

BRAIN DRAIN ERODES STATE'S TALENT POTENTIAL

Wisconsin-born adults who have moved to other states are more likely to be college educated than those born in other states who have moved into Wisconsin, producing a net brain drain rate that is among the worst in the nation. However, people born in Wisconsin are more highly educated than Americans overall, and at least since 2020, the state has added more residents than it has lost through domestic migration. As a result, educational attainment among current Wisconsin residents remains close to the national average.

Wisconsin ranks among the worst states in the nation on one key measure of “brain drain,” according to a Wisconsin Policy Forum analysis. Wisconsin-born adults who have moved to another state are more likely to hold bachelor’s degrees than those who have moved to Wisconsin from another state.

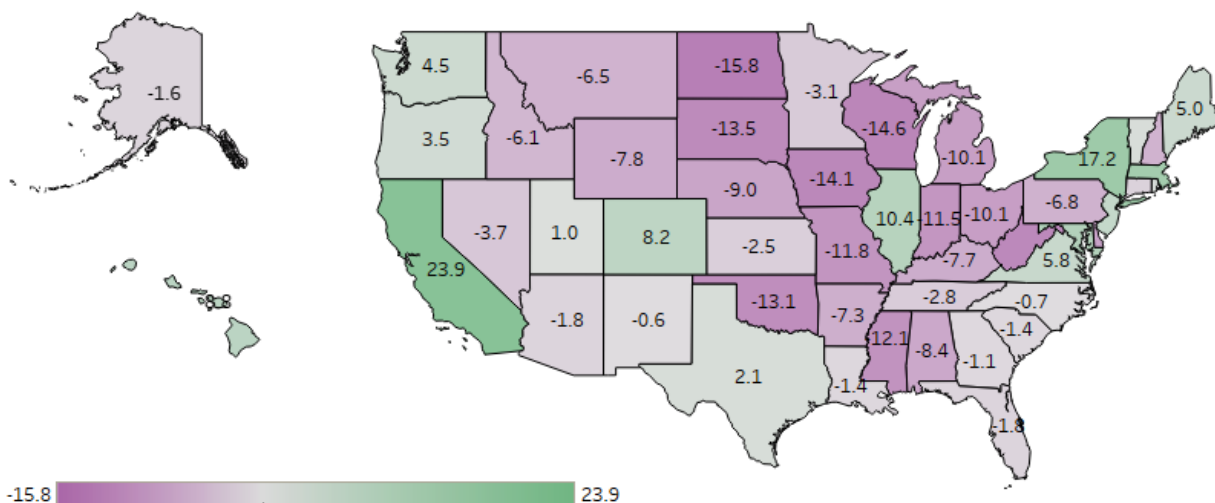
Although this finding appears concerning at first glance, there are also several mitigating factors. Wisconsin-born adults are more likely to have earned a bachelor’s or advanced degree than the national average, and even with the effects of brain drain, educational attainment among current Wisconsin residents is still close to the

national average. Additionally, we estimate that across all ages and educational levels, Wisconsin saw slightly more people move into the state than away from it between 2020 and 2024, further softening the blow of brain drain.

Nevertheless, these findings show room for improvement given the importance of highly educated workers to Wisconsin’s economic growth. A 2024 Forum [research brief](#) found that a majority of job openings in Wisconsin that pay at least \$50,000 per year and are expected to become available by 2030 typically require a bachelor’s or advanced degree. Retaining and

Figure 1: Wisconsin’s Net Brain Drain Second Highest in U.S.

Percentage point difference in share of highly educated 31-40-year-old leavers and entrants, by state



Source: WPF analysis of IPUMS USA data, University of Minnesota; 2024 5 year estimates

attracting highly educated residents will be key to employers’ efforts to fill these roles. Wisconsin’s job growth during the seven years before COVID was also primarily in those [higher-paying occupations](#), and those jobs – which are more likely to require a bachelor’s or advanced degree – proved relatively durable during the pandemic.

THE DYNAMICS OF BRAIN DRAIN

Based on our analysis of data from the U.S. Census Bureau’s 2024 American Community Survey five-year estimates, we estimate that 59.8% of Wisconsin-born adults aged 31 to 40 who now live in another state have a bachelor’s degree or higher. In contrast, an estimated 45.2% of adults in that age group who were born in another state but now live in Wisconsin hold a bachelor’s degree or higher, a gap of 14.6 percentage points. (See text box for a description of why we focused on this age range.) We refer to this gap as “net brain drain.”

