

### Board of Directors

Sheila T. Francoeur, Chair

David Alukonis

Michael Buckley

William H. Dunlap

Eric Herr

Richard Ober

James Putnam

Stephen J. Reno

Stuart V. Smith, Jr.

Donna Sytek

Brian F. Walsh

Martin L. Gross, *Chair  
Emeritus*

John D. Crosier, Sr.,

Todd I. Selig

Kimon S. Zachos

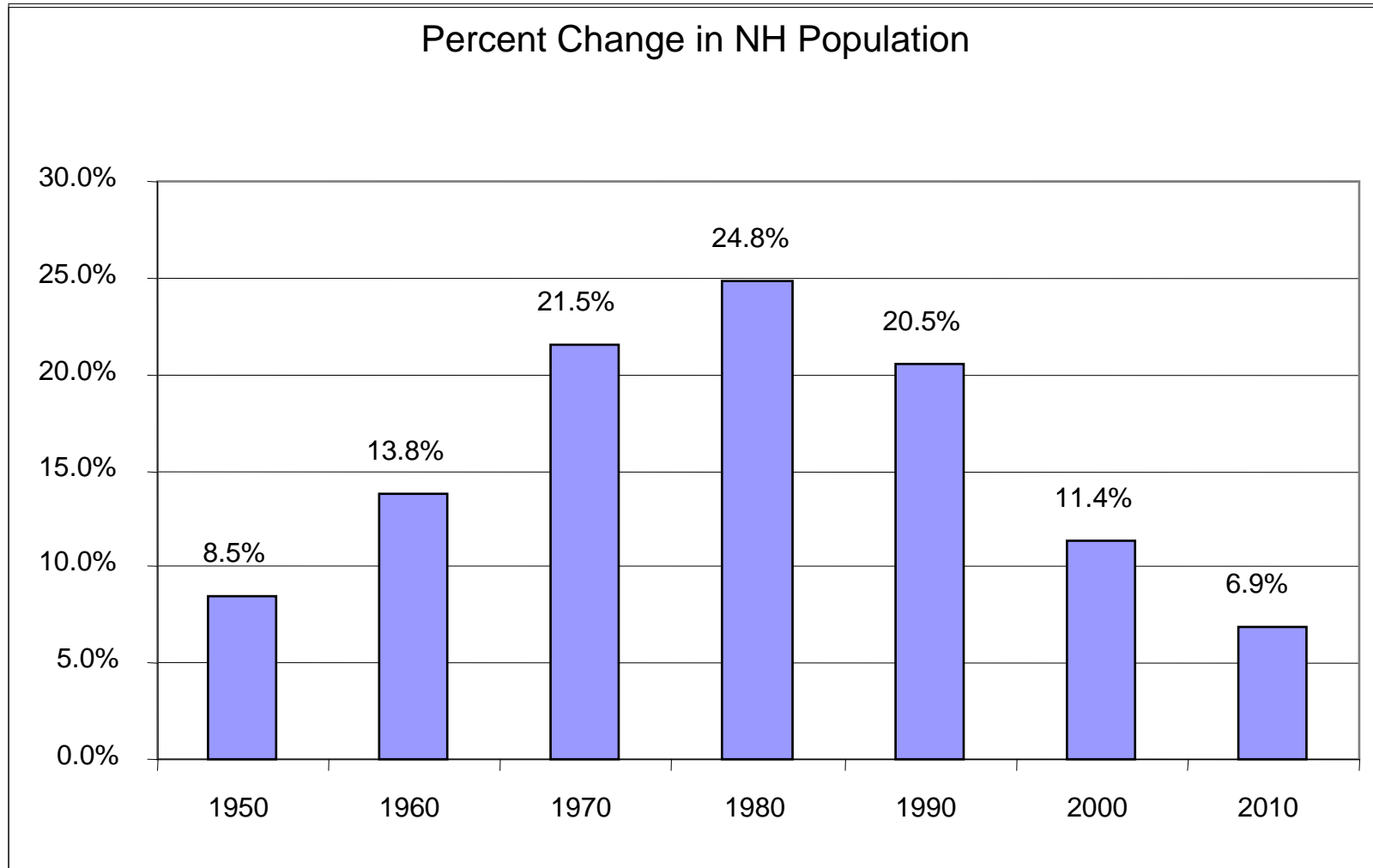
*Directors Emeritus*

# **Tailwind to Headwind: New Hampshire's Shifting Economic Trends**

**Nov. 16, 2012**  
**NH Center for Non-Profits  
Policy Caucus**

