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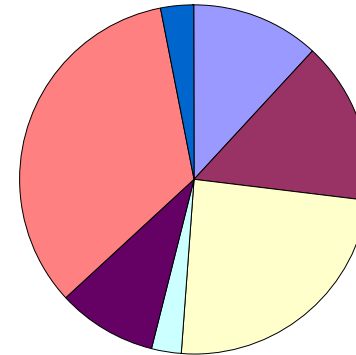
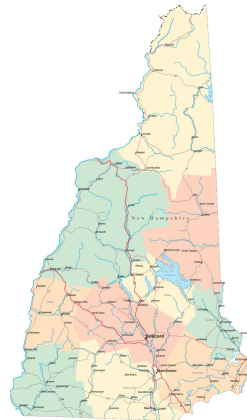
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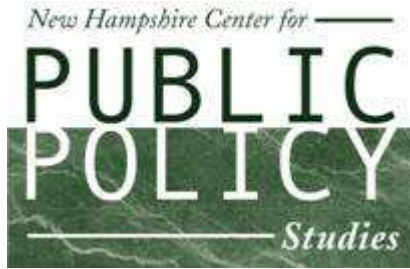
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# Measuring New Hampshire in 2013



## A Visual Guide to the Coming Year

*"...to raise new ideas and improve policy debates through quality information and analysis on issues shaping New Hampshire's future."*