Wisconsin’s net brain drain ranks second nationally, behind only North Dakota (see Figure 1 on page 1). This is a slight improvement from 2009, when Wisconsin’s net brain drain (-15.3 percentage points) was the highest in the nation. Most other Midwestern states have experienced similarly high rates of net brain drain, with the exception of Illinois, which stands out as the region’s only net “brain-gain” state (+10.4 points). Nationally, a few other states with strong metropolitan hubs — such as Virginia (+5.8 points) in the Southeast and Colorado (+8.2) and Utah (+1.0) in the West — defy regional brain-drain trends. Later in this brief, we discuss how broader domestic migration patterns may influence these dynamics.

Using our analysis of highly educated adults aged 31 to 40, we compared entrants and leavers between Wisconsin and other states. Figure 2 displays these ratios for the top origin and destination states, showing where Wisconsin experiences net gains or losses of highly educated movers. Wisconsin experiences net brain gain from most Midwestern states but net

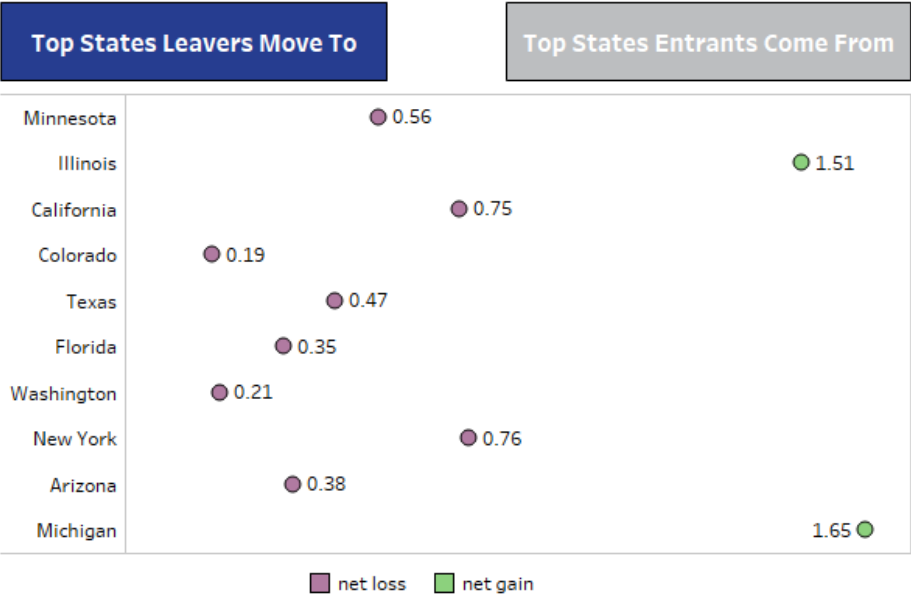
Measuring “Net Brain Drain”

To measure net brain drain, the Forum analyzed individual-level data from the U.S. Census Bureau’s 2024 American Community Survey five-year estimates, accessed through IPUMS USA. The analysis is limited to U.S.-born adults ages 31 to 40 from all 50 states (excluding Washington D.C.). For each state, we compared the share of adults with a bachelor’s degree or higher among those born in the state who now live elsewhere (“leavers”) with the share among adults born in another state who now live here (“entrants”).

Consistent with [our previous report](#), and based on methodology used for a 2019 [study](#) by the Joint Economic Committee of the U.S. Congress, we focus on this age range to capture adults after most college-related moves occur but before retirement moves begin. This report updates the definition of “highly educated” to mean having a bachelor’s degree or higher, rather than being in the top third of national educational attainment.

One potential weakness of this approach is that it does not account for migration that occurs when those born in one state move with their parents to another state as children. Those individuals would still be considered “leavers” from their birth states and “entrants” to the states they now live in as adults. As the Joint Economic Committee stated in its report, however, this distinction may not be meaningful in considering the cost of brain drain.