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

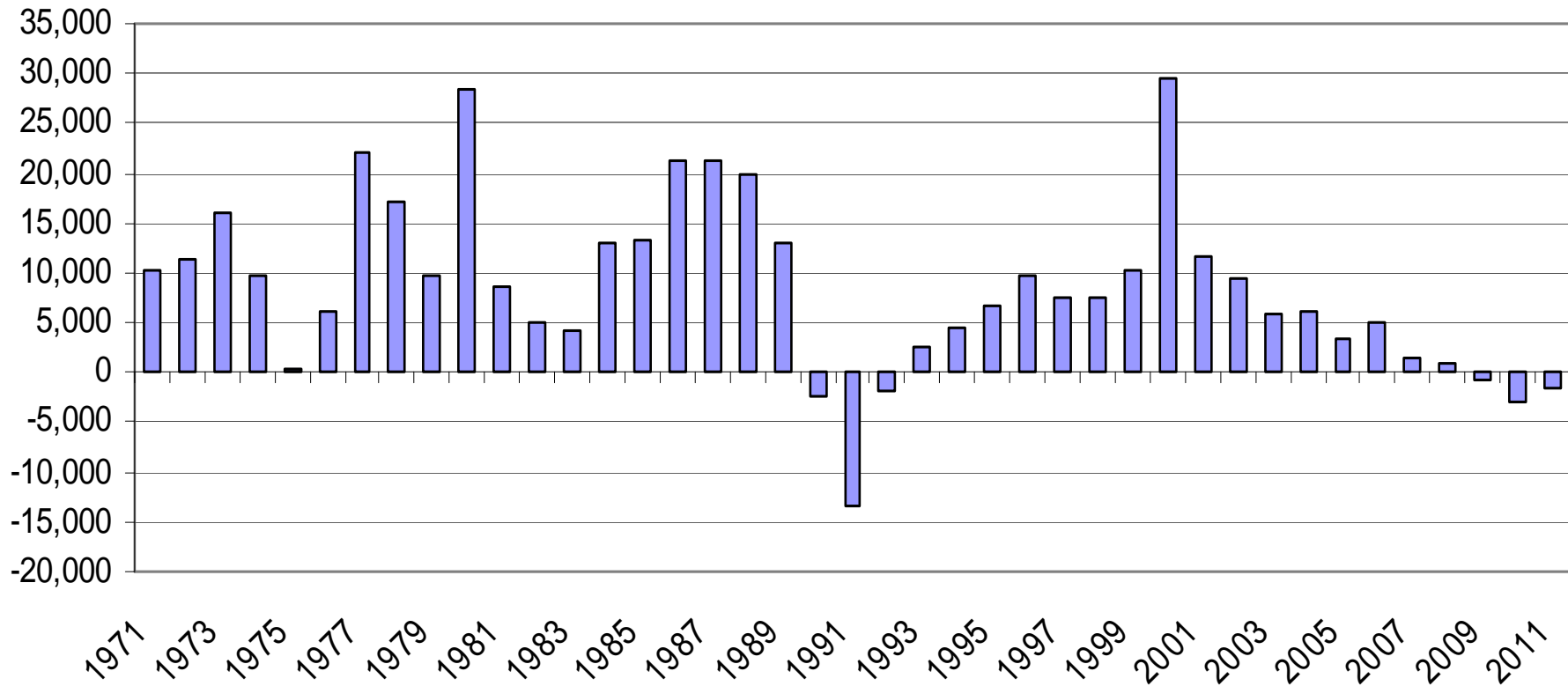
# We're still growing – but slower



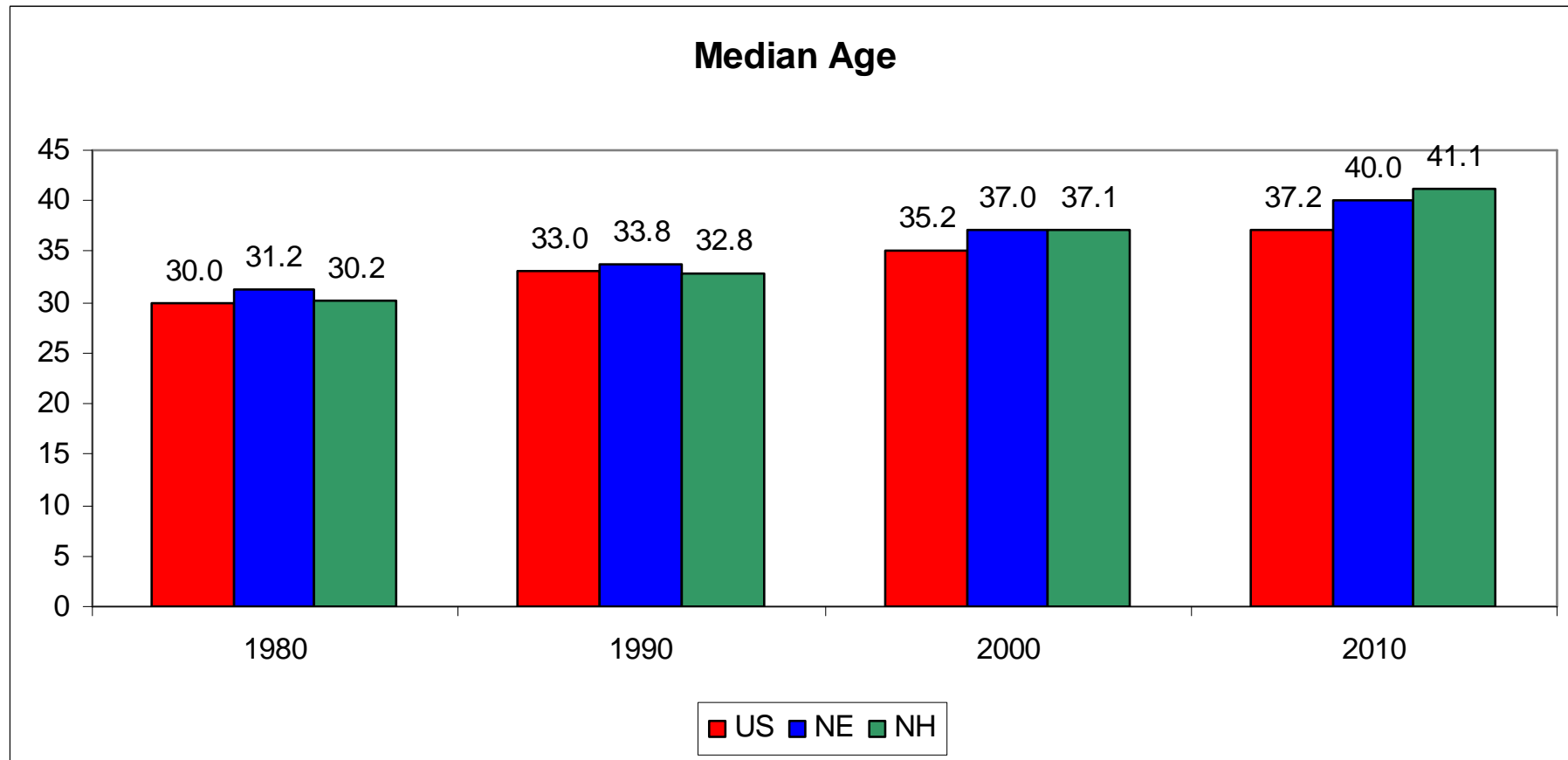
Source: New Hampshire Center for Public Policy Studies, analysis of U.S. Census data