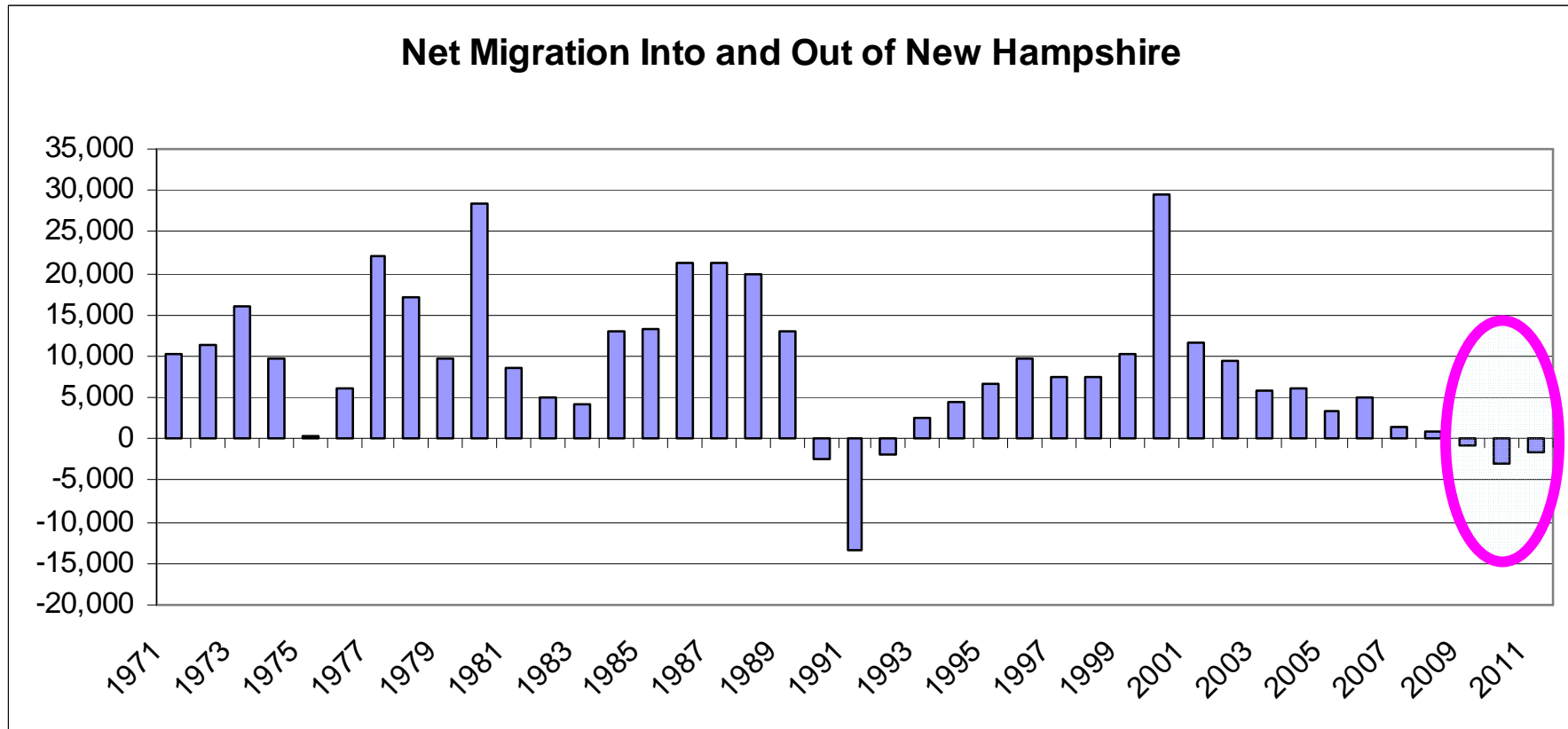


# Measuring 2013

The coming year promises a long list of weighty policy debates in New Hampshire: a new round of state budget negotiations, possible expansion of the Medicaid program, and continued uncertainty about the state and national economies.

The following eight charts aren't a definitive guide to New Hampshire's public policy landscape in 2013. Rather, we intend them to provoke questions about some of the challenges facing the state – in the areas of health care, economic growth and public education, among others – in the coming months.

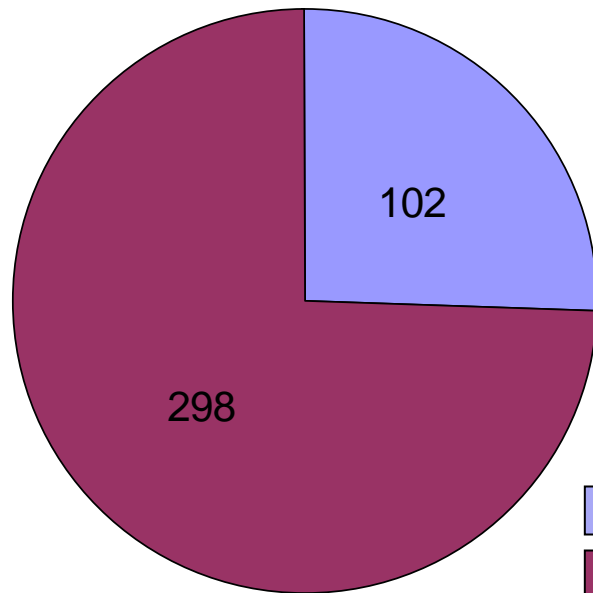
# Coming and going



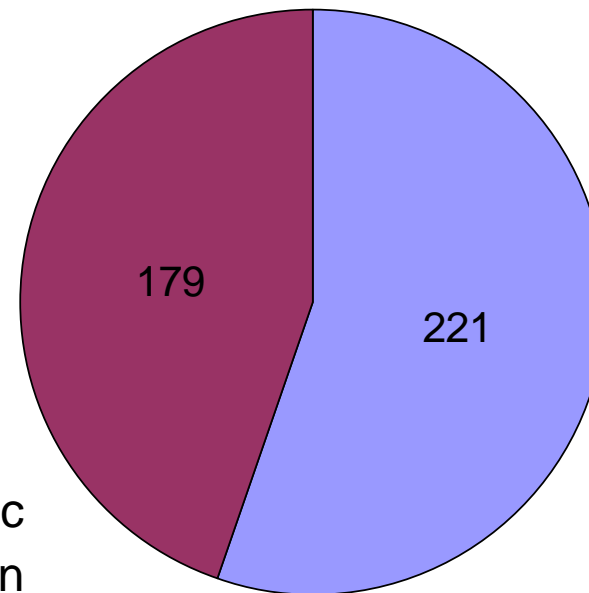
Demographics has shaped New Hampshire's destiny over the past four decades. Over that time, tens of thousands more people moved to the state than left. That population growth resulted in higher education levels, increases in average personal income and higher productivity for the state economy. But that trend has reversed itself in recent years (See pink circle. Data for 2012 is not yet available.) What steps can policymakers take in 2013 to address this slow-down in economic and population growth? Or is such growth even desirable?

