

CAPITOL RESEARCH

● ● ● FISCAL & ECONOMIC DEVELOPMENT POLICY

TRENDS IN STATE GOVERNMENT EMPLOYMENT¹

At its peak in August 2008, state government employment stood at 5.21 million, or about 3.8 percent of total nonfarm employment. Over the next five years, state governments shed 187,000 jobs, landing at 5.03 million in July 2013. As of December 2014, state governments had regained 53,000 positions since hitting the July 2013 low, but have only recovered a little more than one quarter of the positions lost since the August 2008 peak.

State government employment remains below the peak level reached in August 2008, but saw modest gains in 2012, 2013 and 2014.

- From August 2008 to December 2014, a majority of states—31—added state government jobs.
- Colorado added the greatest number of positions (21,700), followed by Kentucky (18,500) and California (13,800).
- State government employment shrunk the most in Louisiana—by 24,800 positions—followed by Georgia, with a loss of 15,200, and New York, with a loss of 14,500.
- Over the same period, private sector employment grew by 4.1 million positions, or 3.6 percent.

During and after the Great Recession, job losses in the private sector were more pronounced than losses to state government employment.

- From December 2007 to December 2008, private sector employment contracted by 3.2 percent and from December 2008 to December 2009, it fell by 4.5 percent.
- For state government employment, losses did not begin until 2009, when employment fell by 0.8 percent (December 2009-December 2010). State government employment declined again from December 2009 to December 2010 (0.3 percent) and from December 2010 to December 2011 (1.8 percent).



- For every year since 2010, year-over-year private sector employment has grown stronger, moving from an annual growth rate of 1.2 percent in 2010 to 2.6 percent in 2014.
- Recovery for state government employment has remained stagnant, growing by just 0.2 percent from December 2011 to December 2012, and by 0.1 percent from December 2012 to December 2013. In 2014, state government employment picked up slightly

Throughout 2014, state government employment grew by 0.5 percent overall, compared to 2.6 percent growth in the private sector.

- From December 2013 to December 2014, private sector employment grew by an average of 260,000 positions each month, for a total gain of just over three million jobs.
- Total government employment (federal, state and local) grew by 0.3 percent over this period, reflecting a loss of jobs in the federal government, which



shrunk by 0.4 percent, balanced by growth in local government employment of 0.4 percent (61,000 positions), and state government employment growth of 0.5 percent (24,000 positions).

- Throughout 2014, state government employment grew in 32 states, remained the same in four states and shrunk in 14 states.
- Among states losing employment, losses in Louisiana were the most significant, contracting by 4.2 percent, followed by North Carolina (3.8 percent) and Alaska (1.9 percent).
- State government employment in Indiana grew the most over this period, by 5.3 percent, followed by Utah (4.4 percent) and Hawaii (4.1 percent).
- In absolute terms, California added the greatest number of state government positions (13,200) while North Carolina lost the greatest number (7,900).

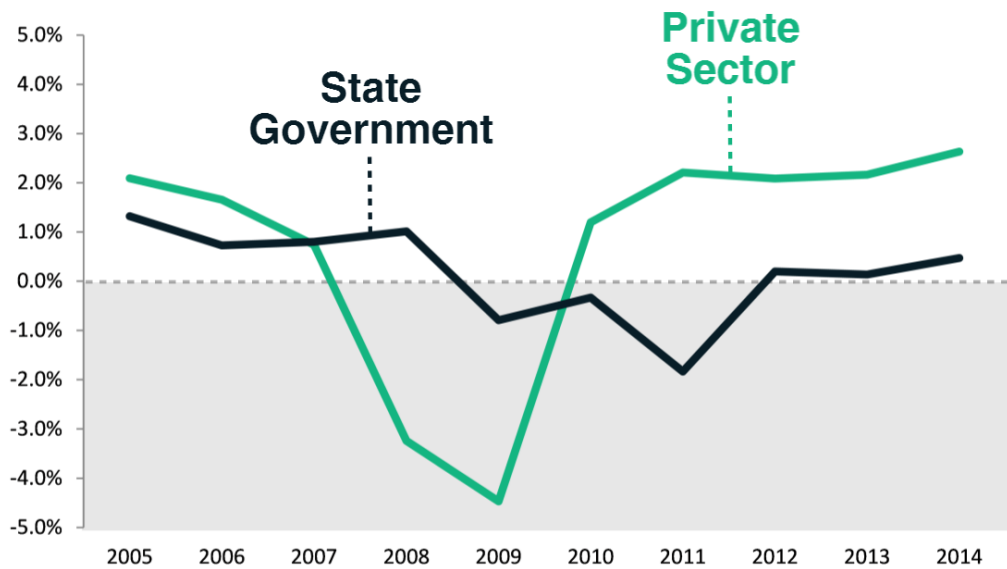


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REFERENCES

¹ CSG's analysis of seasonally-adjusted data from the Bureau of Labor Statistics (Current Employment Statistics – National and State and Area Employment, Hours, and Earnings). <http://www.bls.gov/ces/>

