**Demographics, Income, and Access to Opportunity in New Hampshire**

The economic prosperity of Granite Staters is key to ensuring their long-term wellbeing. Increases in income inequality, a shortage of affordable housing, limited access to health care, and disparities in resources for education contribute to uneven access to opportunity. These inequities in access to opportunity may hinder economic growth by undermining workforce needs and diminishing the financial stability of Granite Staters.

**Income and Demographic Changes**

New Hampshire has a relatively high median household income, estimated at about $75,000 per year in 2018. Nevertheless, more than one in five households in the state had yearly incomes below $35,000, and about one in three households had yearly incomes under $50,000. From 2017 to 2018 in New Hampshire, the Gini Index, a measure of income inequality, increased in a statistically significant manner. Similar increases in income inequality occurred in only eight other states over this period, and in tandem with uneven wage growth in New Hampshire since the Great Recession.

The reach of economic improvements during the recovery and expansion period since the Great Recession can be measured by who has experienced the positive effects. Compared to before the Recession, only individuals that made consistently more than the median income in the state ($20.95 per hour in 2018 dollars) have seen their wages grow to levels greater than before the Great Recession. Individuals who have consistently earned a median wage or less over this period have seen actual declines in their wages and purchasing power, after adjusting for inflation.

New Hampshire’s population has been diversifying and aging. Over the past decade, most of the population growth in the state has been driven by individuals identifying as something other than non-Hispanic white. Additionally, the population of children in the state is more diverse than the overall population. The state’s population is projected to continue aging as the share of the population under the age of 25 is estimated to decline from 30 percent in 2015 to 27 percent by 2030.

**Poverty and Food Insecurity**

Estimates show 7.6 percent of Granite Staters lived in poverty in 2018. Poverty is defined as living below the federal poverty thresholds, which are based primarily on household size. In 2018, for a household with two adults and two children, the poverty threshold was just over $25,000 in annual income. About 100,000 Granite Staters lived in poverty, and poverty was more prevalent among certain groups. Individuals identifying as Hispanic or something other than white experienced poverty at higher rates. Additionally, different age groups and household compositions experienced varying levels of poverty. In the most recent estimates, the poverty rate among households headed by single females who have a dependent child under the age of five is about 35 percent.
Housing Affordability

Demand for housing is high in New Hampshire, placing upward pressure on the costs of homes and apartments. Last year, the statewide median price of a home crested $300,000, and the statewide median rental costs for a two-bedroom apartment was $1,347 per month. In 2018, the median household income for homeowners was estimated to be $91,000 per year, while the median household income of a renter was only about $41,000 per year. The U.S. Department of Housing and Urban Development considers individuals and families who pay more than 30 percent of their income for housing to be cost burdened. By this definition, nearly half of the renters in the state can be defined as cost burdened. Additionally, if a household earns a median renter income and pays a median rental rate in their county of residence, there is no county in New Hampshire where they will pay less than 30 percent of income on rental costs.

Health Access

There are large variations between residents’ access to health providers and health coverage status. Western and northern regions of the state have higher concentrations of people who are uninsured. These same regions are home to more Medicaid enrollees, including higher rates of children covered by Medicaid. About three in five children in Coos County are covered by Medicaid, while about one in five children in Rockingham County are covered by Medicaid. Certain regions of the state, including the southwest region and North Country, have lower numbers of different types of providers per the population, which may lead to greater difficulty in accessing care. Over the past two decades, nine hospitals have closed their birth units, limiting these services in the Upper Valley, Central New Hampshire, and the Lakes Region.

Local Education Resources

During the 2019-2020 school year, kindergarten through 12th grade school enrollment is 176,168 students. About 25 percent, or 38,624 students, in grades 1-12 are eligible for free and reduced-price meals, meaning their families have incomes below, at, or just above poverty thresholds. Most funding for primary and secondary education depends on municipal-level local property taxes and a State-mandated local property tax, which are both are raised and retained locally, with a smaller portion of funding coming from State-level aid. The base amount of State aid for education provides just over $3,700 per student, while the average school operating expense per student is over $16,000. As local property taxes are based on local property values, there are large differences in the levels of revenue that different communities can raise. Districts comprised of towns and cities with higher property values and more taxable property per student have greater resources available to support education and greater abilities to provide a broader array of learning opportunities that may contribute to higher levels of educational attainment. Increased educational attainment correlates with higher future earnings and economic stability. Where a student grows up in the state, their family’s income level, and their community’s capacity for raising resources to fund local education may impact their opportunity for future economic security and upward mobility.

Rent as a Percentage of Estimated Household Income

Estimates for All New Hampshire Renter Households, Gross Rent Including Utilities
Source: U.S. Census Bureau, American Community Survey, 2018 One-Year Estimates

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