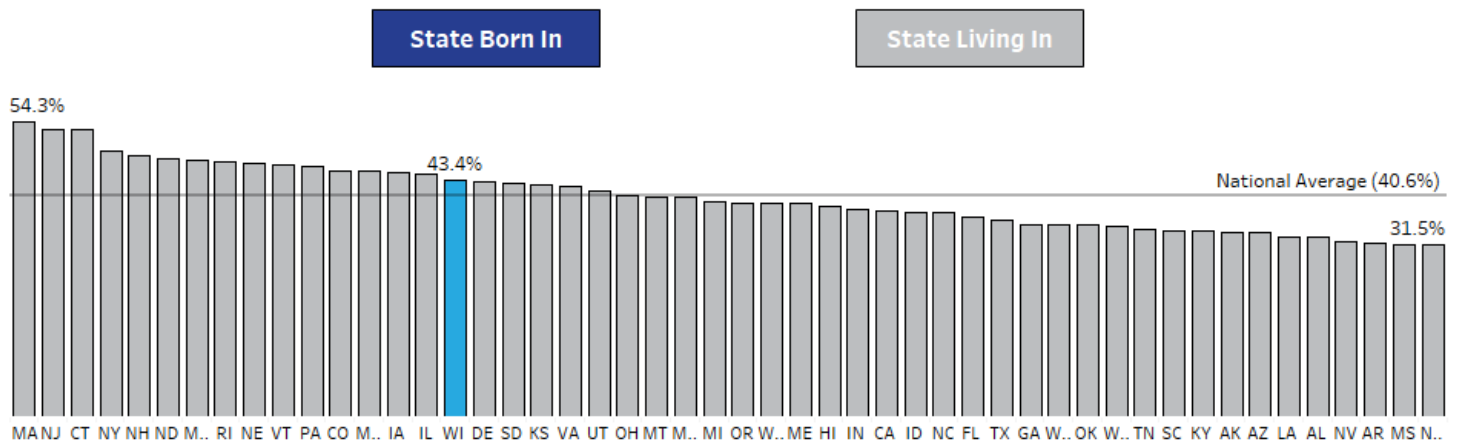
Fig. 2: Wisconsin Sees Brain Drain to Minnesota, Gains from Other Neighbors
Wisconsin’s entrant-to-leaver ratio for highly educated 31-40-year-olds, by selected state



Source: WPF analysis of IPUMS USA data, University of Minnesota; 2024 5 year estimates



Fig 3: Those Born in Wisconsin More Highly Educated than Current Residents; State's Educational Attainment Near Average
Share of 31-40-year-olds with a bachelor's degree or higher by birth state and current state of residence



Source: WPF analysis of IPUMS USA data, University of Minnesota; 2024 5 year estimates

losses to several states in the South and West.

Despite Illinois's positive rate of brain gain, Wisconsin gained an estimated 1.51 highly educated entrants from Illinois for every highly educated Wisconsinite lost to that state. This is notable because Illinois was the second most popular destination for Wisconsin-born individuals to move to, accounting for roughly 11.8% of all leavers. Illinois was also the top state for movers to Wisconsin, with nearly a quarter (24.4%) of highly educated entrants to Wisconsin coming from Illinois.

On the other hand, Wisconsin has seen a net brain drain to Minnesota — the top destination for leavers (17.8%). Wisconsin gained only 0.56 highly educated adults from Minnesota for every highly educated Wisconsin-born person who moved to that state — likely influenced by the proximity of the growing Twin Cities metro area to Wisconsin's western border. Roughly 13.8% of Wisconsin's total highly educated entrants came from Minnesota. Wisconsin has also experienced net brain drain to states such as California (0.75 entrants per leaver), Colorado (0.19), and Texas (0.47), which were also among the most popular destinations for individuals leaving Wisconsin.

Michigan is the only other state among the top destinations for Wisconsin leavers for which Wisconsin has seen a positive ratio of entrants-to-leavers, or brain gain. Wisconsin gained 1.65 highly educated residents for each one who moved to the Wolverine State. Only 3.1% of Wisconsin's leavers moved to Michigan, while 7.0% of our entrants came from that state.

Wisconsin also generally gained more highly educated individuals than it lost from other Midwestern states, such as Iowa (2.0 entrants per leaver), Indiana (1.32), Ohio (1.35), and Missouri (1.09). Together, these four states made up 13.5% of Wisconsin's highly educated entrants.

MITIGATING FACTORS

A high net brain drain rate implies that the state is losing a large percentage of its most educated citizens to other states. However, Wisconsin's brain drain is ameliorated by two factors: high educational attainment among those born in our state (regardless of where they currently live), and more people moving into Wisconsin from other states than leaving the state overall.

