

Most states ended the summer of 2014 on a positive economic note. Up from 14 states a year earlier, 25 states reported August unemployment rates below 6 percent. Every state but Alaska added jobs within the last year. A future-looking index compiled by the Federal Reserve Bank of Philadelphia projects improving economic conditions for 42 states over the next six months.

But some troubling signs remain. Inflation-adjusted average weekly wages for private employees declined or did not change in 26 states from August 2013 to August 2014. And, though national home prices have increased over the past year, the year-over-year growth rate has slowed for three consecutive quarters.

State tax revenues are also down. Total second-quarter tax revenues declined in 33 states compared with the same period last year. This decline is likely temporary, however, and not reflective of larger economic trends. Receipts were unusually high in the first half of 2013 because of a large shift in investment income and bonuses from 2013 to 2012 in anticipation of the federal tax increase enacted in early 2013.

This issue of the State Economic Monitor describes economic and fiscal trends at the state level, highlighting particular differences across the states in employment, state government finances, and housing conditions. It includes a special supplement section on state minimum wages on page 7. The next issue of the State Economic Monitor will come out in January 2015.

The State Economic Monitor complements the State & Local Finance Initiative's collection of detailed state-by-state data, including interactive maps, available at [www.stateandlocalfinance.org](http://www.stateandlocalfinance.org).

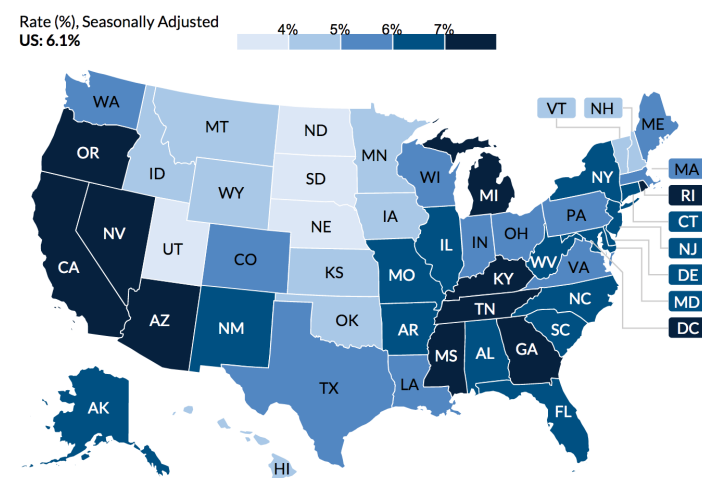
## EMPLOYMENT AND EARNINGS

The national unemployment rate was 6.1 percent in August, down from 7.2 percent a year earlier (figure 1). Fourteen states had unemployment rates below 5 percent in August, and four had rates below 4 percent: North Dakota (2.8 percent), Nebraska (3.6 percent), South Dakota (3.6 percent), and Utah (3.6 percent). However, unemployment exceeded 7 percent in 10 states and the District of Columbia (DC), including four Western states (Arizona, California, Nevada, and Oregon). Georgia was the only state with an unemployment rate above 8 percent in August.

The national unemployment rate fell 1.1 percentage points between August 2013 and August 2014 (figure 2). During that period, the unemployment rate fell at least 1 percentage point in 25 states (table 1). The largest drops occurred in states with especially high unemployment rates: Illinois (-2.5 percentage points), Nevada, (-2.2 percentage points), and Rhode Island (-1.9 percentage points). Despite these declines, August unemployment rates in these three states still exceeded the national rate. Georgia, with the nation's highest unemployment rate, experienced little year-over-year change as the deterioration of the last few months have reversed improvement from earlier in the year. Among the 14 states with unemployment rates below 5 percent in August, only Idaho and Montana had unemployment rates fall by 1 percentage point or more during the past year.

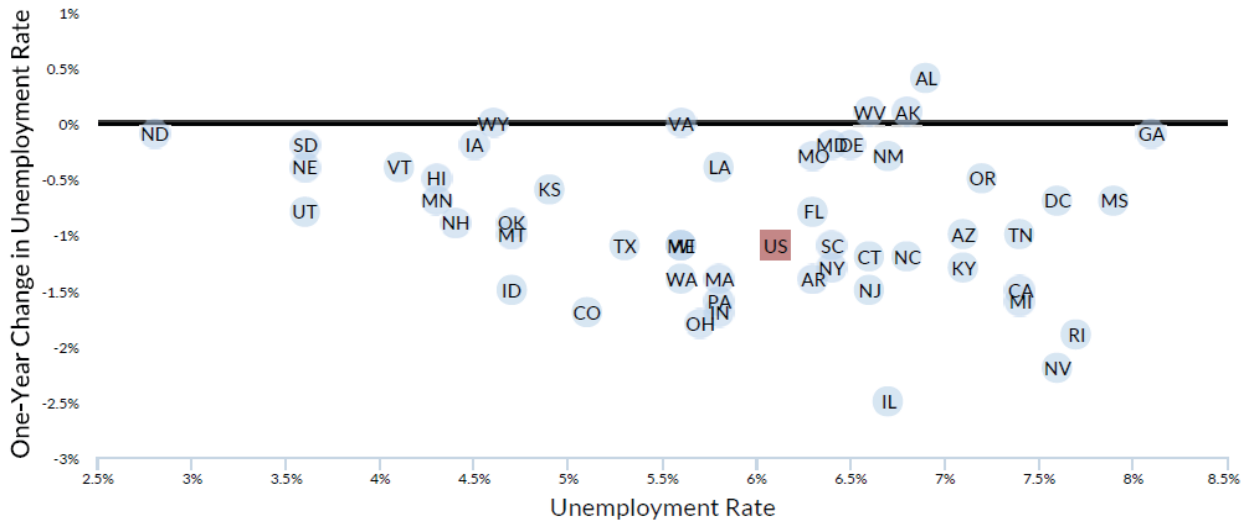
Unemployment rates increased in three states between August 2013 and August 2014: Alabama (0.4 percentage points), Alaska (0.1 percentage points), and West Virginia (0.1 percentage points). However, the total number of jobs increased during this period in Alabama (by 1 percent) and West Virginia (by 1.4 percent). Delaware, Georgia, North Dakota, and Wyoming also had substantial increases in total employment but minimal or

**Figure 1. Unemployment Rates, August 2014**



Source: Bureau of Labor Statistics.

**Figure 2. Level vs. One-Year Change in Unemployment Rate, August 2014**



Source: Bureau of Labor Statistics.

no decrease in the unemployment rate. The two numbers do not always align because they measure employment differently; one surveys businesses about the number of jobs, and the other surveys households about employment status.

