicable, ND = no data, NM = not meaningful.

TABLE 3. CHANGES IN HOUSING PERMITS AND HOUSE PRICES

| STATE | CHANGE IN AVERAGE MONTHLY NEW HOUSING PERMITS, 12-MONTH AVERAGE, NOVEMBER 2012–NOVEMBER 2013 (%) | ONE-YEAR CHANGE IN HOUSE PRICES, Q3 2012–Q3 2013 (%) | FIVE-YEAR CHANGE IN HOUSE PRICES, Q3 2008–Q3 2013 (%) |
|----------------------|--|--|---|
| Alabama | -6.2 | 5.0 | -4.3 |
| Alaska | 6.7 | 3.1 | 5.6 |
| Arizona | 14.9 | 15.2 | -7.9 |
| Arkansas | -3.5 | 3.8 | 1.2 |
| California | 32.6 | 22.8 | 10.3 |
| Colorado | 26.9 | 10.3 | 13.5 |
| Connecticut | 11.6 | 2.3 | -8.8 |
| Delaware | 21.7 | 2.4 | -9.1 |
| District of Columbia | -6.5 | 11.8 | 28.1 |
| Florida | 36.8 | 12.0 | -6.3 |
| Georgia | 50.5 | 11.2 | -5.9 |
| Hawaii | 22.7 | 10.7 | 1.5 |
| Idaho | 27.4 | 9.6 | -9.9 |
| Illinois | 18.6 | 4.3 | -10.5 |
| Indiana | 22.6 | 5.3 | 2.8 |
| Iowa | 10.0 | 4.1 | 5.0 |
| Kansas | 21.6 | 3.9 | 1.8 |
| Kentucky | 13.2 | 4.5 | 2.7 |
| Louisiana | 10.4 | 4.0 | 4.9 |
| Maine | 13.7 | 4.7 | -4.0 |
| Maryland | 30.6 | 7.2 | -5.2 |
| Massachusetts | 32.6 | 6.2 | 3.0 |
| Michigan | 26.8 | 11.4 | 5.6 |
| Minnesota | 22.7 | 8.9 | -0.5 |
| Mississippi | 9.1 | 1.3 | -3.5 |
| Missouri | 12.4 | 5.8 | -1.1 |
| Montana | 36.2 | 6.8 | 0.8 |
| Nebraska | 22.4 | 5.2 | 8.2 |
| Nevada | 26.6 | 25.2 | -15.4 |
| New Hampshire | 12.4 | 5.9 | -4.8 |
| New Jersey | 31.8 | 3.3 | -10.1 |
| New Mexico | 1.8 | 2.1 | -10.4 |
| New York | 30.4 | 3.0 | -3.3 |
| North Carolina | 5.0 | 6.6 | -3.9 |
| North Dakota | 52.7 | 6.8 | 27.1 |
| Ohio | 27.3 | 4.3 | -1.1 |
| Oklahoma | 23.3 | 4.1 | 6.2 |
| Oregon | 29.6 | 11.5 | -7.1 |
| Pennsylvania | 21.5 | 4.8 | -0.7 |
| Rhode Island | 18.6 | 6.6 | -7.3 |
| South Carolina | 20.0 | 6.3 | -3.9 |
| South Dakota | 24.3 | 5.7 | 8.6 |
| Tennessee | 22.8 | 6.7 | 0.8 |
| Texas | 13.8 | 7.1 | 11.2 |
| Utah | 18.0 | 11.8 | -3.1 |
| Vermont | 5.3 | 2.7 | 2.1 |
| Virginia | 11.9 | 4.8 | 0.0 |
| Washington | 10.1 | 11.9 | -8.2 |
| West Virginia | 20.0 | 5.9 | 5.8 |
| Wisconsin | 12.9 | 4.6 | -4.7 |
| Wyoming | 9.9 | 2.0 | 0.0 |
| United States | 21.7 | 8.4 | 0.2 |

Sources: Federal Housing Finance Administration State House Price Indices (seasonally adjusted, purchase only) and Census Bureau Building Permits Survey.

