



## BAD NEWS: TENNESSEE AMONG THE TOP 10 STATES IN POPULATION GROWTH

An NPG Commentary  
by Edwin S. Rubenstein

Census Bureau data released earlier this year ranked the Volunteer State 6<sup>th</sup> highest in population increase (77,513) in 2023. In percentage terms the state grew 1.1%, 8<sup>th</sup> highest among the states, greatly outpacing the nation's 0.4% growth.

State population swelled to 7.1 million last year, putting the state on track to snag a tenth House seat during the next redistricting cycle eight years from now. Historic? Yes, because **Tennessee hasn't had more than nine House seats in over 80 years.**<sup>1</sup> Local politicians are already strategizing on how to gerrymander districts to maximize their party's House power.

Most of Tennessee's population growth last year was from domestic migration – the excess of people moving in from other states versus state residents moving out. Natural population increase – births minus deaths to Tennessee residents – was negative 9,200 – reflecting the state's above average share of elderly.

Needless to say, state officials see population growth as an unmitigated positive, validating their economic agendas: **“Tennessee's economic outlook is more favorable than the national outlook thanks to an influx of new residents which is driving economic growth and business formation.”**<sup>2</sup>

But ordinary folks – long-term residents who do not own or work for corporations or large businesses – are generally skeptical. For them the population increase has stressed family budgets, as new out-of-state hires increase the cost of being a homeowner or a renter.

NPG, long dedicated to reducing U.S. and global population growth, shares the skepticism of ordinary Tennessee residents.

The data show that housing costs are rising, homeownership is declining, the share of renter households that are **“cost burdened”** – defined as spending from 35% to 50% of income on rent and utilities – has continued to increase.

A shortage of construction workers and available land, as well as zoning restrictions, have also contributed to the housing shortage. Rising building costs and tighter profit margins have pushed developers to build larger homes, and the construction of smaller, more affordable homes has dwindled.

On the other hand: **“For someone relocating from New York, Chicago, or Los Angeles to Tennessee, the difference in the cost of living could feel like a significant financial gain,”** says Sharon Tutor, Regional Property Manager at a relocation company.<sup>3</sup>

Statewide, only about 35% of homes are deemed affordable to people earning a median income.

## **NASHVILLE ACCOUNTS FOR NEARLY HALF OF STATEWIDE POPULATION GROWTH**

The Nashville metro area added over 31,000 to its population in 2023, with about 24,000 coming through migration.<sup>4</sup> It is unclear whether this migration is domestic or international, but “according to the Nashville Area Chamber of Commerce, international migration accounted for more than 20% of Nashville’s net in-migration from 2010 to 2020, with around 4,000 people from abroad moving to Nashville every year,”<sup>5</sup> so we should expect a fair percentage of the more recent number to be a result of immigration. Unlike the state, natural population increase in the metro area was a positive 7,000. Young families – many of them newly arrived – can afford homes in one of the state’s priciest real estate markets.<sup>6</sup>

**Question: Is Nashville really a beneficiary of migration?** Perhaps statistically. But many (most?) Nashvillians don’t see it.

Sure, the city turns heads for people contemplating a move:

**“Its head start on some of the other cities in Tennessee includes a reasonably strong labor pool due to a world-class university, as well as a stable government employment base, proximity to mountains and a strong tourism sector. This critical mass of amenities combined with below national average rents placed Nashville on the map for many potential movers,”** says Tom LaSalvia, head of Commercial Real Estate Economics at Moody’s Analytics.<sup>7</sup>

But there is a downside:

**“The gap between housing availability and population growth in the Nashville metro area is eye-catching. From 2018 to 2023 population rose**

**by 9.6%, while the inventory of houses for sale in the metro area shrunk by a whopping 18.2%. Over the past 10 years the metro population has grown by 24.8%.”<sup>8</sup>**

**“As a result, long-time residents are moving farther out of town with longer commutes. Community Development Real Estate is seeing more deals come out of Dickson, Tennessee, which is located about 45 minutes west of Nashville...with some households looking for even more affordable markets outside Nashville, such as Chattanooga and Knoxville.”<sup>9</sup>**

## **CHATTANOOGA**

Chattanooga is seeing an influx of residents from across the U.S., with significant migration from within the state and region.