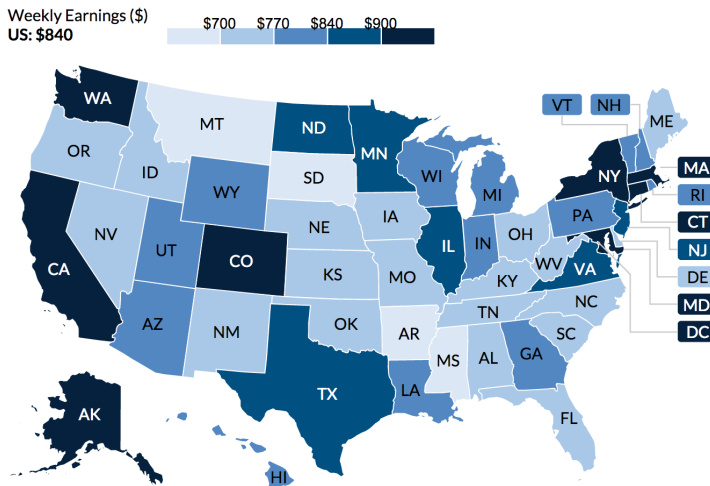
It is not unusual for both employment and the unemployment rate to increase during an economic recovery. The unemployment rate measures the percentage of the labor force that is unemployed. To be counted in the labor force, a person must either be working or actively seeking work. As the economy recovers, people who previously dropped out of the labor force (discouraged workers) may reenter and begin to actively look for a job. If only a small portion of those new entrants find work initially, the number of employed and unemployed people in the labor force will both increase. Employment will go up, but so will the measured unemployment rate.

National real weekly earnings (i.e., earnings adjusted for inflation) for all US private employees averaged \$840 in August (figure 3). Average weekly earnings in the states ranged from

\$671 in Arkansas to \$979 in Massachusetts (and \$1,382 in DC). Fourteen states had average weekly earnings above the national average, including eight states above \$900. At the other end of the spectrum, 17 states had average weekly earnings below \$750, including four states (Arkansas, Mississippi, Montana, and South Dakota) with average weekly wages below \$700.

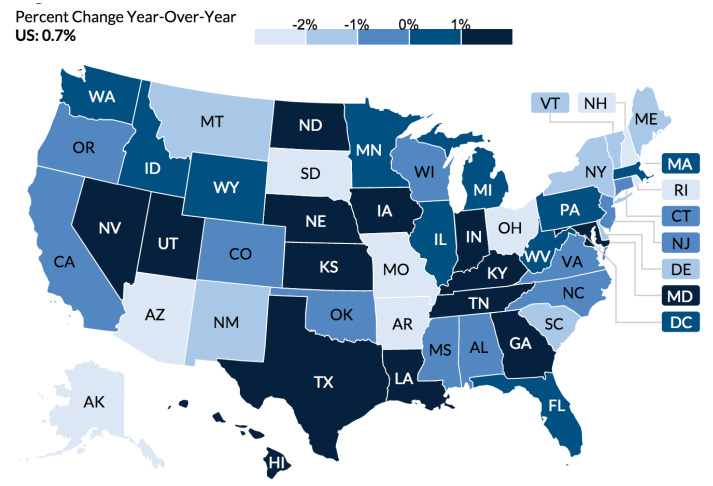
National average weekly earnings increased 0.7 percent during the past year, adjusted for inflation (figure 4). However, the states were nearly evenly split between those with increases and those with decreases. In six states (Georgia, Hawaii, Indiana, Kansas, Louisiana, and Texas), average weekly earnings increased by more than 2 percent, with Hawaii's 4.3 percent increase the greatest gain. In contrast, average weekly earnings fell more than 2 percent in eight states (Alaska, Arizona, Arkansas, Missouri, New Hampshire, Ohio, Rhode Island, and South Dakota) with Arizona's 4.4 percent drop the largest decline.

**Figure 3. Average Weekly Earnings, Private Employment, August 2014**



Source: Bureau of Labor Statistics.

**Figure 4. Change in Average Weekly Earnings, Private Employment, August 2014**



Source: Bureau of Labor Statistics.

## GOVERNMENT EMPLOYMENT AND FINANCES

Nationally, public-sector employment increased 0.2 percent between August 2013 and August 2014. As of August, year-over-year government employment had increased for five consecutive months. However, public employment growth continued to lag behind the rise in total (public and private) nonfarm payroll employment, which increased 1.8 percent during the same period. DC and every state but Alaska experienced positive total employment growth over the past year, but only 25 states added public-sector jobs during that period.

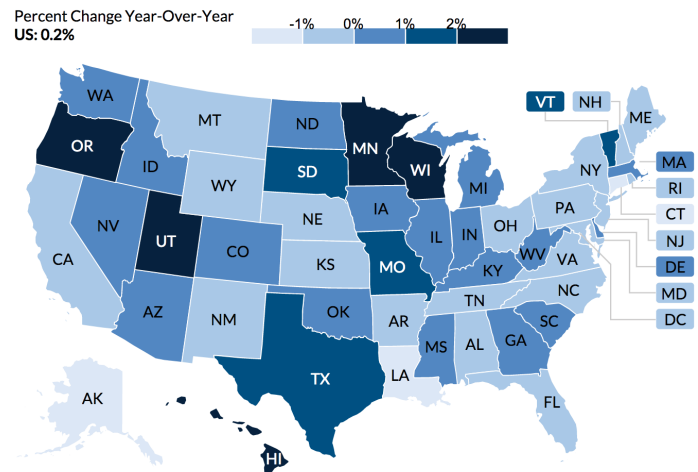
Public-sector jobs increased by more than 2 percent in five states between August 2013 and August 2014: Minnesota (4.7 percent), Wisconsin (4.6 percent), Hawaii (3.4 percent), Oregon (2.8 percent), and Utah (2.7 percent; see figure 5). Three states experienced public-sector job declines of more than 1 percent during that period: Connecticut (-2.9 percent), Louisiana (-1.8 percent), and Alaska (-1.8 percent).

Despite the public-sector job losses, Connecticut (0.4 percent) and Louisiana (1.3 percent) still experienced gains in total (public- and private-sector) employment over the year (figure 6). Alaska (-0.5 percent) was the only state where total employment fell. Overall, 17 states had total job growth of 1 percent or less. Total job growth exceeded 2 percent in 14 states and topped 3 percent in four: North Dakota (4.6 percent), Utah (3.5 percent), Texas (3.4 percent), and Nevada (3.1 percent).