# A new balance of power

**NH House, 2011**

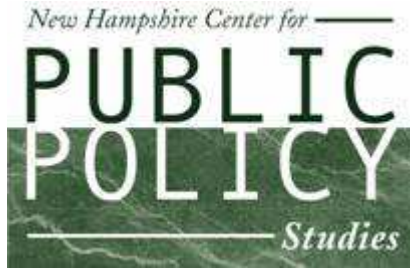


**NH House, 2013**



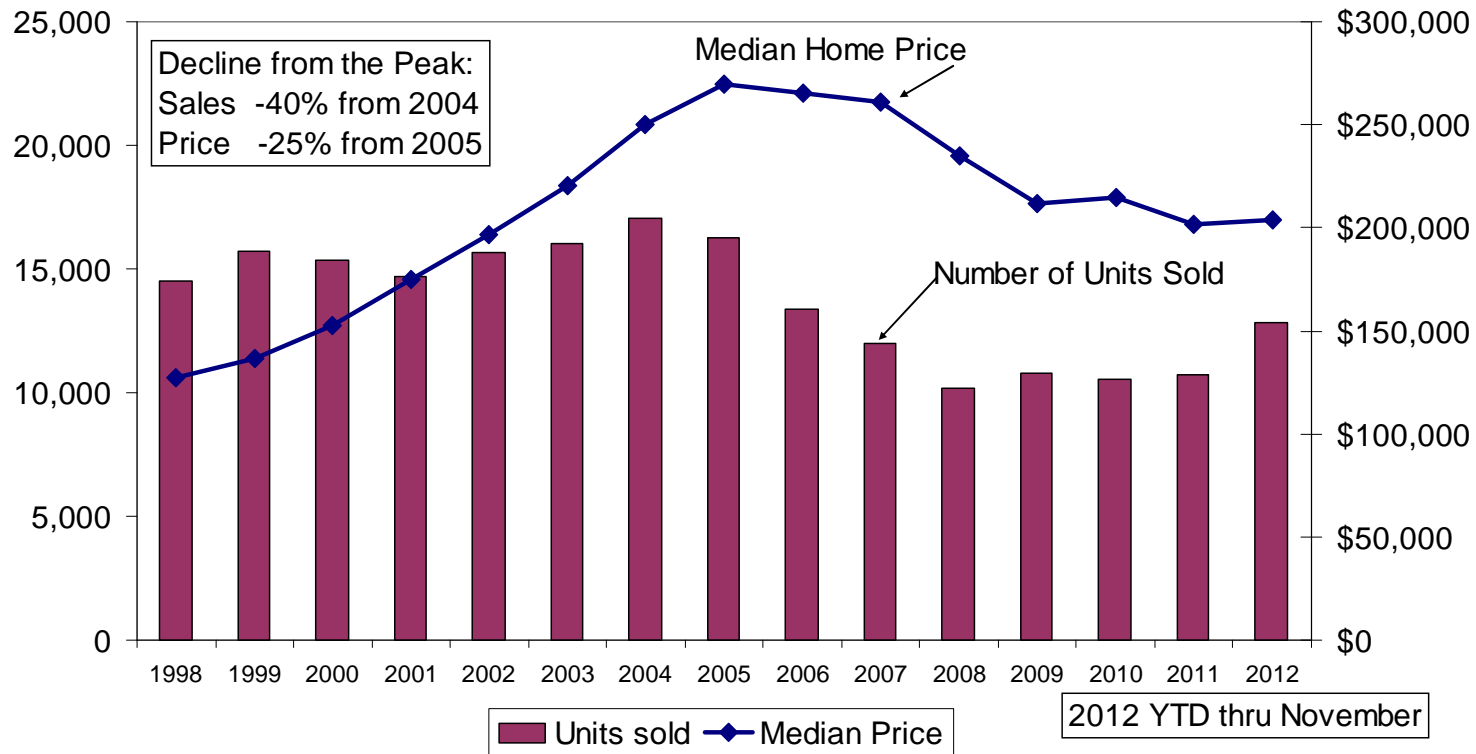
■ Democratic  
■ Republican

Perhaps no outcome of the 2012 election was more significant in New Hampshire than the shift in partisan control in the House of Representatives. Democrats more than doubled their number of seats in that chamber, giving them a solid majority. Republicans continue to hold a majority in the Senate, and this division in partisan control will make for interesting negotiations on a wide range of policy issues, most notably the state budget. How will the two parties' leaders navigate this new balance of power, and what will it mean for public policy?