TABLE 4. STATE ECONOMIC ACTIVITY

| STATE | COINCIDENT INDICES | COINCIDENT INDICES, 3-MONTH CHANGE (%) | COINCIDENT INDICES, 1-YEAR CHANGE (%) | LEADING INDICES | LEADING INDICES, 3-MONTH CHANGE (%) | LEADING INDICES, 1-YEAR CHANGE (%) |
|----------------|--------------------|--|---------------------------------------|-----------------|-------------------------------------|------------------------------------|
| Alabama | 132.2 | 0.0 | 1.0 | 1.2 | 0.6 | -0.4 |
| Alaska | 116.4 | -0.7 | -2.8 | -0.6 | 1.5 | -0.4 |
| Arizona | 184.0 | 0.6 | 2.4 | 1.6 | 0.2 | 0.1 |
| Arkansas | 143.4 | 0.5 | 1.3 | 1.3 | 0.0 | 0.9 |
| California | 158.0 | 0.7 | 2.9 | 1.4 | -0.4 | -0.4 |
| Colorado | 183.1 | 0.9 | 3.6 | 1.7 | -0.1 | -0.7 |
| Connecticut | 156.0 | 1.3 | 3.6 | 3.3 | 1.7 | 1.9 |
| Delaware | 146.8 | 1.5 | 3.7 | 3.0 | -0.3 | 1.2 |
| Florida | 148.7 | 1.1 | 3.0 | 2.4 | 0.5 | 0.8 |
| Georgia | 169.7 | 1.2 | 3.9 | 3.2 | 0.1 | 1.1 |
| Hawaii | 109.4 | 0.3 | 1.7 | 0.6 | -0.8 | -0.4 |
| Idaho | 198.8 | 1.8 | 4.1 | 7.5 | 4.4 | 4.2 |
| Illinois | 147.2 | 1.1 | 2.8 | 2.7 | 1.3 | 1.1 |
| Indiana | 151.0 | 1.6 | 4.2 | 2.9 | 0.1 | 1.3 |
| Iowa | 145.9 | 0.4 | 1.9 | 1.1 | 0.5 | -0.1 |
| Kansas | 147.6 | 1.7 | 3.0 | 3.3 | 1.9 | 1.7 |
| Kentucky | 142.5 | 0.3 | 0.9 | 1.7 | 0.9 | 0.4 |
| Louisiana | 131.2 | 0.7 | 2.0 | 0.4 | -0.8 | -1.3 |
| Maine | 141.0 | 1.6 | 4.4 | 3.5 | 2.2 | 2.3 |
| Maryland | 152.8 | 0.8 | 2.2 | 2.1 | 0.1 | 0.8 |
| Massachusetts | 181.1 | 0.9 | 3.3 | 2.2 | -0.6 | 0.2 |
| Michigan | 131.1 | 1.0 | 3.5 | 3.9 | 3.1 | 1.7 |