Total state tax revenue declined 0.5 percent in the second quarter of 2014 compared with the same quarter of 2013. Total state tax revenue also declined in the first quarter of 2014 compared with a year earlier. Most of the drop resulted from the 6.7 percent year-over-year decline in personal income tax revenue. And the decline was widespread: personal income tax revenue declined in DC and 40 of the 43 states with personal income taxes.

As explained earlier, however, the drop reflects a shift of income for high-income taxpayers from 2013 to 2012, not broader economic trends. As Norton Francis noted in a July 22 *TaxVox*

**Figure 5. Public-Sector Employment, August 2014**



Source: Bureau of Labor Statistics.

post, many investors sold assets in tax year 2012 to avoid the expected federal increase in capital gains taxes in 2013.<sup>1</sup> In addition, the Bureau of Economic Analysis highlighted special dividends and bonus payments as contributing to the 7 percent growth in personal income tax revenue in the fourth quarter of 2012.<sup>2</sup> The acceleration artificially increased tax revenues in the second quarter of 2013 and is now resulting in year-over-year declines. Combining both years, the average annual state personal income tax growth rate was about 5 percent from 2011 to 2013.

A majority of states (33) saw year-over-year declines in total tax revenue, and 12 states had declines of 5 percent or more (figure 7). The largest drops occurred in Alaska (-15.2 percent, because of declining oil production), Ohio (-10.9 percent), Utah (-10.7 percent), and Wisconsin (-10.7 percent). Among the 17 states and DC that experienced total tax revenue increases, only five and DC had increases of 4 percent or more. Revenue rose the most in North Dakota (11.9 percent, because of increasing oil production), Michigan (9.4 percent), and Florida (8.9 percent).

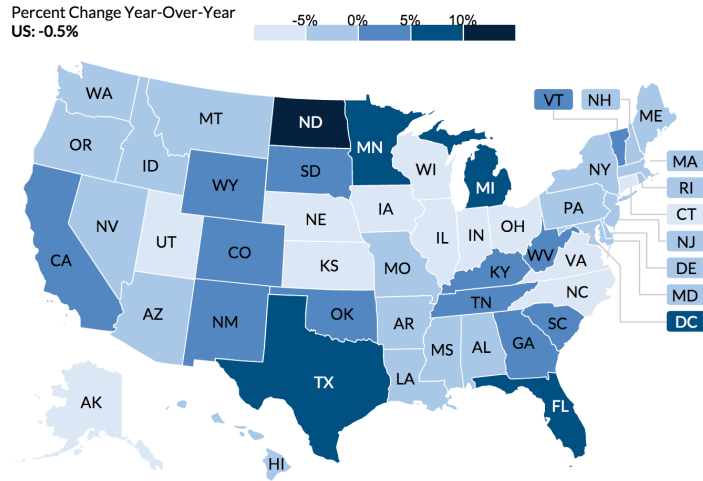
**Figure 6. Year-over-Year Change in Total Employment versus Year-over-Year Change in Public-Sector Employment, August 2013–August 2014**



Source: Bureau of Labor Statistics.

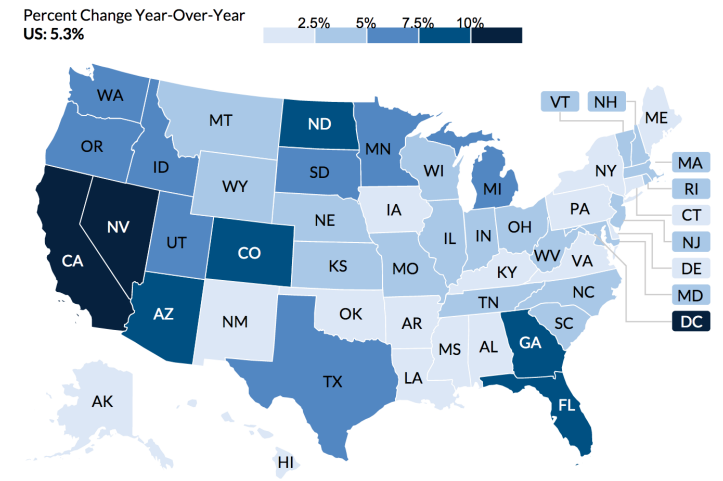


**Figure 7. Total Tax Revenue, Second Quarter 2014**



Source: Census.

**Figure 8. House Prices, Second Quarter 2014**



Source: Federal Housing Agency.

## HOUSING

Home prices rose over the past year, but the year-over-year growth rate has declined for three consecutive quarters. National home prices were up 5.3 percent in the second quarter of 2014 compared with a year before. By comparison, year-over-year home prices had increased 6.6 percent in the first quarter, 7.7 percent in the fourth quarter of 2013, and 8 percent in the third quarter of 2013.

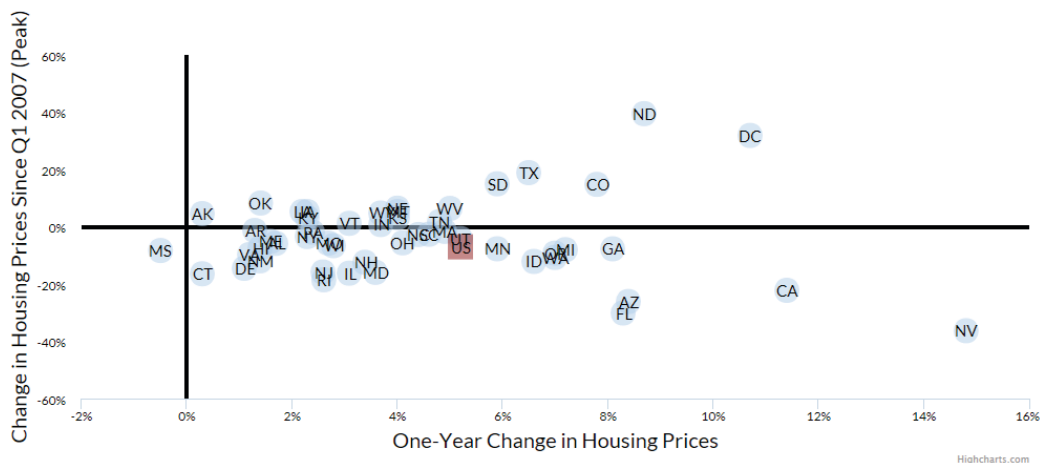
Home prices rose year over year in every state except Mississippi (figure 8). However, price increases exceeded the national average in only 14 states and DC. Twenty states had home price growth of 3 percent or less. Home prices went up the most in Nevada (14.8 percent), California (11.4 percent), and DC (10.7 percent). Most of the strong home-price growth was in the West—prices rose more than 5 percent in only three states east of the Mississippi River (Florida, Georgia, and Michigan).