# Time for a housing rebound?

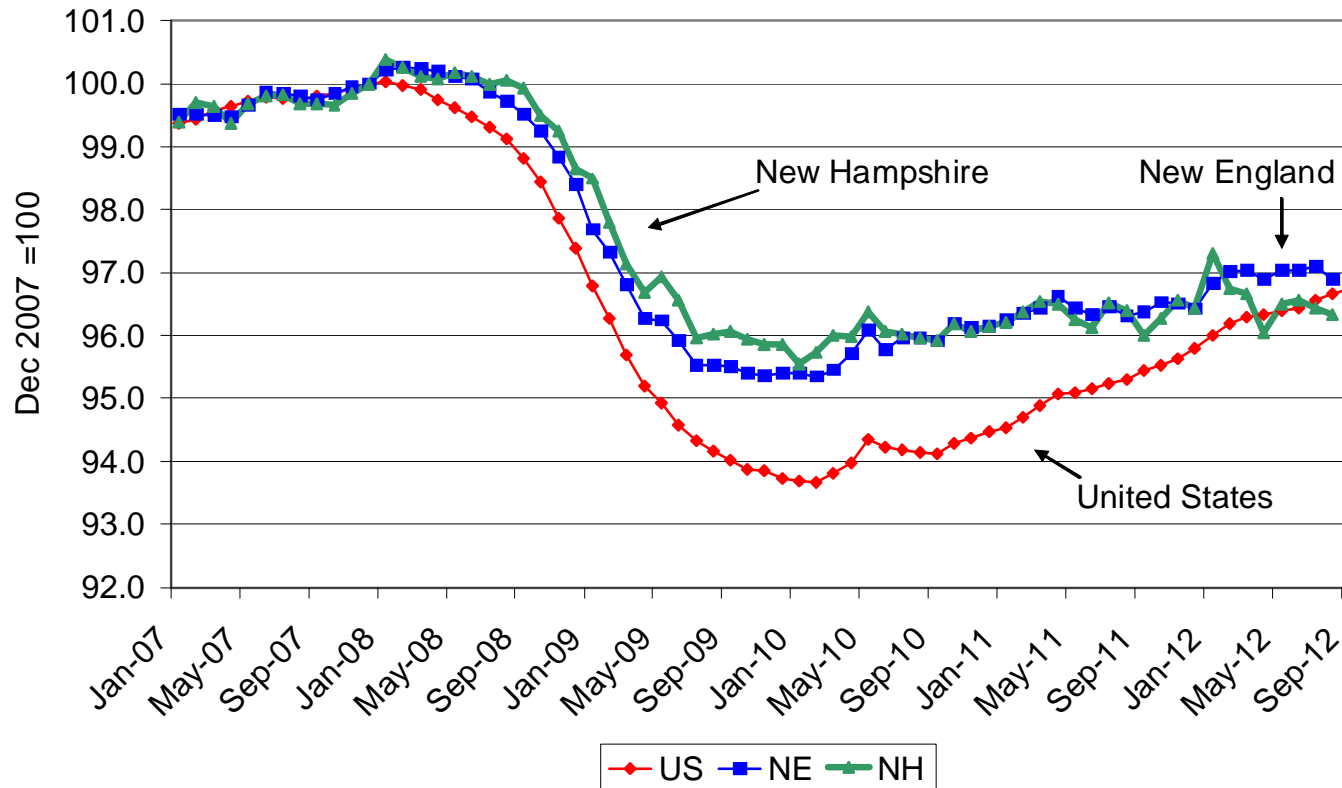
NH Single-Family Residential Home Sales and Price (MLS)  
 Source: NH Association of REALTORS



New Hampshire’s housing market has been in a slump for the past four years, with median prices and total sales essentially flat since the recession. The health of the real estate market effects all aspects of the state’s economy, including construction, retail sales and – not least – state revenues. Sales have picked up slightly in 2012, though prices remain flat. Will 2013 finally mark a healthy rebound from post-recession lows, or will the market continue its flat course?