**“Population growth affects the need for all housing at every level at every price point...”** says Nicole Heymen, Chief Housing Officer at the City of Chattanooga. **“We have a really tight housing market, and the more folks that are competing over moderately priced housing, the more it pushes pressure downward into those lower priced homes or apartments that are in short supply.”<sup>10</sup>**

## **KNOXVILLE**

As prices rise in Nashville, Knoxville has often been a prime destination for would-be Music City residents. **“Knoxville still has a lot of the same qualities as other nearby cities such as Nashville and Asheville, North Carolina, and offers a... lower cost of living,”** says James Hatfield, VP of Redevelopment at Knoxville’s Community Development Corporation.

The city also faces unique challenges. As home to the main campus of the University of Tennessee, much of the new construction is for student housing, compounding housing prices and availability faced by permanent residents, such as young professionals.

Knoxville’s topography is also a challenge.

Located in the foothills of the Smokey Mountains, much of the flat land has already been developed.

## THE OTHER END OF THE MIGRATION SPECTRUM: ILLEGAL IMMIGRANTS

Nearly 600 “**noncitizen**” immigrants processed at the Southwest Border said Middle Tennessee was their intended destination should they be released into the U.S., according to a letter sent from the Department of Homeland Security last fall.<sup>11</sup>

“**Middle Tennessee**” includes Nashville, Franklin, Murfreesboro, and the surrounding communities. Most of those immigrants were from Guatemala, Venezuela, Honduras, and Mexico, according to the DHS.<sup>12</sup>

**A little context please:** the Federation for Immigration Reform (FAIR) estimates there were 162,000 illegal aliens living in the Volunteer State in 2023, with roughly 56,000 U.S. born children. So, the 600 new illegals represent a tiny share – 0.04% – of the state’s illegal alien population.

But size is not the only criterion. Quality also matters, and the new group of noncitizens suffers greatly in this regard:

**“Consistent with longstanding practice under Republican and Democratic Administrations, DHS may release from custody noncitizens... pending the outcome of their immigration hearings... This [includes] noncitizens who have been processed for expedited removal, noncitizens who are determined to have a credible fear or noncitizens who are otherwise placed in removal proceedings before an immigration judge.”<sup>13</sup>**

Translation: **For decades DHS has presided over a de facto open-door policy along the southwest border.**

It gets worse. While non-citizens who cross at legal border crossings are “vetted” and

“interviewed” by DHS personnel, the vast majority are waived through with little scrutiny – at which point they are “**refugees.**” As refugees they “...are eligible to apply for employment authorization once they are [released into the country] and are not subject to the statutory waiting period [non-refugees face for]...employment authorization.”<sup>14</sup>

...And, worse:

**“The average cost to Tennesseans is \$4,456 per every illegal alien in the state...In 2023, the total taxpayer cost for the illegal immigration issue was \$364 per TN household and \$971.3 million in total.”<sup>15</sup>**

## THE LOW POINT?: HUMAN TRAFFICKING

**“[In December 2023] Tennessee investigators busted a commercial sex trafficking ring operating out of a Super 8 Motel in Murfreesboro. The accused ringleader, a 50-year-old Venezuelan woman, enslaved women from South and Central America after enticing them into the United States – an enterprise that would have been much more difficult without Biden policies that have allowed tens of thousands of migrants from Venezuela and other countries to enter without visas.”<sup>16</sup>**

## SUMMARY

Tennessee’s population grew four times faster than the nation’s in 2023. Most of the growth was from net domestic migration – the excess of people moving in from other states than leaving. Immigration also contributed a sizable chunk of growth last year, while natural increase – births less deaths of state residents, was negative.

Although elected state politicians, government officials, and the business community applaud the population jump, long term residents find it harder to make ends meet. Inflation driven by population growth has pushed many low- and middle-income workers to move to less expensive parts of the state – or out of state entirely.

## NOTES:

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5. *In-Migration to Music City on the Rise*, WKRN.com, May 13, 2022.
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13. Ibid.
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