Though home prices increased in 49 states and DC over the past year, they are still below their 2007 peak levels in all but 17 states

and DC (figure 9). National home prices are down 7 percent from the peak and more than that in 21 states. Home prices in Arizona, California, Florida, and Nevada are down more than 22 percent since the first quarter of 2007, even though prices rose 8 percent or more over the past year in all four states. DC and North Dakota are clear outliers: home prices in both have increased more than 30 percent since the housing price peak. Colorado, South Dakota, and Texas are the other states where prices have increased by more than 10 percent since 2007.

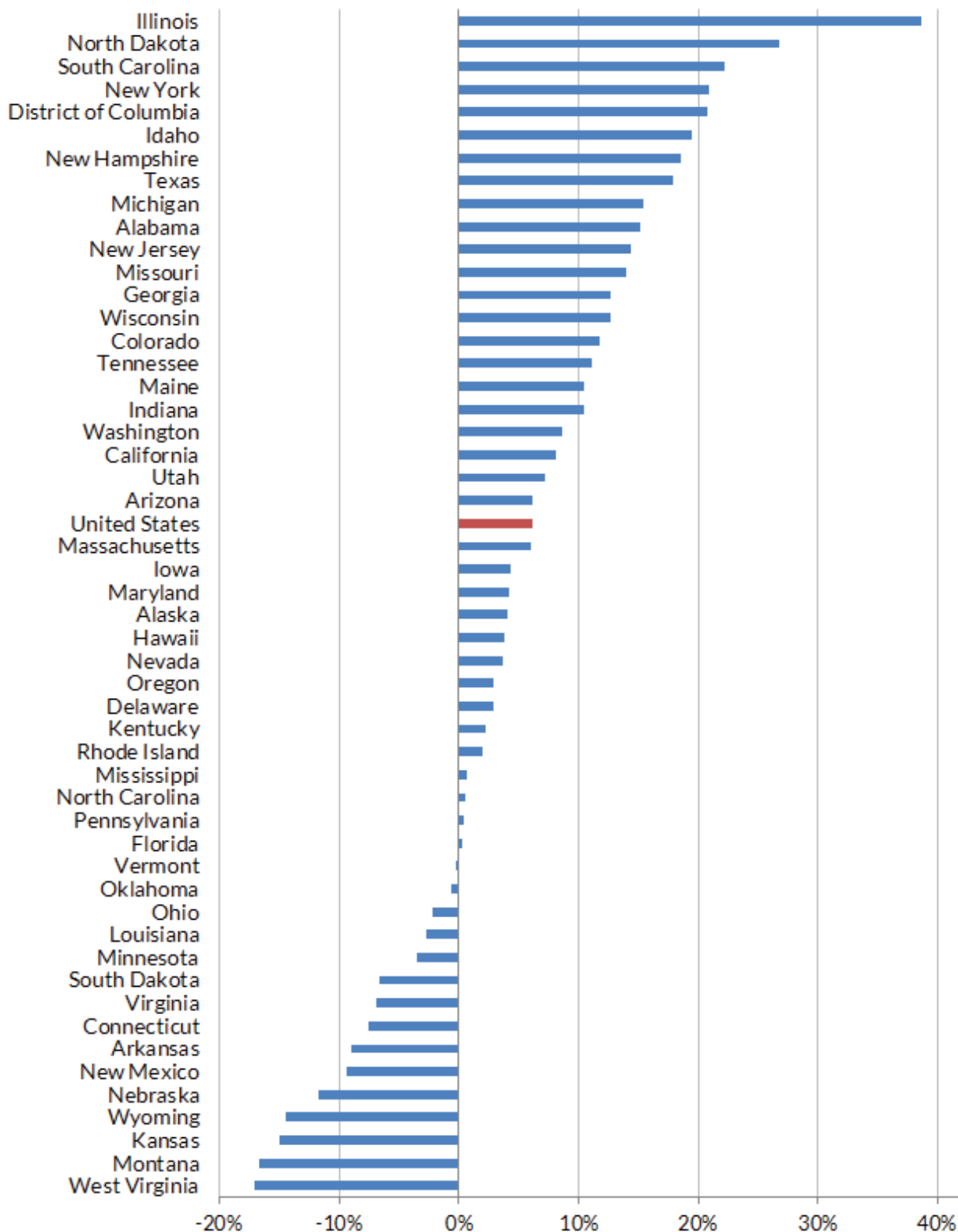
Meanwhile, 35 states and DC had year-over-year increases in new housing permits—a gauge of future housing construction and, thus, of the future strength of housing markets (figure 10). Four states—Illinois (38.6 percent), North Dakota (26.7 percent), South Carolina (22.2 percent), and New York (21 percent)—and DC (20.8 percent) had year-over-year increases in average monthly permits greater than 20 percent. At the same time, average monthly permits fell in 15 states, including 5 where permits dropped more than 10 percent: West Virginia (-17.1 percent), Montana (-16.7 percent), Kansas (-15 percent), Wyoming (-14.5 percent), and Nebraska (-11.7 percent).

**Figure 9. One-Year Change vs. Change since Peak in House Prices, Second Quarter 2014**



Source: Federal Housing Finance Administration, State House Price Indexes.

**Figure 10. Percent Change in Average Monthly New Housing Permits, 12-Month Average, August 2013–August 2014**



Source: Census.



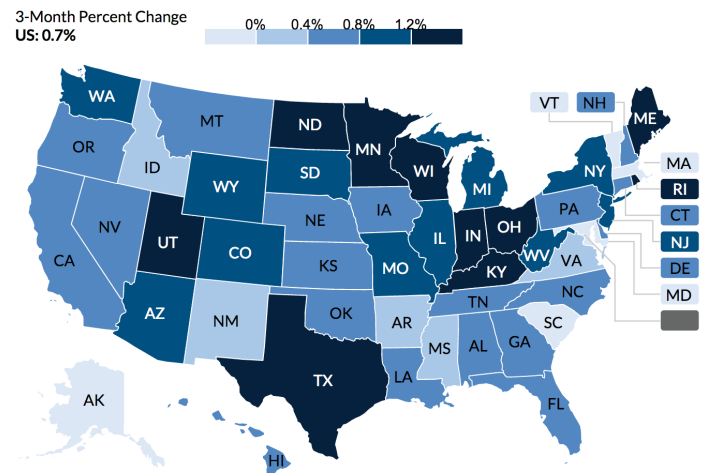
## STATE COINCIDENT INDEXES

The Federal Reserve Bank of Philadelphia produces state coincident indexes that 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. The Federal Reserve Bank of Philadelphia does not compile an index for DC. The national coincident index grew 0.7 percent between June and August in 2014 (figure 11). Kentucky's 1.6 percent increase was the highest, just above the 1.5 percent increase in four states (Indiana, Maine, North Dakota, and Rhode Island). Meanwhile, the index declined in five states: Alaska (-1.2 percent), South Carolina (-0.5 percent), Vermont (-0.5 percent), Maryland (-0.3 percent), and Massachusetts (-0.1 percent). Alaska and Vermont also had three-month declines in this index ending in May.