# A mixed jobs picture

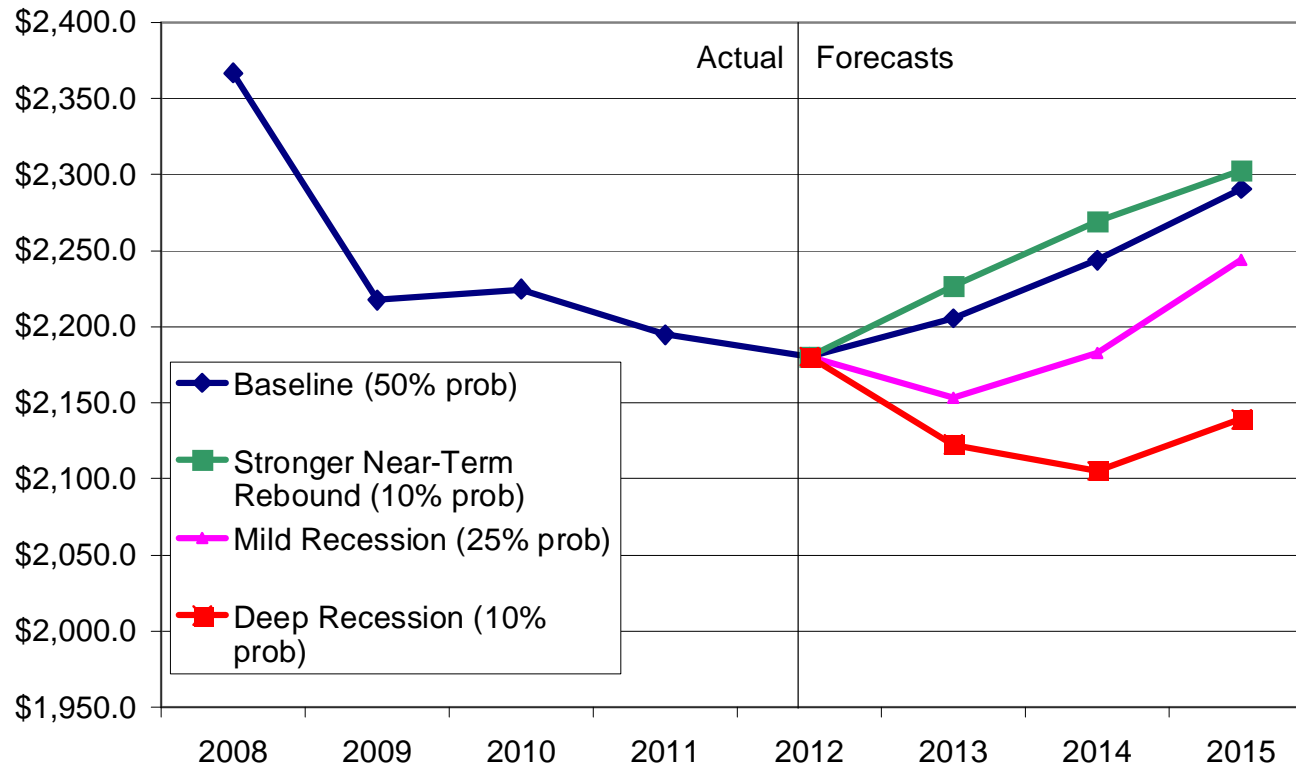
Index of Total NonFarm Employment  
 (Seasonally Adjusted)



While New Hampshire suffered a less severe drop in employment than the rest of the country during the recession, the recovery has been mixed. As this chart shows, national employment is on a steady rising path, while New Hampshire appears to have stagnated, with the number of jobs holding steady since mid-2012. As of September, the state was below both the rest of New England and the rest of the country in terms of job gains since the recession. What strategies will policymakers adopt to address this?