| Minnesota | 158.9 | 0.4 | 2.7 | 0.7 | -0.4 | -1.7 |
| Mississippi | 145.0 | 0.6 | 2.7 | 1.6 | 0.5 | -0.5 |
| Missouri | 138.6 | 1.2 | 2.9 | 2.3 | 0.0 | 0.7 |
| Montana | 165.8 | 0.1 | 1.6 | 0.5 | 0.4 | -1.1 |
| Nebraska | 163.8 | 1.1 | 2.2 | 2.2 | 1.2 | 0.9 |
| Nevada | 184.7 | 1.1 | 2.2 | 4.1 | 2.9 | 2.2 |
| New Hampshire | 191.9 | 0.1 | 2.4 | 0.7 | 0.2 | -0.3 |
| New Jersey | 154.6 | 1.0 | 4.0 | 4.7 | 3.4 | 2.5 |
| New Mexico | 159.2 | 0.3 | 0.7 | 1.2 | 0.8 | -0.3 |
| New York | 151.7 | 0.6 | 2.7 | 2.2 | 1.3 | 1.1 |
| North Carolina | 164.4 | 1.6 | 3.8 | 4.2 | 0.6 | 2.3 |
| North Dakota | 205.6 | 1.6 | 5.3 | 2.3 | -0.5 | 0.8 |
| Ohio | 142.7 | -0.4 | 1.7 | 0.7 | 1.0 | -1.1 |
| Oklahoma | 152.9 | 0.4 | 1.3 | 1.2 | 0.2 | -0.5 |
| Oregon | 213.6 | 2.0 | 5.2 | 3.9 | -1.0 | 2.1 |
| Pennsylvania | 145.4 | 0.6 | 2.7 | 1.7 | 0.9 | 1.1 |
| Rhode Island | 153.3 | 0.9 | 3.5 | 3.7 | 4.1 | 2.4 |
| South Carolina | 157.8 | 1.8 | 3.8 | 4.5 | 2.8 | 1.8 |
| South Dakota | 163.7 | 0.6 | 3.3 | 1.0 | -1.3 | -0.3 |
| Tennessee | 155.0 | 0.8 | 2.5 | 3.4 | 2.2 | 1.7 |
| Texas | 192.4 | 1.0 | 3.6 | 2.3 | 0.2 | 0.2 |
| Utah | 200.1 | 0.7 | 3.2 | 1.7 | 0.3 | -0.6 |
| Vermont | 150.7 | 0.6 | 2.7 | 2.3 | 0.9 | 0.8 |
| Virginia | 151.2 | 0.4 | 1.3 | 1.4 | 0.4 | 0.0 |
| Washington | 164.1 | 0.3 | 3.2 | 1.5 | -0.7 | -0.9 |
| West Virginia | 165.2 | 1.4 | 4.3 | 2.5 | 2.3 | 2.2 |
| Wisconsin | 143.2 | 0.6 | 2.8 | 1.2 | -0.1 | 0.0 |
| Wyoming | 166.4 | -0.1 | 0.7 | 0.8 | 0.8 | 0.1 |
| United States | 156.9 | 0.8 | 3.0 | 1.5 | 0.1 | -0.3 |