States' economic performances look better over the 12 months ending in August (figure 12). Every state except Alaska increased in the index, and 28 states increased more than the national average of 3 percent. Most states that have done well over the past year also did well over the three months ending in August. The states with the three highest year-over-year growth rates—North Dakota (6.5 percent), Rhode Island (5.7 percent), and Indiana (5.3 percent)—all had three-month growth rates of 1.5 percent. However, the fourth-best performing state, Massachusetts (5.1 percent), had its three-month measure drop 0.1 percent. Alaska was the only state where the yearly average dropped, falling 2.3 percent, far worse than the next-worst performing state, Virginia, where the index rose 0.6 percent.

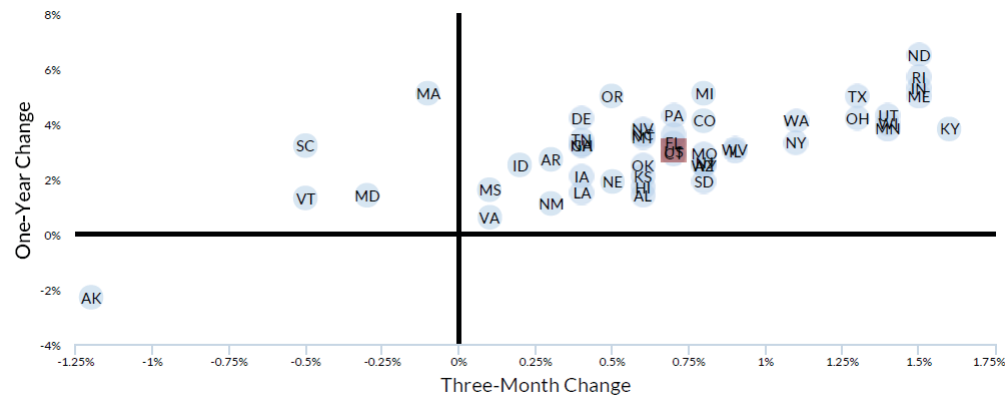
The Federal Reserve Bank of Philadelphia also produces a leading index for each state that measures expected future economic activity. The index estimates the future six-month change in the coincident index using forward-looking economic variables: initial claims for unemployment, housing permits, manufacturing delivery times, and interest rates. In the United States, the leading index was 1.5, representing an expected 1.5 percent rise in the coincident index (figure 13). The index was positive in 42 states, with the highest numbers in Kentucky and Michigan. The index was negative in seven states: Alaska, Louisiana, Maryland, Oregon, South Carolina, Vermont, and Virginia.

Figure 11. State Coincident Indicator, August 2014



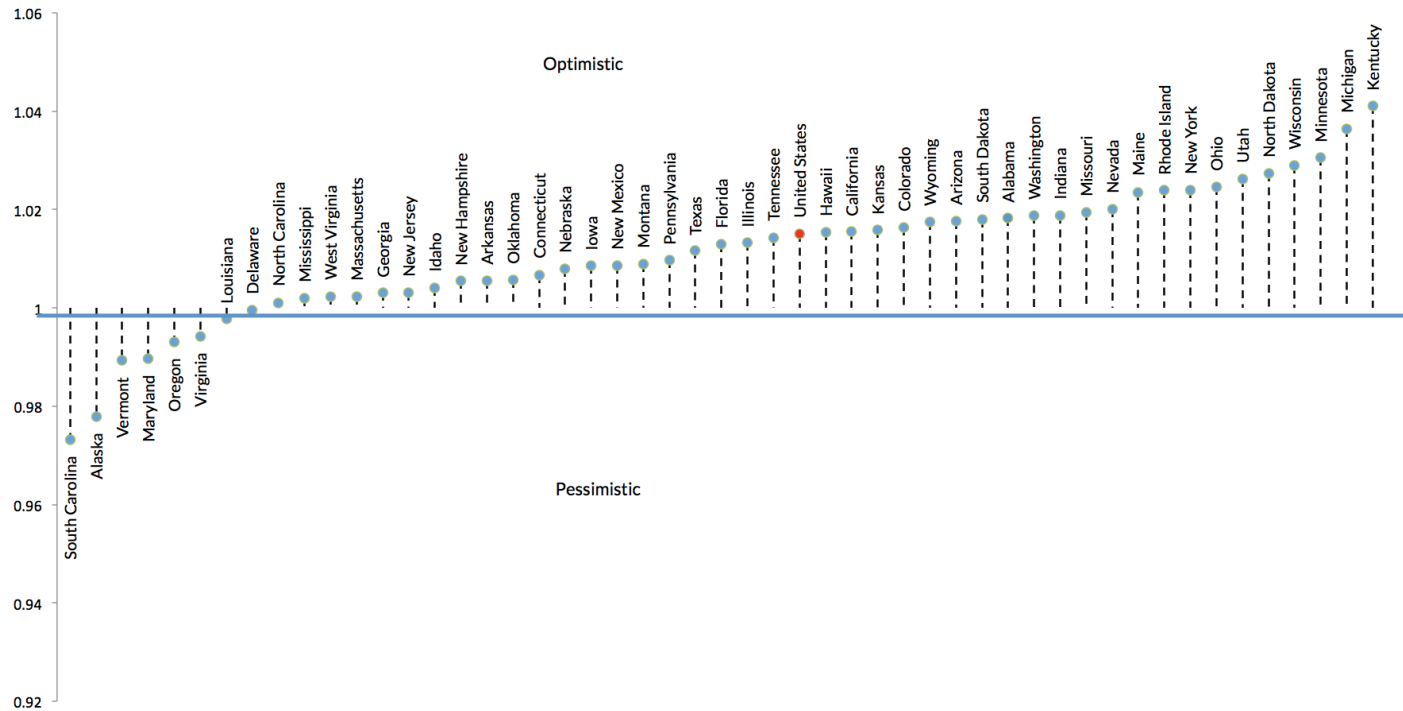
Source: Bureau of Economic Analysis.