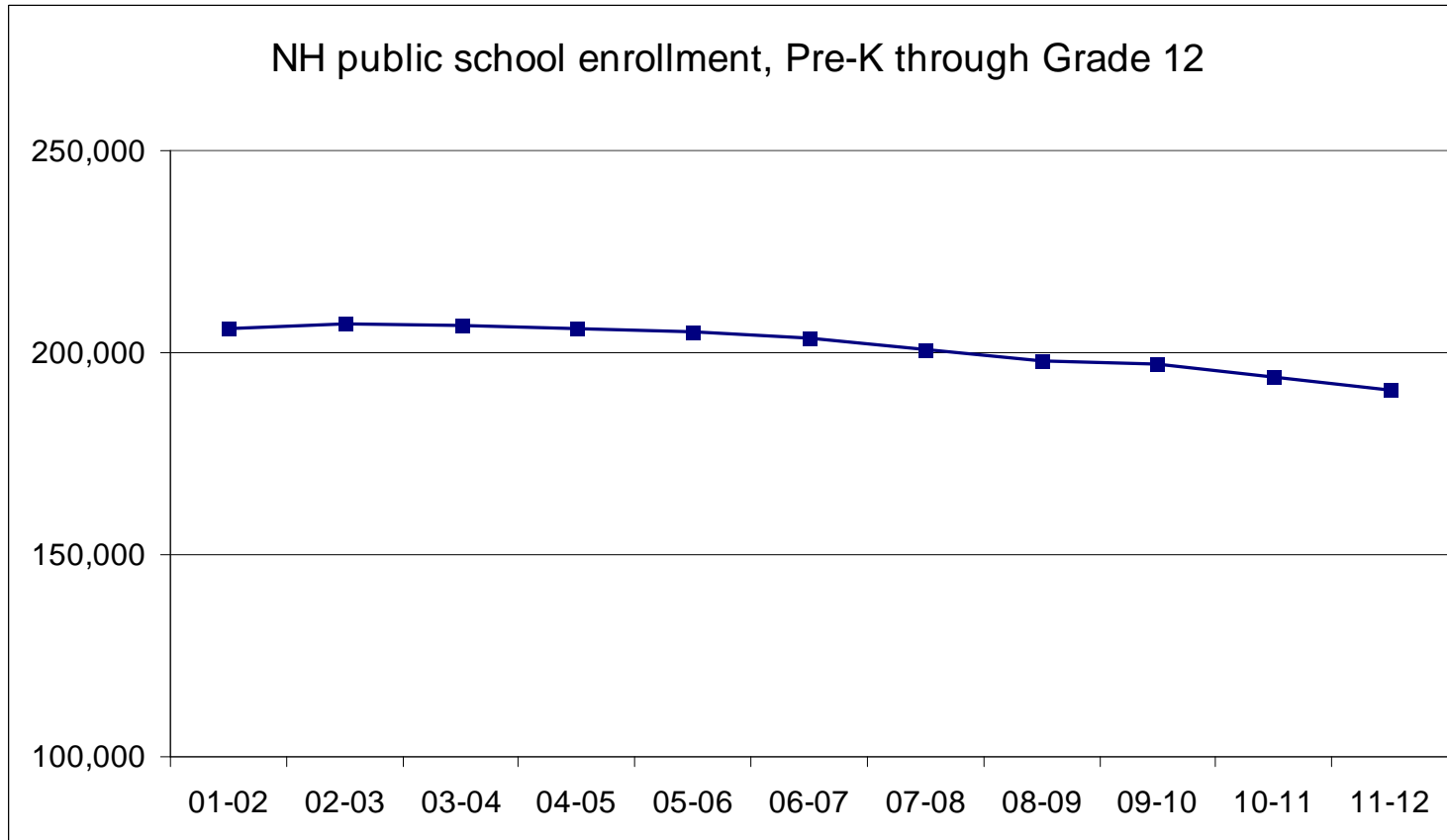
# Forecasting growth

New Hampshire Unrestricted Revenue in Millions



The coming negotiations over the 2014-2015 state budget will be dictated, in large part, by forecasts for tax revenue growth in the next two years. These forecasts have proven tricky through the recession, with most years seeing zero or very modest increases in revenue. Predicting the state of the economy two years into the future is a tricky business. But budget writers will want to get the math right since those revenue forecasts will largely shape the spending options available in the next budget.