Source: Federal Reserve Bank of Philadelphia.

TABLE 5. PUBLIC AND PRIVATE EMPLOYMENT, NOVEMBER 2013

| STATE | YEAR-OVER-YEAR CHANGE IN TOTAL EMPLOYMENT (%) | YEAR-OVER-YEAR CHANGE IN PRIVATE EMPLOYMENT (%) | YEAR-OVER-YEAR CHANGE IN PUBLIC EMPLOYMENT (%) | YEAR-OVER-YEAR CHANGE IN FEDERAL GOVERNMENT EMPLOYMENT (%) | YEAR-OVER-YEAR CHANGE IN STATE AND LOCAL GOVERNMENT EMPLOYMENT (%) |
|----------------------|---|---|--|---|---|
| Alabama | 0.1 | 0.4 | -1.1 | -2.2 | -0.9 |
| Alaska | -0.8 | -0.5 | -1.8 | -7.8 | -0.4 |
| Arizona | 1.9 | 2.4 | -0.6 | -2.5 | -0.3 |
| Arkansas | 1.1 | 1.5 | -0.5 | -4.9 | 0.0 |
| California | 1.6 | 2.0 | -0.9 | -2.6 | -0.7 |
| Colorado | 2.0 | 1.9 | 2.3 | -3.0 | 3.2 |
| Connecticut | 1.0 | 1.3 | -0.6 | -0.6 | -0.6 |
| Delaware | 2.0 | 2.6 | -1.2 | -1.8 | -1.2 |
| District of Columbia | 0.0 | 1.4 | -2.7 | -3.4 | 1.2 |
| Florida | 2.5 | 3.0 | -0.5 | -2.3 | -0.2 |
| Georgia | 2.3 | 3.0 | -1.0 | -3.6 | -0.5 |
| Hawaii | 0.8 | 1.9 | -3.4 | -3.1 | -3.5 |
| Idaho | 2.3 | 2.6 | 1.1 | 0.0 | 1.2 |
| Illinois | 1.0 | 1.3 | -0.5 | -2.9 | -0.3 |
| Indiana | 2.1 | 2.1 | 2.1 | -2.4 | 2.5 |
| Iowa | 0.9 | 1.3 | -1.0 | -1.1 | -0.9 |
| Kansas | 1.4 | 1.8 | 0.0 | -4.7 | 0.5 |
| Kentucky | 0.3 | 0.3 | 0.0 | -2.6 | 0.3 |
| Louisiana | 1.0 | 1.6 | -1.5 | -3.0 | -1.4 |
| Maine | 0.8 | 1.5 | -2.3 | -1.4 | -2.4 |
| Maryland | 1.3 | 1.6 | 0.0 | -1.3 | 0.5 |
| Massachusetts | 1.7 | 1.9 | 0.3 | -1.3 | 0.5 |
| Michigan | 1.5 | 1.8 | -0.7 | -3.6 | -0.4 |
| Minnesota | 1.4 | 1.8 | -0.4 | -1.6 | -0.3 |
| Mississippi | 1.7 | 2.3 | -0.4 | -3.5 | -0.1 |
| Missouri | 1.8 | 2.4 | -1.1 | -3.0 | -0.8 |
| Montana | 1.0 | 1.5 | -0.8 | -4.0 | -0.3 |
| Nebraska | 1.1 | 1.2 | 0.5 | -0.6 | 0.6 |
| Nevada | 1.8 | 1.8 | 1.8 | -0.6 | 2.2 |
| New Hampshire | 0.7 | 1.0 | -1.2 | 0.0 | -1.3 |
| New Jersey | 1.8 | 1.9 | 1.0 | -4.3 | 1.5 |
| New Mexico | 0.2 | 0.8 | -1.7 | -3.9 | -1.3 |
| New York | 1.4 | 1.9 | -0.9 | -1.3 | -0.9 |
| North Carolina | 1.4 | 1.8 | -0.4 | -2.6 | -0.2 |
| North Dakota | 4.0 | 4.7 | 0.7 | 1.1 | 0.7 |
| Ohio | 0.4 | 0.7 | -1.3 | -2.3 | -1.2 |
| Oklahoma | 1.0 | 1.2 | 0.3 | -0.8 | 0.4 |
| Oregon | 2.2 | 2.8 | -0.3 | -1.1 | -0.2 |
| Pennsylvania | 0.6 | 0.8 | -1.1 | -2.3 | -0.9 |
| Rhode Island | 1.1 | 1.4 | -0.5 | -1.0 | -0.4 |
| South Carolina | 1.8 | 2.0 | 1.2 | -2.1 | 1.5 |
| South Dakota | 1.5 | 1.7 | 0.8 | -2.7 | 1.3 |
| Tennessee | 1.4 | 1.9 | -1.2 | -1.0 | -1.2 |
| Texas | 2.5 | 2.8 | 0.8 | -3.8 | 1.3 |
| Utah | 2.2 | 3.3 | -2.9 | 0.0 | -3.4 |
| Vermont | 1.1 | 1.3 | 0.0 | 0.0 | 0.0 |
| Virginia | 0.7 | 0.8 | 0.0 | -1.9 | 0.6 |
| Washington | 1.4 | 1.7 | 0.0 | -4.5 | 0.7 |
| West Virginia | 1.1 | 1.3 | 0.6 | -0.9 | 0.8 |
| Wisconsin | 1.4 | 1.8 | -0.8 | -1.1 | -0.8 |
| Wyoming | 0.8 | 0.8 | 0.7 | 1.4 | 0.6 |
| United States | 1.7 | 2.1 | -0.1 | -2.8 | 0.3 |

Source: Bureau of Labor Statistics, Current Employment Statistics.