Figure 12. Three-Month versus One-Year Change in Coincident Indexes, August 2014



Source: Philadelphia Federal Reserve.

**Figure 13. August Forecast of Coincident Index in Six Months**



Source: Philadelphia Federal Reserve.

Note: This chart shows the projection of the state coincident index six months from now.

**SPECIAL SUPPLEMENT: STATE MINIMUM WAGES**

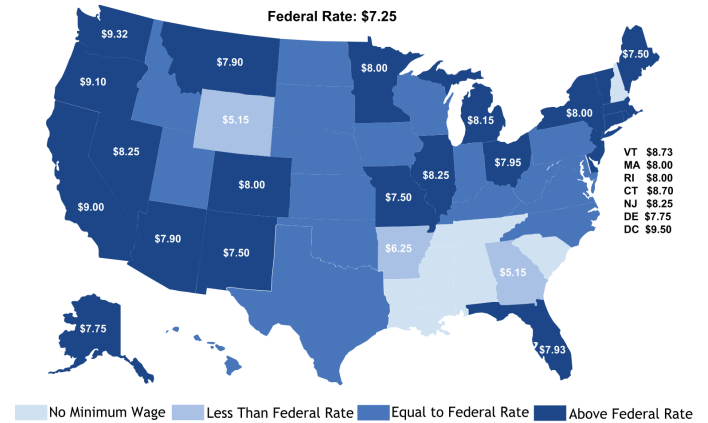
Twenty-three states and DC have minimum wages higher than the \$7.25 federal rate (figure 14).<sup>3</sup> These states are mostly clustered in the West and Northeast. DC has the highest rate at \$9.50, and three states have minimum wages at or above \$9 (California, Oregon, and Washington). In contrast, nine states—seven of them in the South—have either a minimum wage below the federal rate or no minimum wage, which effectively means that the federal rate applies in these states.

With income inequality drawing increased attention, 10 states and DC have approved minimum wage increases in 2014 that go into effect next year.<sup>4</sup> Seven of these states (Connecticut, Delaware, Massachusetts, Michigan, Minnesota, Rhode Island, and Vermont) already have minimum wages above the federal rate. The other three raised their minimums from the current federal rate: Hawaii to \$7.75 (and \$10.10 by 2018), Maryland to \$8.25 (and \$10.10 by 2018), and West Virginia to \$8.75. In addition, November ballot initiatives would raise the minimum wage in Alaska, Arkansas, Nebraska, and South Dakota if approved by voters.

Fourteen states index their minimum wage (or will following scheduled statutory raises), and therefore their minimums automatically increase annually to account for inflation.

According to the Bureau of Labor Statistics, 1.5 million workers earned the federal minimum wage in 2013.<sup>5</sup> Wages fell below the federal minimum for another 1.8 million full-time students, tipped employees, or other workers who were exempt. Combined, these

**Figure 14. State Minimum Wages, 2014**



Source: US Department of Labor.

3.3 million workers accounted for 4.3 percent of all hourly paid workers. Two-thirds of them worked in service occupations (e.g., food preparation).

A recent Urban Institute study of the minimum wage in DC found that increasing the minimum from \$9.50 to \$11.50 in 2016 would improve the well-being of low-income families and have little impact on employment.<sup>6</sup>

## NOTES

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1. Norton Francis, "State Taxes and the April Surprise," *TaxVox* (blog), Tax Policy Center, July 22, 2014, <http://taxvox.taxpolicycenter.org/2014/07/22/state-taxes-april-surprise/>.
2. Bureau of Economic Analysis, "Technical Note on Gross Domestic Product, Fourth Quarter 2012 (Advanced Estimate)," January 30, 2013, accessed October 2, 2014, [http://www.bea.gov/newsreleases/national/gdp/2013/tech4q12\\_adv.htm](http://www.bea.gov/newsreleases/national/gdp/2013/tech4q12_adv.htm)
3. "Tax Facts: State Minimum Wage Rates: 1983–2014," Tax Policy Center, accessed October 1, 2014, <http://www.taxpolicycenter.org/taxfacts/displayafact.cfm?Docid=603>.
4. "State Minimum Wages: 2014 Minimum Wage by State," National Conference of State Legislatures, September 17, 2014, <http://www.ncsl.org/research/labor-and-employment/state-minimum-wage-chart.aspx>.
5. "Characteristics of Minimum Wage Workers, 2013," US Bureau of Labor Statistics, March 2014, no. 1048, <http://www.bls.gov/cps/minwage2013.pdf>.
6. Austin Nichols, Jon Schwabish, and Gregory Acs, "Higher Minimum Wages Will Improve Economic Well-Being in DC," *Metro Trends* (blog), Urban Institute, August 12, 2014, <http://blog.metrotrends.org/2014/08/higher-minimum-wages-improve-economic-well-being-dc/>.

This issue of the State Economic Monitor, a publication of the State and Local Finance Initiative, was written by Richard C. Auxier using the most recent available data. For the latest updates on state economic conditions, visit [www.stateandlocalfinance.org](http://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, AUGUST 2014**