# And it's not just the Great Recession....

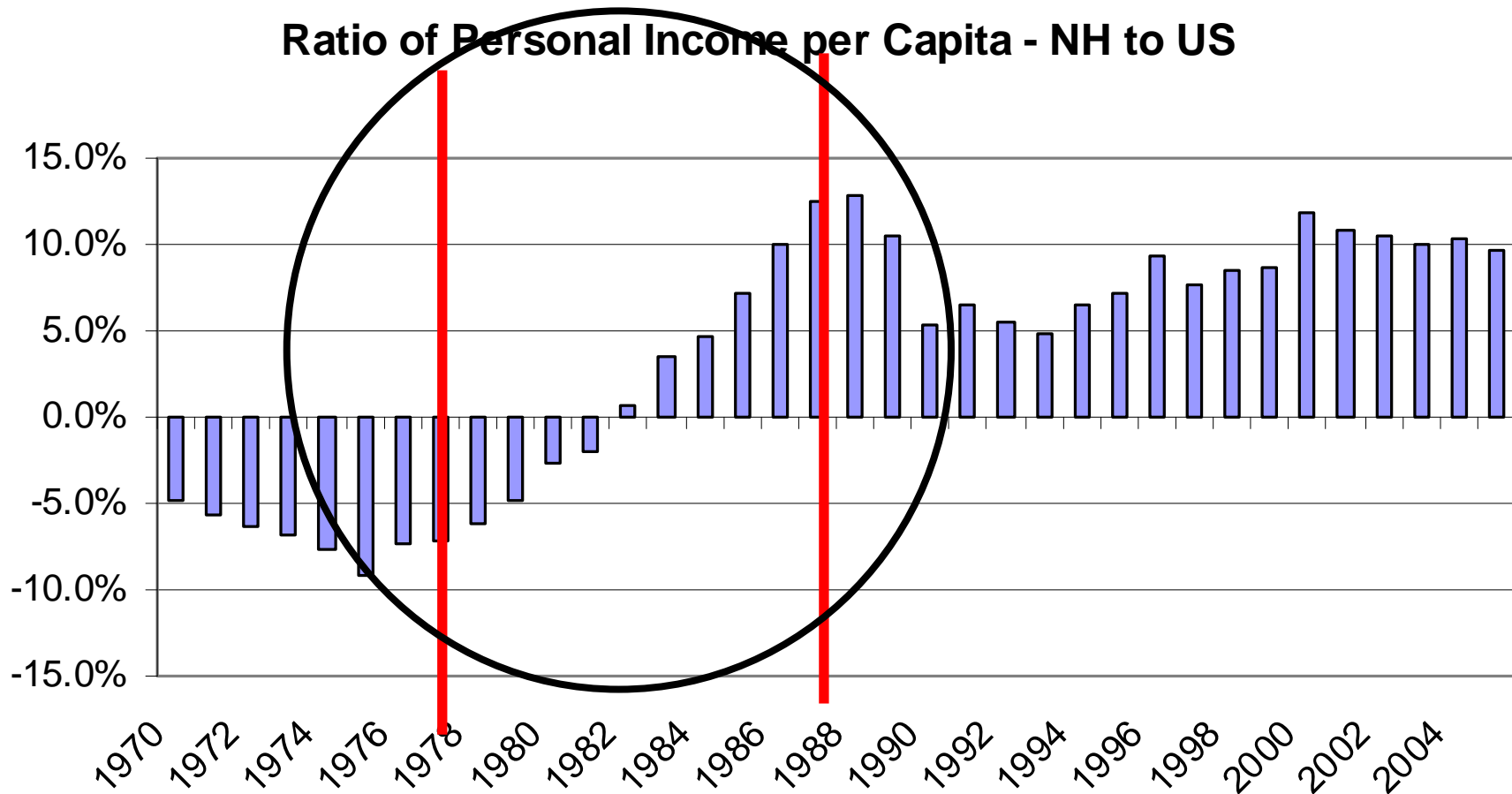
## Net Migration Into and Out of New Hampshire