Annual Percent Change in Employment



STATE GOVERNMENT EMPLOYMENT

State	State Government Employment			Private	
	Employment (December 2014)	Employment as Percentage of Total, Non-Farm Employment	Percent Change in 2014 (December 2013-December 2014)	Employment (December 2014)	Percent Change in 2014 (December 2013-December 2014)
Alabama	110,800	5.7%	2.1%	1,570,000	1.9%
Alaska	25,800	7.6%	-1.9%	259,900	1.2%
Arizona	85,300	3.3%	2.2%	2,194,500	2.8%
Arkansas	77,700	6.4%	0.8%	991,900	2.3%
California	502,100	3.2%	2.7%	13,270,200	2.5%
Colorado	110,800	4.5%	2.2%	2,054,700	2.8%
Connecticut	65,800	3.9%	1.5%	1,453,600	1.8%
Delaware	32,400	7.3%	1.9%	379,300	2.8%
Florida	209,100	2.6%	1.4%	6,829,600	3.4%
Georgia	170,400	4.1%	-1.4%	3,501,200	3.1%
Hawaii	76,400	12.1%	4.1%	503,800	1.3%
Idaho	29,000	4.5%	1.0%	527,300	1.7%
Illinois	150,600	2.6%	0.0%	5,049,600	1.1%
Indiana	120,900	4.0%	5.3%	2,594,400	2.0%
Iowa	68,100	4.4%	0.3%	1,298,700	0.9%
Kansas	53,100	3.8%	1.1%	1,137,200	1.1%
Kentucky	115,100	6.1%	2.7%	1,539,100	2.0%
Louisiana	92,300	4.6%	-4.2%	1,659,200	2.1%
Maine	26,400	4.3%	-0.8%	509,600	1.1%
Maryland	111,100	4.2%	-0.4%	2,128,000	1.1%
Massachusetts	126,700	3.7%	1.0%	3,004,500	2.0%
Michigan	182,600	4.4%	0.7%	3,575,200	1.4%
Minnesota	99,500	3.5%	-1.3%	2,428,300	1.4%
Mississippi	60,700	5.4%	0.8%	873,700	-0.1%
Missouri	99,300	3.6%	-0.7%	2,335,400	1.6%
Montana	27,200	5.9%	0.7%	368,900	2.1%
Nebraska	42,500	4.3%	1.4%	820,500	0.9%
Nevada	38,000	3.1%	2.7%	1,067,900	2.5%
New Hampshire	24,300	3.7%	1.7%	563,100	1.6%
New Jersey	146,100	3.7%	-0.4%	3,343,300	0.9%
New Mexico	58,700	7.1%	0.0%	632,300	2.2%
New York	251,000	2.8%	-0.5%	7,638,200	1.5%
North Carolina	200,100	4.7%	-3.8%	3,504,400	3.5%
North Dakota	24,800	5.2%	-0.4%	395,700	6.5%
Ohio	166,100	3.1%	1.0%	4,576,100	1.4%
Oklahoma	86,200	5.1%	-0.1%	1,332,000	2.7%
Oregon	85,700	4.9%	3.9%	1,448,100	3.1%
Pennsylvania	160,700	2.8%	1.5%	5,098,200	1.1%
Rhode Island	16,100	3.4%	-0.6%	419,200	1.9%
South Carolina	102,400	5.2%	0.4%	1,611,600	2.7%
South Dakota	18,500	4.4%	0.0%	343,300	0.7%
Tennessee	92,800	3.3%	0.0%	2,421,200	2.8%
Texas	369,200	3.1%	1.3%	9,920,700	4.4%
Utah	75,500	5.6%	4.4%	1,120,200	4.0%
Vermont	18,400	5.9%	3.4%	255,400	1.2%
Virginia	163,200	4.3%	1.0%	3,087,000	0.9%
Washington	153,000	4.9%	1.9%	2,542,000	3.1%
West Virginia	51,600	6.7%	0.4%	617,800	1.3%
Wisconsin	101,200	3.5%	1.7%	2,485,500	2.2%
Wyoming	15,500	5.2%	-0.6%	225,200	1.9%

Source: CSG's analysis of seasonally-adjusted data from the Bureau of Labor Statistics (Current Employment Statistics – State and Area Employment, Hours, and Earnings). <http://www.bls.gov/ces/>