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	6.9	0.4	738	-0.1	1.0	-0.7
Alaska	6.8	0.1	960	-3.4	-0.5	-1.8
Arizona	7.1	-1.0	781	-4.4	2.1	0.2
Arkansas	6.3	-1.4	671	-2.4	1.3	-0.1
California	7.4	-1.5	944	-0.5	1.9	-0.2
Colorado	5.1	-1.7	900	-0.6	2.1	0.8
Connecticut	6.6	-1.2	944	-0.6	0.4	-2.9
Delaware	6.5	-0.2	712	-1.0	2.7	0.8
District of Columbia	7.6	-0.7	1382	0.4	1.1	-0.3
Florida	6.3	-0.8	765	0.1	2.7	-0.1
Georgia	8.1	-0.1	827	3.5	2.0	0.0
Hawaii	4.3	-0.5	826	4.3	1.5	3.4
Idaho	4.7	-1.5	722	0.4	0.5	0.4
Illinois	6.7	-2.5	873	0.7	0.5	0.7
Indiana	5.8	-1.7	789	2.3	2.0	0.3
Iowa	4.5	-0.2	766	1.4	0.8	0.9
Kansas	4.9	-0.6	765	2.3	1.1	-0.2
Kentucky	7.1	-1.3	716	1.5	1.3	0.4
Louisiana	5.8	-0.4	808	2.1	1.3	-1.8
Maine	5.6	-1.1	715	-1.3	1.6	-0.8
Maryland	6.4	-0.2	932	1.6	0.5	-0.6
Massachusetts	5.8	-1.4	979	0.3	1.9	0.3
Michigan	7.4	-1.6	800	0.3	0.8	0.8
Minnesota	4.3	-0.7	878	0.8	2.0	4.7
Mississippi	7.9	-0.7	698	-0.4	0.5	0.7
Missouri	6.3	-0.3	745	-3.0	1.6	1.6
Montana	4.7	-1.0	697	-1.1	1.9	-0.1
Nebraska	3.6	-0.4	733	1.4	0.6	-0.2
Nevada	7.6	-2.2	701	1.7	3.1	0.3
New Hampshire	4.4	-0.9	798	-2.7	0.6	-0.9
New Jersey	6.6	-1.5	898	-0.3	0.3	-0.9
New Mexico	6.7	-0.3	709	-1.4	0.6	-0.5
New York	6.4	-1.3	941	-1.5	1.5	-0.4
North Carolina	6.8	-1.2	755	-0.2	2.1	-0.9
North Dakota	2.8	-0.1	895	1.2	4.6	0.3
Ohio	5.7	-1.8	746	-2.8	0.6	-0.7
Oklahoma	4.7	-0.9	757	0.0	1.8	0.2
Oregon	7.2	-0.5	768	-0.3	2.8	2.8
Pennsylvania	5.8	-1.6	795	0.5	1.0	-0.8
Rhode Island	7.7	-1.9	813	-3.4	1.7	-0.7
South Carolina	6.4	-1.1	716	-1.2	1.7	0.9
South Dakota	3.6	-0.2	679	-2.3	1.2	1.4
Tennessee	7.4	-1.0	733	1.6	2.1	-1.0
Texas	5.3	-1.1	869	3.3	3.4	2.0
Utah	3.6	-0.8	828	1.6	3.5	2.7
Vermont	4.1	-0.4	775	-1.6	0.7	1.8
Virginia	5.6	0.0	873	-0.7	0.4	-0.3
Washington	5.6	-1.4	960	0.4	2.2	1.0
West Virginia	6.6	0.1	723	0.4	1.4	0.0
Wisconsin	5.6	-1.1	780	-0.3	2.1	4.6
Wyoming	4.6	0.0	827	0.3	1.6	-0.3
United States	6.1	-1.1	840	0.7	1.8	0.2

Source: Bureau of Labor Statistics, Current Employment Statistics.



**TABLE 2. YEAR-OVER-YEAR CHANGE IN STATE TAX REVENUES, Q2 2013–Q2 2014**

STATE	PERSONAL INCOME TAX (%)	CORPORATE INCOME TAX (%)	SALES TAX (%)	TOTAL TAX REVENUES (%)
Alabama	-5.1	8.2	2.5	-2.3
Alaska	NA	-22.3	NA	-15.2
Arizona	-5.4	-17.1	4.1	-1.0
Arkansas	-10.5	-8.3	8.7	-0.7
California	-2.6	9.0	3.9	1.4
Colorado	-2.4	3.2	11.2	2.6
Connecticut	-5.4	-2.8	-3.3	-7.7
Delaware	-0.5	0.9	NA	-0.2
District of Columbia	-1.3	0.0	3.6	9.2
Florida	NA	11.5	4.6	8.9
Georgia	-1.3	4.6	8.0	3.0
Hawaii	1.0	-30.6	-2.1	-2.0
Idaho	-4.6	-12.6	4.8	-2.6
Illinois	-18.2	-23.3	5.5	-8.8
Indiana	-22.1	3.9	4.8	-6.6
Iowa	-21.4	-0.6	11.6	-6.5
Kansas	-7.8	-8.4	5.5	-5.6
Kentucky	-3.1	4.6	5.2	0.8
Louisiana	-4.9	-33.5	0.0	-2.3
Maine	-9.4	2.9	12.6	-3.4
Maryland	-7.8	-8.5	5.5	-1.6
Massachusetts	-7.8	-8.7	5.5	-3.9
Michigan	1.2	-11.3	4.8	9.4
Minnesota	-0.2	-5.2	7.9	5.6
Mississippi	-7.8	-5.4	3.2	-0.8
Missouri	-9.6	-14.4	5.5	-3.8
Montana	-7.0	12.3	NA	-4.4
Nebraska	-16.3	6.7	-0.9	-7.5
Nevada	NA	NA	5.5	-3.5
New Hampshire	-6.8	-8.6	NA	-1.9
New Jersey	-7.8	-8.6	5.5	-2.0
New Mexico	-7.7	-8.1	5.5	0.8
New York	-9.1	32.9	3.0	-3.1
North Carolina	-16.8	-3.3	3.9	-7.3
North Dakota	-39.9	-0.9	25.7	11.9
Ohio	-31.8	-89.8	9.6	-10.9
Oklahoma	-0.4	-28.7	6.7	2.8
Oregon	-7.8	-8.4	NA	-4.9
Pennsylvania	-3.5	-3.1	6.3	-0.3
Rhode Island	-7.8	-8.5	5.4	-1.4
South Carolina	1.0	-17.0	3.9	0.3
South Dakota	NA	-56.3	7.7	0.5
Tennessee	-7.5	-3.5	3.5	0.1
Texas	NA	NA	5.6	5.0
Utah	-8.6	12.9	-34.5	-10.7
Vermont	-11.5	34.6	3.7	3.2
Virginia	-1.1	-4.1	-13.3	-5.8
Washington	NA	NA	5.5	-3.7
West Virginia	-2.5	-26.6	-3.8	1.2
Wisconsin	-25.3	-6.0	3.0	-10.7
Wyoming	NA	NA	13.9	3.3
United States	-6.7	-1.1	5.3	-0.5

Sources: Rockefeller Institute for Connecticut, Census Quarterly Summary of State and Local Revenue for all other states and the District of Columbia.