## NH aging faster than the rest of U.S.



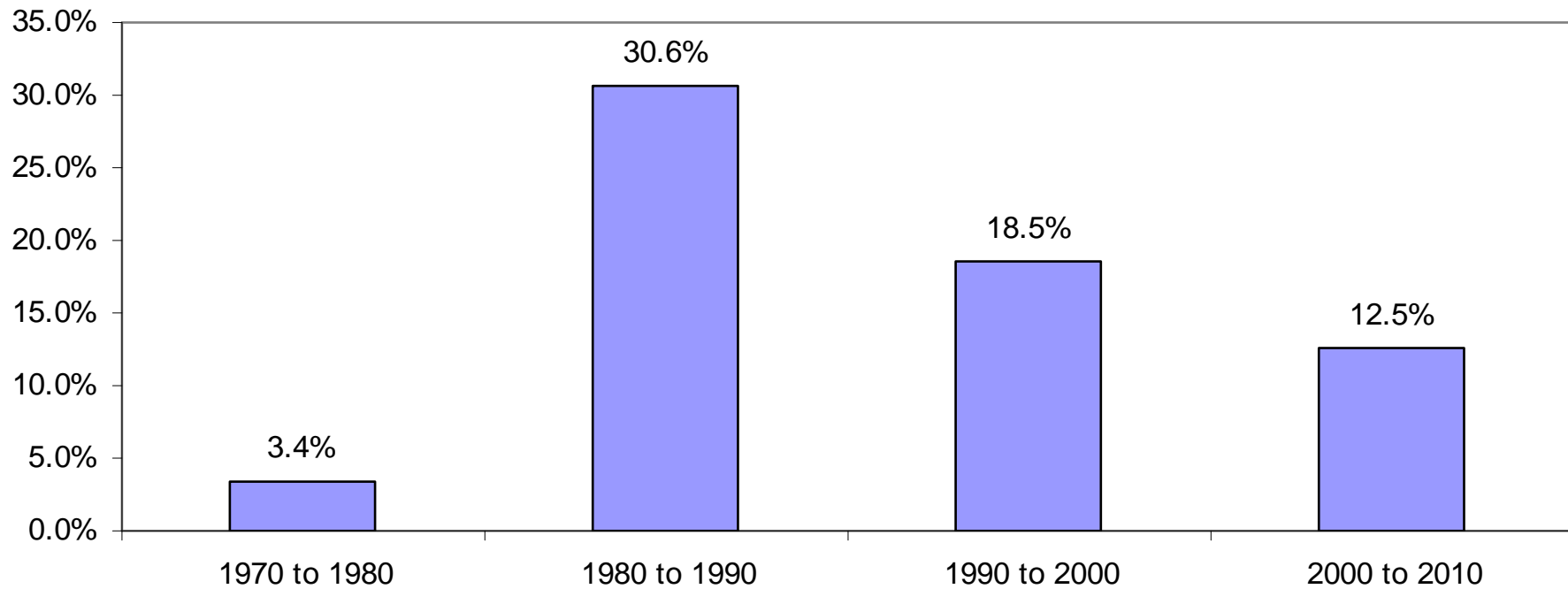
# What is the NH Advantage?



