

News Release

Comptroller Brooke Lierman Releases New Report on Immigration and Maryland's Economy

Policy brief highlights the key role of immigrants in helping to sustain Maryland's population growth and workforce amid a labor shortage and population decline

ANNAPOLIS, Md. (April 18, 2024) — Comptroller Brooke E. Lierman today released a new report on the impact of immigrants on Maryland's workforce and economy. The policy brief is the first in a series of reports further exploring factors that influence the state's economic performance, as examined in the Comptroller's inaugural [State of the Economy Report](#). This brief primarily focuses on population and labor force trends affected by immigrants living in Maryland, comparing those to trends across the U.S. and in neighboring states like Virginia and Pennsylvania.

"Our State of the Economy Report released in January highlighted the importance of international migration to Maryland's population and labor force in recent years. Right now, immigrants are powering Maryland's modest population growth and bolstering our otherwise shallow labor supply in jobs from health care to research and construction to information technology," **Comptroller Lierman explained**. "This report explores some of the ways that immigrants are a significant asset to our economy and demonstrates the need for policies as well as investments that will allow them to participate more fully in our economy and lead to additional growth for our entire state."

"Maryland's immigrant communities are essential to our state's workforce and play a critical role in our economic growth," **said Governor Wes Moore**. "Maryland is a state where immigrants aren't just welcome, they are necessary — we will continue to look for opportunities through data, policies, and community partnerships for immigrants to participate more fully in our economy."

The Office of the Comptroller's Policy Division used publicly available state and federal data as well as interviews with stakeholders to inform its research, which revealed that immigrants have played a key role in keeping Maryland's economy on a positive trajectory as the state grapples with a period of slow growth and population loss.

Key Findings

- Maryland's population and labor force have a larger percentage of immigrants than neighboring states and the U.S. overall.**

Figure 2: Comparative Immigrant Population and Labor Force Trends (2022)

	Immigrants as a Percent of the Population	Immigrants as a Percent of the Labor Force	Foreign-Born Labor Force Participation Rate
Maryland	16.7%	21.1%	72.2%
Virginia	12.7%	16.7%	70.9%
Pennsylvania	7.5%	9.5%	69.0%
United States	13.9%	17.3%	66.7%

Source: U.S. Census Bureau, American Community Survey

- The vast majority of immigrants in Maryland enter the U.S. legally under visas or other lawful non-citizen statuses.**

Maryland has just over one million foreign-born residents, a larger share than neighboring states and the U.S. as a whole. About half (55%) are naturalized, meaning they were born outside of the U.S. and have become U.S. citizens. About half (45%) are unnaturalized.

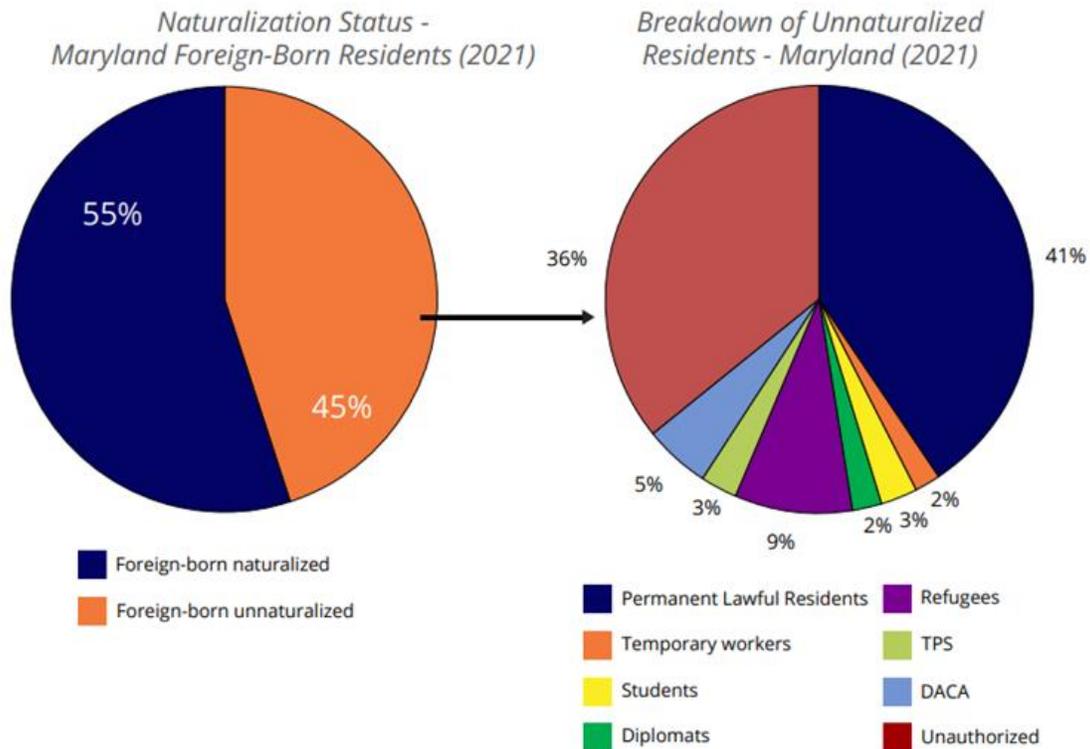
Figure 5: Foreign Born Population Statistics

	A	B	C	D	E	F
Year	1990 (percent)	1990 (number)	2000 (percent)	2000 (number)	2022 (percent)	2022 (number)
Maryland	6.6%	313,494	9.8%	518,315	16.7%	1,029,710
Virginia	5.0%	311,809	8.1%	570,279	12.7%	1,105,028
Pennsylvania	3.1%	369,316	4.1%	508,291	7.5%	978,173
United States	7.9%	19,767,316	11.1%	31,107,889	13.9%	46,182,177

Source: U.S. Census Bureau, Moody's, and the Bureau of Revenue Estimates

Unnaturalized residents include permanent legal residents (also known as green card holders), international students, temporary or seasonal workers, diplomats, refugees, holders of other lawful status as per visas and federal designations (like Temporary Protected Status (TPS), Deferred Action for Childhood Arrivals (DACA)), as well as unauthorized residents – those who entered the country unlawfully or entered lawfully but remained in the country after their visas expired.