# Declining student numbers

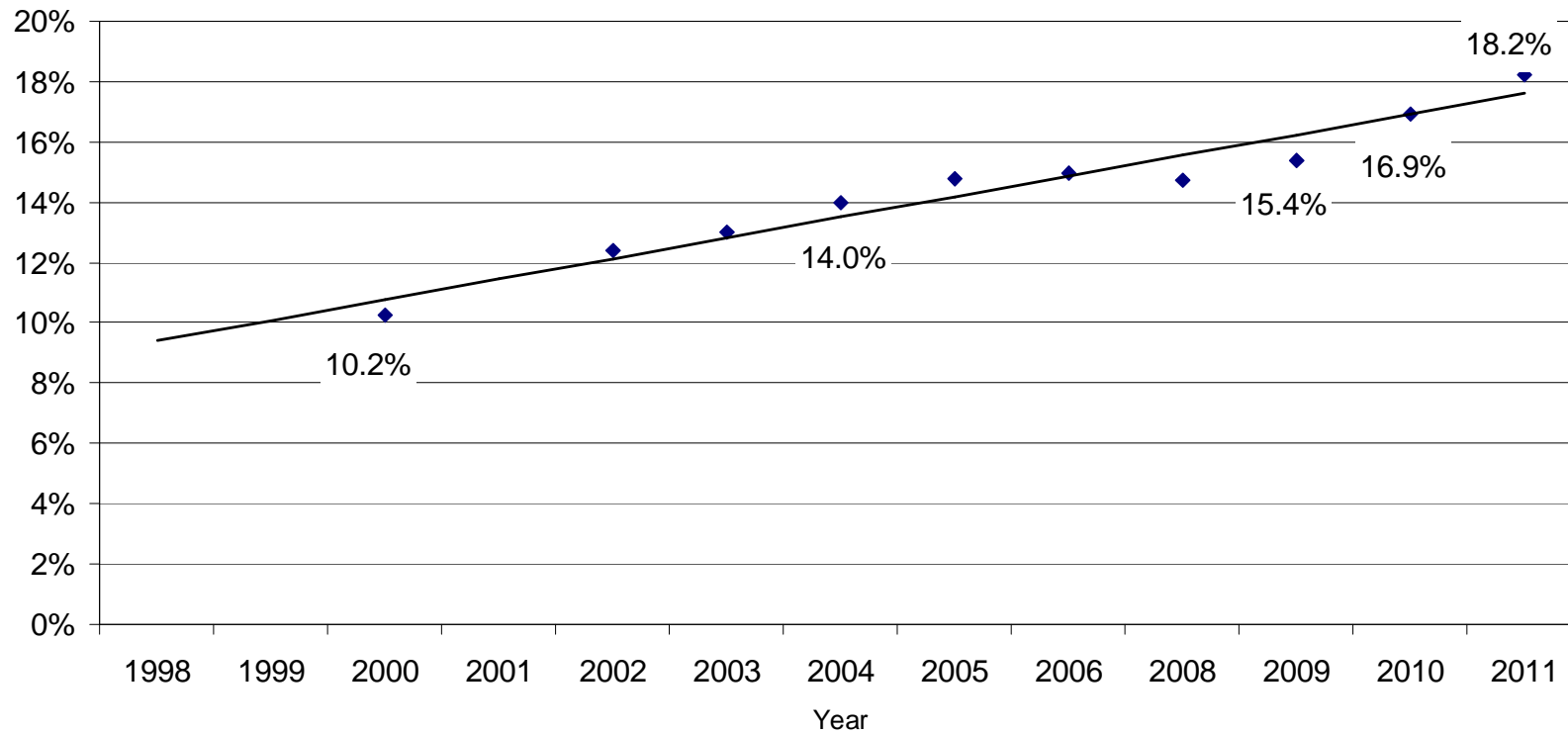


New Hampshire's public schools have seen a decline in students over the past decade, from a high of 207,000 students in the 2002-03 school year, to roughly 191,000 in the past school year. This trend is closely tied to demographic shifts and migration patterns, among other things. But what implications will this shrink in student populations have for education policy in the coming year, including school finances, district consolidation, and curriculum offerings?