NA = not applicable

**TABLE 3. CHANGES IN HOUSING PERMITS AND HOUSE PRICES**

STATE	CHANGE IN AVERAGE MONTHLY NEW HOUSING PERMITS, 12-MONTH AVERAGE, AUGUST 2013–AUGUST 2014 (%)	ONE-YEAR CHANGE IN HOUSE PRICES, Q2 2013–Q2 2014 (%)	CHANGE IN HOUSE PRICES SINCE PEAK, Q2 2007–Q2 2014 (%)
Alabama	15.1	1.7	-5.8
Alaska	4.1	0.3	4.6
Arizona	11.5	8.4	-26.1
Arkansas	-8.9	1.3	-1.3
California	8.1	11.4	-22.2
Colorado	11.8	7.8	14.8
Connecticut	-7.5	0.3	-16.4
Delaware	2.9	1.1	-14.5
District of Columbia	20.8	10.7	31.9
Florida	0.2	8.3	-30.1
Georgia	12.7	8.1	-7.7
Hawaii	3.8	1.4	-7.5
Idaho	19.5	6.6	-12.1
Illinois	38.6	3.1	-16.2
Indiana	10.5	3.7	0.8
Iowa	4.4	2.3	5.3
Kansas	-15.0	4.0	3.2
Kentucky	2.3	2.3	3.1
Louisiana	-2.7	2.2	5.3
Maine	10.5	1.6	-5.1
Maryland	4.3	3.6	-15.9
Massachusetts	6.0	4.9	-1.6
Michigan	15.4	7.2	-8.0
Minnesota	-3.5	5.9	-7.7
Mississippi	0.6	-0.5	-8.3
Missouri	14.0	2.7	-5.7
Montana	-16.7	4.0	5.3
Nebraska	-11.7	4.0	6.5
Nevada	3.7	14.8	-36.3
New Hampshire	18.5	3.4	-12.4
New Jersey	14.3	2.6	-15.8
New Mexico	-9.3	1.4	-11.9
New York	21.0	2.3	-3.4
North Carolina	0.6	4.4	-2.7
North Dakota	26.7	8.7	39.5
Ohio	-2.1	4.1	-5.6
Oklahoma	-0.6	1.4	8.3
Oregon	2.9	7.0	-9.2
Pennsylvania	0.5	2.4	-1.9
Rhode Island	2.0	2.6	-18.5
South Carolina	22.2	4.6	-2.6
South Dakota	-6.7	5.9	15.0
Tennessee	11.2	4.8	1.8
Texas	17.9	6.5	18.9
Utah	7.2	5.2	-4.1
Vermont	-0.3	3.1	1.2
Virginia	-7.0	1.2	-9.7
Washington	8.6	7.0	-10.7
West Virginia	-17.1	5.0	6.4
Wisconsin	12.7	2.8	-6.6
Wyoming	-14.5	3.7	4.8
United States	6.2	5.3	-7.0

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



**TABLE 4. STATE ECONOMIC ACTIVITY, AUGUST 2014**

STATE	COINCIDENT INDEXES	COINCIDENT INDEXES, 3-MONTH CHANGE (%)	COINCIDENT INDEXES, 1-YEAR CHANGE (%)	LEADING INDEXES	LEADING INDEXES, 3-MONTH CHANGE (%)	LEADING INDEXES, 1-YEAR CHANGE (%)
Alabama	134.7	0.6	1.4	1.8	0.0	1.0
Alaska	107.6	-1.2	-2.3	-2.2	-1.1	-1.8
Arizona	189.3	0.8	2.5	1.8	0.5	0.4
Arkansas	147.0	0.3	2.7	0.6	0.1	-1.3
California	164.4	0.7	3.6	1.6	-0.6	-0.5
Colorado	184.8	0.8	4.1	1.6	-0.6	-0.4
Connecticut	156.8	0.7	2.9	0.7	-1.0	-1.0
Delaware	148.1	0.4	4.2	0.0	-1.0	-2.3
Florida	154.5	0.7	3.3	1.3	0.2	-0.9
Georgia	171.3	0.4	3.2	0.3	-0.5	-1.7
Hawaii	109.6	0.6	1.7	1.5	0.7	1.1
Idaho	198.4	0.2	2.5	0.4	-0.4	-1.8
Illinois	148.6	0.9	3.0	1.3	-1.0	0.3
Indiana	157.7	1.5	5.3	1.9	-0.8	-1.0
Iowa	150.3	0.4	2.1	0.9	-0.3	-0.9
Kansas	143.2	0.6	2.1	1.6	0.5	0.1
Kentucky	149.2	1.6	3.8	4.1	1.5	3.1
Louisiana	135.3	0.4	1.5	-0.2	-0.9	-1.8
Maine	142.9	1.5	5.0	2.4	0.7	0.7
Maryland	146.6	-0.3	1.4	-1.0	-0.3	-2.1
Massachusetts	185.3	-0.1	5.1	0.2	-2.9	-1.5
Michigan	148.7	0.8	5.1	3.6	2.6	1.9
Minnesota	166.0	1.4	3.8	3.1	0.3	1.2
Mississippi	142.5	0.1	1.6	0.2	-1.3	-1.4
Missouri	139.8	0.8	2.9	1.9	0.7	-0.1
Montana	170.1	0.6	3.5	0.9	-1.8	0.3
Nebraska	163.4	0.5	1.9	0.8	-0.9	-0.3
Nevada	192.8	0.6	3.8	2.0	1.4	-0.1
New Hampshire	194.8	0.4	3.2	0.6	0.0	-1.2
New Jersey	155.4	0.8	2.6	0.3	-1.4	-1.5
New Mexico	159.4	0.3	1.1	0.9	-1.6	1.0
New York	151.8	1.1	3.3	2.4	0.6	0.9
North Carolina	161.2	0.6	3.6	0.1	-1.3	-2.1
North Dakota	207.0	1.5	6.5	2.7	0.4	0.2
Ohio	158.0	1.3	4.2	2.5	0.3	0.6
Oklahoma	153.0	0.6	2.5	0.6	-0.7	-0.2
Oregon	198.9	0.5	5.0	-0.7	-3.2	-4.3
Pennsylvania	147.5	0.7	4.3	1.0	-1.5	-0.5
Rhode Island	163.1	1.5	5.7	2.4	-0.8	1.6
South Carolina	159.0	-0.5	3.2	-2.7	-3.1	-5.5
South Dakota	157.3	0.8	1.9	1.8	0.8	0.7
Tennessee	158.0	0.4	3.4	1.4	0.9	-0.3
Texas	189.9	1.3	5.0	1.2	-1.2	-0.8
Utah	194.2	1.4	4.3	2.6	0.0	0.8
Vermont	153.0	-0.5	1.3	-1.1	-0.8	-1.9
Virginia	147.7	0.1	0.6	-0.6	-0.5	-1.4
Washington	158.1	1.1	4.1	1.9	-0.3	0.0
West Virginia	152.7	0.9	3.1	0.2	-0.4	-0.5
Wisconsin	149.1	1.4	4.0	2.9	0.3	0.9
Wyoming	155.5	0.8	2.5	1.8	1.4	1.8
United States	157.7	0.7	3.0	1.5	-0.2	-0.1

Source: Federal Reserve Bank of Philadelphia.