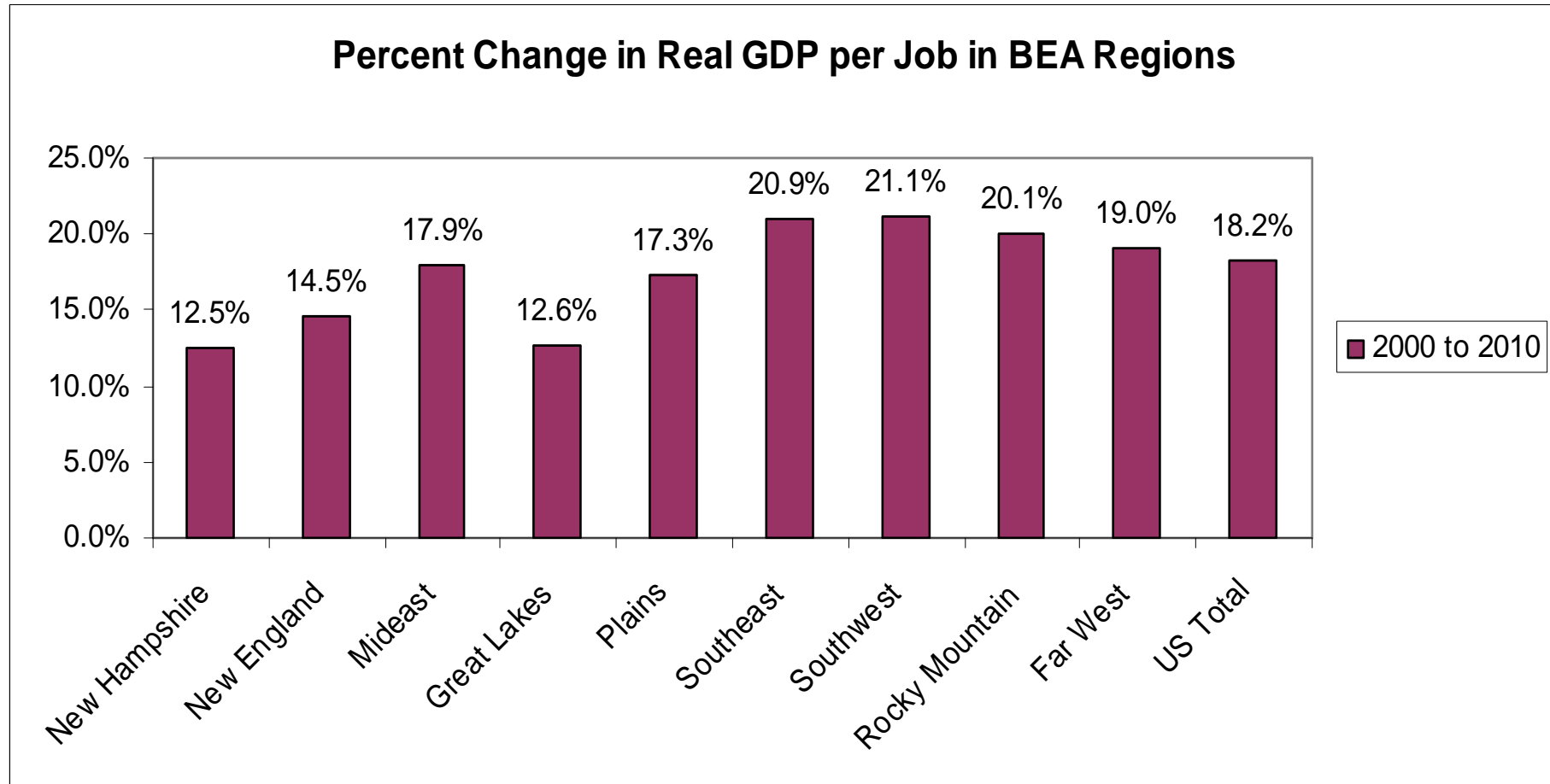
Source: US Bureau of Economic Analysis

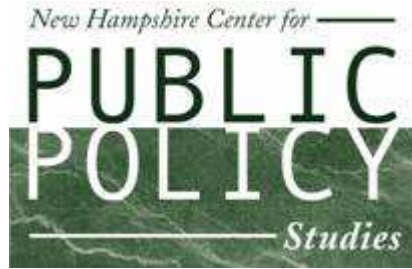
# Consequences for economic growth

New Hampshire Productivity Growth by Decade



# It's not just the Recession

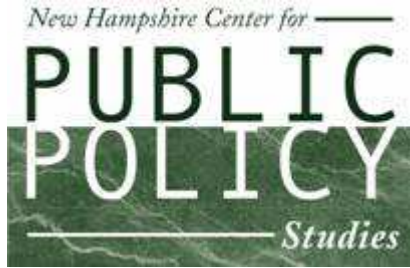




# **Budgetary Impact: Long-term Economic Development Questions**

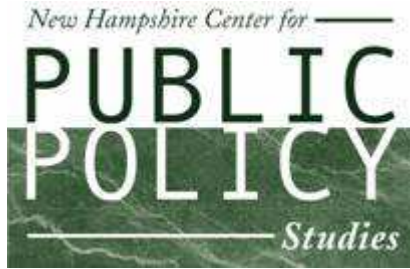
- Maintaining Competitive Advantages?
  - Educational Attainment
  - Quality of Life
  - Tax climate
- Mitigating Competitive Disadvantages?
  - Energy Costs
  - Healthcare Costs





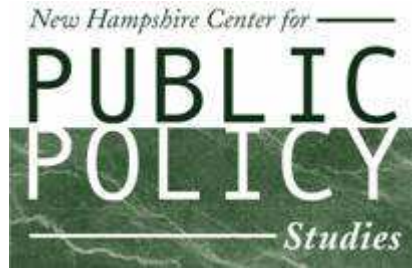
## **Major Areas of Budgetary Change, 2012-13**

- Medicaid and DSH
- State Retirement System
- University System funding
- Personnel reductions
- Other smaller (though large in aggregate) program changes



# Revenue Risk Points

- Additional \$26 million in potential 'loss' associated with other changes
  - Loss credits for corporate taxes: increased from \$1m to \$10 million
- Another national/international issue
  - (Fiscal cliff? Europe?)
- Lawsuits → MET and use of DSH for General Fund
- Long term revenue forecast models are imprecise at inflection points, often leading to conservative revenue estimates



# New Hampshire Center for Public Policy Studies

## Board of Directors

Todd I. Selig, Chair

David Alukonis

Michael Buckley

William H. Dunlap

Sheila T. Francoeur

Stephen Reno

Stuart V. Smith, Jr.

Donna Sytek

Brian F. Walsh

Kimon S. Zachos

Martin L. Gross, *Chair  
Emeritus*

John D. Crosier, Sr.,  
*Emeritus*

## Want to learn more?

- **Online: [nhpolicy.org](http://nhpolicy.org)**
- **Facebook: [facebook.com/nhpolicy](https://facebook.com/nhpolicy)**
- **Twitter: [@nhpublicpolicy](https://twitter.com/nhpublicpolicy)**
- **Our blog: [policyblognh.org](http://policyblognh.org)**
- **(603) 226-2500**

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