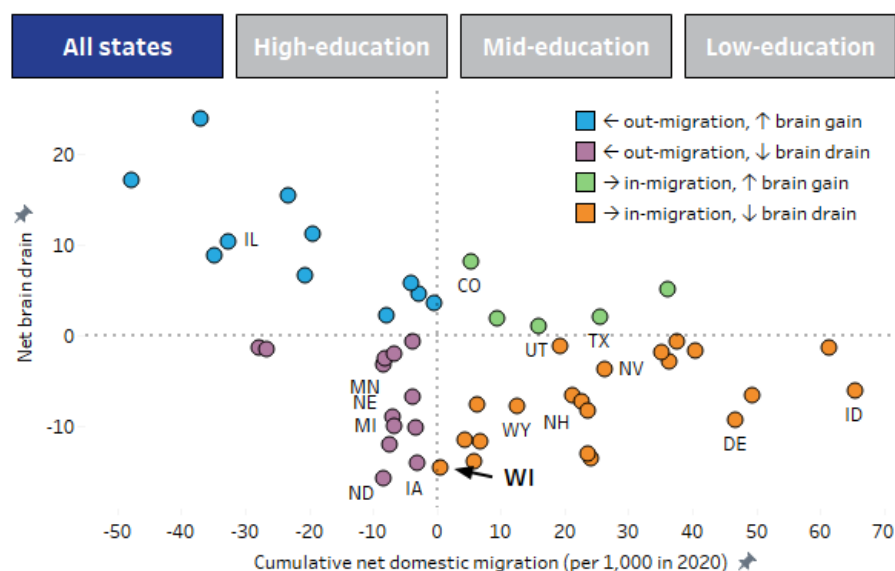
A state's educational baseline affects the impact of net brain drain. Among U.S.-born adults aged 31 to 40, Wisconsin starts from a relatively strong position; 43.4% of Wisconsin-born adults in this group hold a bachelor's degree or higher, which is above the national average of 40.6% and ranks 16th nationally (see Figure 3). In contrast, several other high brain-drain states begin from a much lower baseline; for example, only 38.0% of 31- to 40-year-old Indiana natives hold bachelor's degrees.

Although Indiana's net brain drain rate (–11.5 percentage points) is slightly better than Wisconsin's (–14.6 points), our state also fares better when looking at the educational attainment of current residents within this same age range. Both states see similar gaps in educational attainment between their birth cohorts and



Figure 4: WI's Strong Educational Attainment Lessens Brain Drain Impact

Net domestic migration vs. brain drain by state and educational attainment*



Source: WPF analysis of IPUMS USA data, University of Minnesota, 2024 5 year estimates; Census Bureau Population Estimates Program, 2020 to 2024 estimates.

*Note: educational attainment of 31-40-year-olds by birth state

current residents (−4.4 points versus −3.7), but Wisconsin's stronger starting point results in a more educated resident population. Wisconsin ranks 26th nationally at 39.0%, while Indiana ranks 39th at 34.2%.

These patterns hold when widening the lens to the entire working-age population. Among all adults aged 25 and over, 33.4% of Wisconsin residents hold a bachelor's or advanced degree, according to data from the U.S. Census Bureau's 2024 American Community Survey five-year estimates. This places Wisconsin slightly below the national rate of 35.7% but far above Indiana's 29.5%.

While brain drain measures the educational gap between movers and entrants, it does not account for the volume of people moving. A state may lose more highly educated residents than it gains, but the impact is far greater when large numbers of people are leaving, especially when the state has a less educated population to begin with.

This dimension is captured in Figure 4, which compares each state's net brain drain rate against its cumulative domestic migration rate from 2020 to 2024 using data from the U.S. Census Bureau's Population Estimates Program. Domestic net migration reflects only movement of U.S.-born adults — regardless of age — between states; it excludes births, deaths, and international migration. To help interpret these patterns

based on a state's educational foundation, Figure 4 also groups states by the educational level of their birth cohort—high, middle, and low terciles—based on our brain drain analysis.

Between 2020 and 2024, Wisconsin saw a modest net gain of 0.5 residents per 1,000, or an estimated 2,900 individuals across Wisconsin over that period, ranking 26th in the U.S. Combined with the high educational attainment of 31-to-40-year-olds born in Wisconsin, which ranks in the top third among U.S. states, this places the state among those experiencing in-migration but still facing net brain drain. In these states, more people are entering than leaving, but leavers tend to be more educated than entrants.