# Rising cost of health care

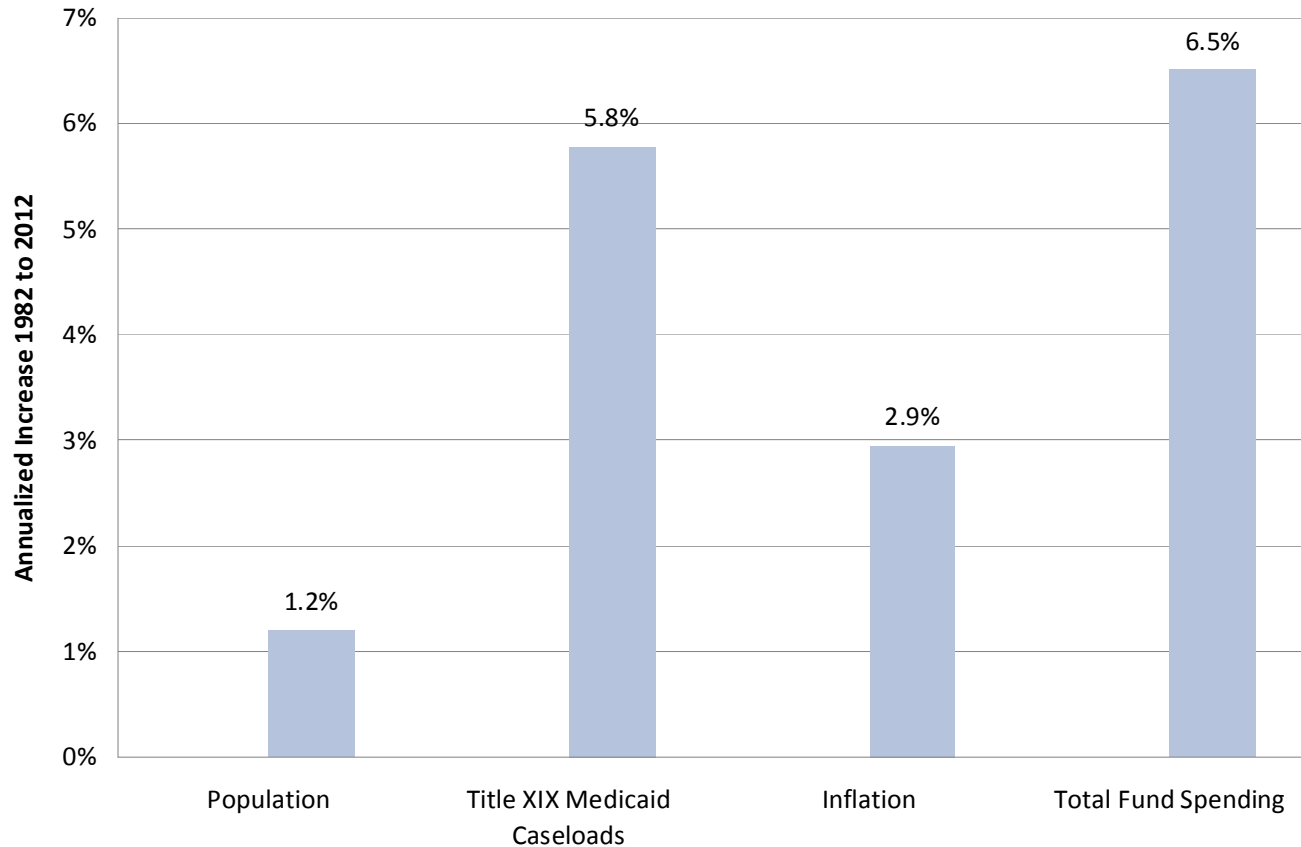
Average Family Health Insurance Premium  
 as % of Mean Family Income in New Hampshire



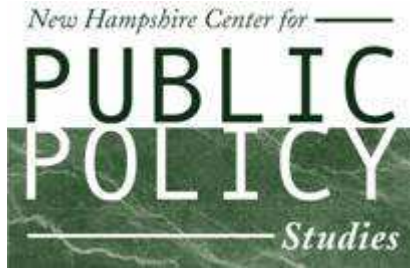
The rising cost of care has resulted in higher insurance premiums – both in New Hampshire and across the country. As this chart illustrates, premiums are consuming an increasing percent of household incomes. The coming year will be a time for the state to prepare for full implementation of the federal Affordable Care Act, meaning health care (and the cost of health care) will be a constant topic of discussion.

# Medicaid under pressure

State Spending Drivers



In the upcoming Legislative session, Medicaid will be at the center of numerous budget conversations. The number of caseloads for Medicaid, which provides health insurance to low-income residents, has consistently grown in excess of inflation and population. Addressing the program's financial pressures – whether through the implementation of a managed care system, the Medicaid Enhancement Tax, or the Affordable Care Act – will be one of the major tasks facing policymakers in 2013.



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