Figure 7:



Sources: Department of Homeland Security (“Study in the States”; “Yearbook of Immigration Statistics”; “Estimates of Lawful Permanent Resident Population in the U.S.”) and American Immigration Council (“Map the Impact”); U.S. Census American Community Survey.¹⁵

3. Immigrants make up 21% of Maryland’s labor force and have a significantly higher labor force participation rate (LPR) than U.S.-born Marylanders. However, the economic potential for immigrant populations is constrained due to restrictions in key industries for our state economy.

Maryland has experienced a labor shortage since the pandemic and currently has an unemployment rate of 2.4%. In Maryland, there are three job openings available for every job seeker, one of the highest ratios in the nation.

Researchers have found that over the past 10 years, the LPR for foreign-born Marylanders has ranged from 7 to 9 percentage points higher than the LPR for U.S.-born Marylanders.

The labor shortage would be much more severe without immigrants filling a range of critical jobs. For instance, immigrants are two times more likely than U.S.-born Marylanders to be employed in high-risk fields like construction. Meanwhile, immigrants make up 23% of professionals in STEM occupations and 23% of registered nurses in Maryland. Immigrants also make up 50% of the workforce in several occupations, including home health aides, taxi drivers, housekeepers, and carpenters.

Meanwhile, immigrants often find themselves locked out of jobs and industries where they hold credentials and qualifications earned in their countries of origin or institutions outside of the United States. Immigrants are often disqualified or underutilized in careers in healthcare, federal government, and federal contracting. Moreover, 27% of all international students studying in Maryland are in STEM programs, but most are unable to establish their careers in the United States, due to H-1B visa requirements, restrictions, and constraints. The results of inefficient policies include brain waste and additional constraints on economic growth at the local, state, and national levels.

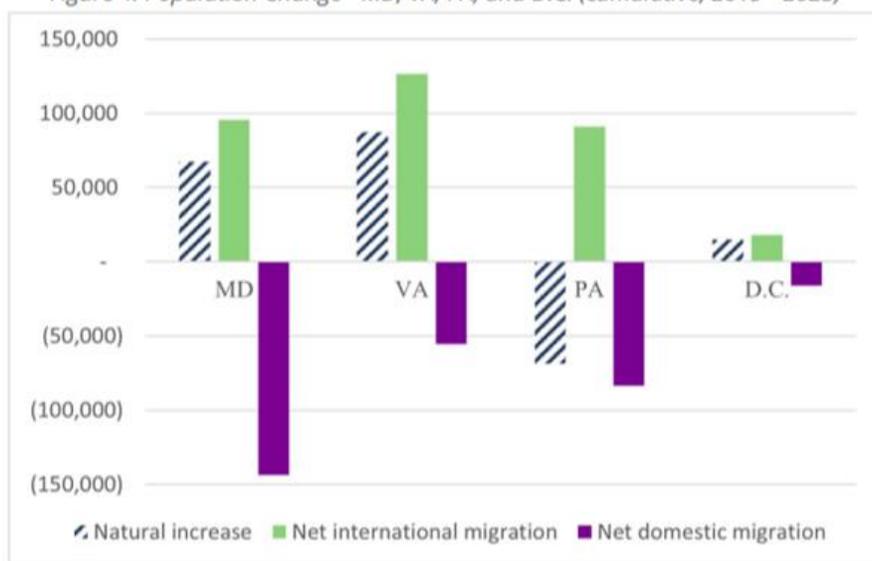
4. International migration is offsetting large declines in domestic migration and natural population growth rates in Maryland. As of 2022, immigrants represented 16.7% of Maryland’s population.

In recent years, immigration has helped Maryland and other states avoid experiencing negative or flat population growth. Over the past five years, Maryland lost a net 144,000 residents to domestic outmigration (nearly the same as D.C., Virginia, and Pennsylvania combined). A net of 95,000 residents who moved to the state were gained via international migration during the same time period.

Immigration gains flipped population loss to population gain for Maryland in 2023, and future population growth will continue to depend on immigration.

Projected declines in natural population growth and people moving from higher-cost-of-living states to lower-cost-of-living states nationally are expected to continue, which makes immigration a key mechanism for meaningful population growth in Maryland in the near term.

Figure 4: Population Change - MD, VA, PA, and D.C. (cumulative, 2019 - 2023)



Source: U.S. Census Bureau, Population and Housing Estimates; Brookings Institute

5. The top five countries of origin for immigrants in Maryland are:

- El Salvador (11.7%)
- India (6.3%)
- China (4.7%)
- Nigeria (4.7%)
- Guatemala (4%)

Additionally, the three Maryland counties with the [highest immigrant populations](#) are:

- Montgomery County (32.5%)
- Prince George's County (22.5%)
- Howard County (20.9%)

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Media Contacts

Robyne McCullough
rmccullough@marylandtaxes.gov
410-980-0139 (cell)

Barbara Sauers
bsauers@marylandtaxes.gov
410-212-9414 (cell)

Office Location

Goldstein Treasury Building 80 Calvert St. Annapolis, MD 21401



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