Delaware and New Hampshire also fall into this category, with similarly high educational attainment among their birth cohorts and much stronger in-migration than Wisconsin (46.8 and 21.2 residents per 1,000, respectively), which helps cushion the impact of net brain drain.

Some states face a more difficult combination: net brain drain and net out-migration. These states lose more residents than they gain, and those who leave are more educated than those who enter. This dynamic is especially challenging for states whose birth cohorts have low or moderate levels of educational attainment. Michigan exemplifies this pattern, losing 6.7 residents per 1,000 and ranking in the middle third of states for the educational attainment of its birth cohort. Other Midwestern states also appear in this quadrant, though many — such as Minnesota, Nebraska, Iowa, and North Dakota — have stronger educational foundations, making their position more manageable.

Some states are still able to attract more highly educated entrants than they lose, even while experiencing negative net domestic migration. Illinois is the only Midwestern example in this quadrant, with the state losing 32.6 residents per 1,000, but still experiencing net brain gain. No state whose birth cohort has low educational attainment appears in this quadrant, suggesting that a strong educational foundation may be needed to offset population loss.



Only a few states experience both brain gain and in-migration, meaning they attract more highly educated entrants than they lose and gain population overall. Colorado and Utah are two examples. Colorado (8.2 percentage point brain gain) added 5.4 residents per 1,000 residents, while Utah (1.0 point brain gain) added 15.9 per 1,000.

Colorado and Utah contrast with nearby states that experience brain drain despite population gains. For example, Idaho gained more residents than any other state between 2020 and 2024 (65.4 per 1,000), yet still experienced net brain drain (-6.1 points). Nevada and Wyoming, both in the bottom third for educational attainment, showed similar patterns.

CONCLUSION

Although mitigating factors lessen concerns about Wisconsin's status as one of the states with the strongest rates of net brain drain, the issue remains an ongoing challenge for the state. Individuals early in their careers with high levels of educational attainment are a key driver of Wisconsin's economic growth.

Young professionals' decisions to move to or from Wisconsin, or to settle in the state where they were born, are made based on many different factors. People move for jobs, relationships, personal reasons, family members, or climate – reasons which are not necessarily susceptible to policy changes. Wisconsin may not be able to stop aspiring actors from moving to Los Angeles, for example, and the scale and proximity of the Twin Cities and Chicago metro areas will continue to attract some young professionals from Wisconsin. However, policymakers can work to make the state more attractive on economic and quality-of-life grounds, building on Wisconsin's strengths we identified in our [recent review](#) of the national State of the States report. These include a relatively low rate of income inequality (4th lowest in the U.S.), low long-term unemployment (6th lowest), and low rates of poverty (9th lowest).

Gubernatorial candidates from both parties have prioritized lowering property taxes and reducing Wisconsin's rising [housing prices](#), such as by encouraging new construction and streamlining [building requirements](#) and [permitting timelines](#), as part of an overall focus on affordability and the cost of living. If implemented, these policies could make Wisconsin a more attractive destination for those from other states.

As we chronicled in our 2019 [brief](#) on this topic, other options include income tax-based incentives for college graduates who stay in the state, as well as efforts to raise wages and expand job opportunities. Policymakers may also seek to build on Wisconsin's net brain gain status relative to most of its neighbors by attempting to attract highly educated individuals from neighboring states such as Iowa, Indiana, and Michigan.

Other states have taken steps to address the problem of brain drain by building on their existing strengths. Ohio, which has an unusually high number of colleges and universities, has incentivized college students to stay in the state through programs such as discounted [mortgage interest rates](#) for recent graduates. Texas has focused on attracting existing businesses from other states by [providing](#) relocation assistance, tax abatements, and tax credits to businesses moving to or expanding in the state. And Minnesota has developed a network of local organizations that [recruit](#) people to move to rural areas of the state, which has often [resulted](#) in rural brain gain.

We have described how high educational attainment among adults who were born in Wisconsin and modest net domestic in-migration help to mitigate the impact of brain drain, but the net loss of educated, talented individuals has been a longstanding policy challenge for our state. Addressing this problem will be critical for our long-term economic growth, and to ensure that Wisconsin will be able to compete in an increasingly digital and knowledge-oriented economy.

