



NEW HAMPSHIRE'S ECONOMY AND HOUSEHOLD FINANCES

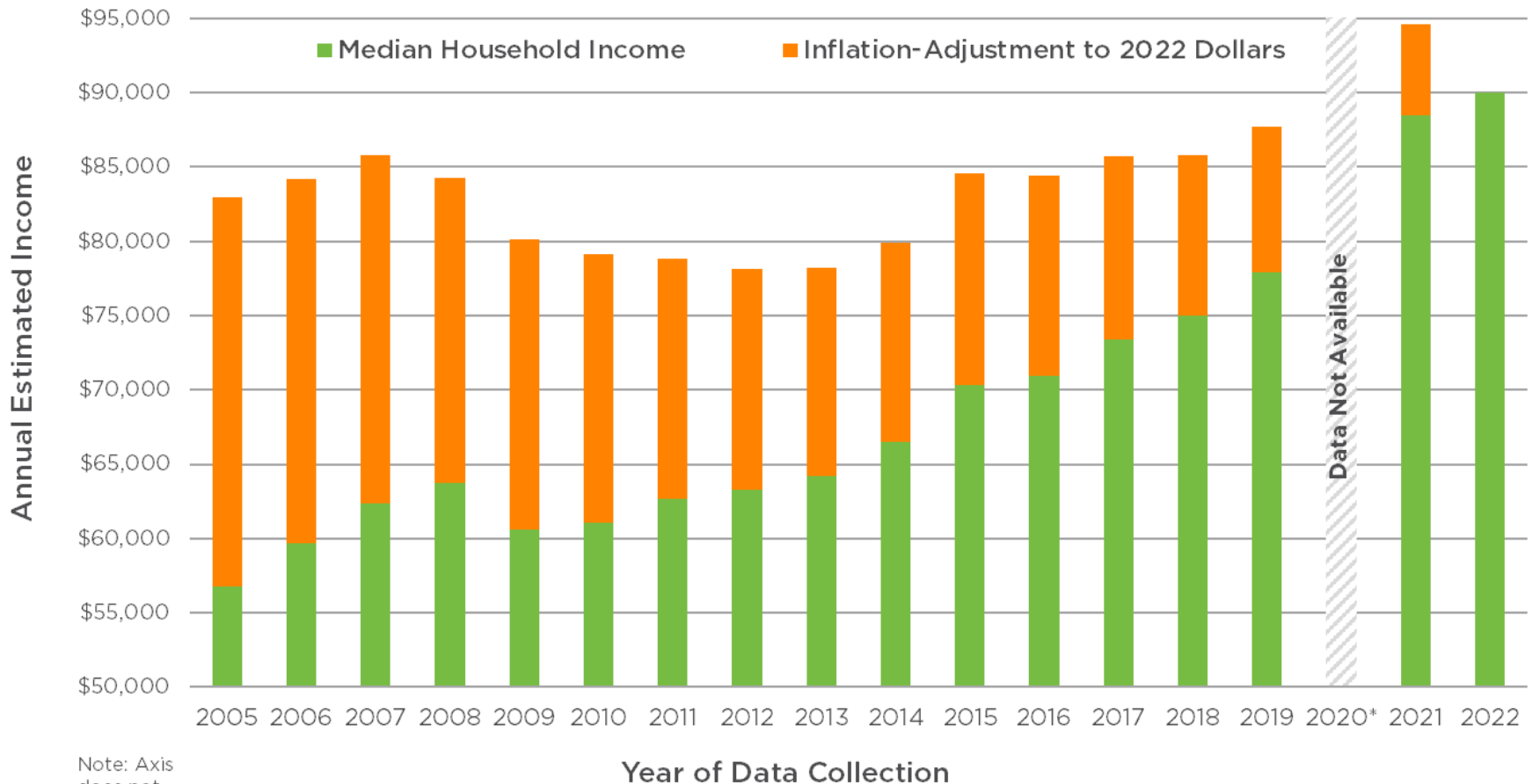
PHIL SLETTEN, RESEARCH DIRECTOR, NHFPI

U.S. SMALL BUSINESS ADMINISTRATION
NEW HAMPSHIRE DISTRICT OFFICE
LENDER RECOGNITION EVENT

DECEMBER 11, 2023

MEDIAN INCOME GROWTH DID NOT EXCEED INFLATION FACED BY CONSUMERS IN 2022

MEDIAN HOUSEHOLD INCOME IN NEW HAMPSHIRE



Note: Axis does not begin at zero.

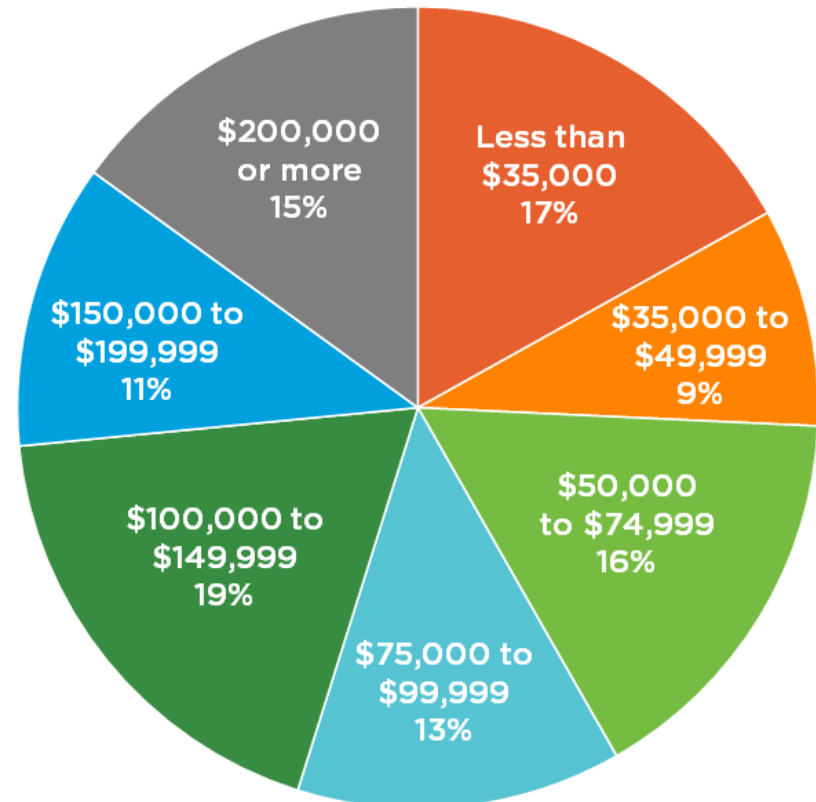
*Note: These data were not available for 2020 due to disruptions associated with the pandemic.
Sources: U.S. Census Bureau, American Community Survey One-Year Estimates; U.S. Bureau of Labor Statistics, Consumer Price Index-Urban, Northeast

SIGNIFICANT NUMBER OF HOUSEHOLDS WITH LOW INCOMES AND NEAR POVERTY

- About 1 in 4 New Hampshire households had incomes below \$50,000 in 2022 data
- Poverty thresholds based on food costs as percentage of historical family budgets, adjusted for inflation, vary by household size and composition
- Thresholds for 2022 are \$15,225 annually for a single person under 65 years old, \$23,556 for a family of three with one child

NEW HAMPSHIRE HOUSEHOLDS BY INCOME GROUP, 2022

Source: U.S. Census Bureau, American Community Survey, 2022 One-Year Data

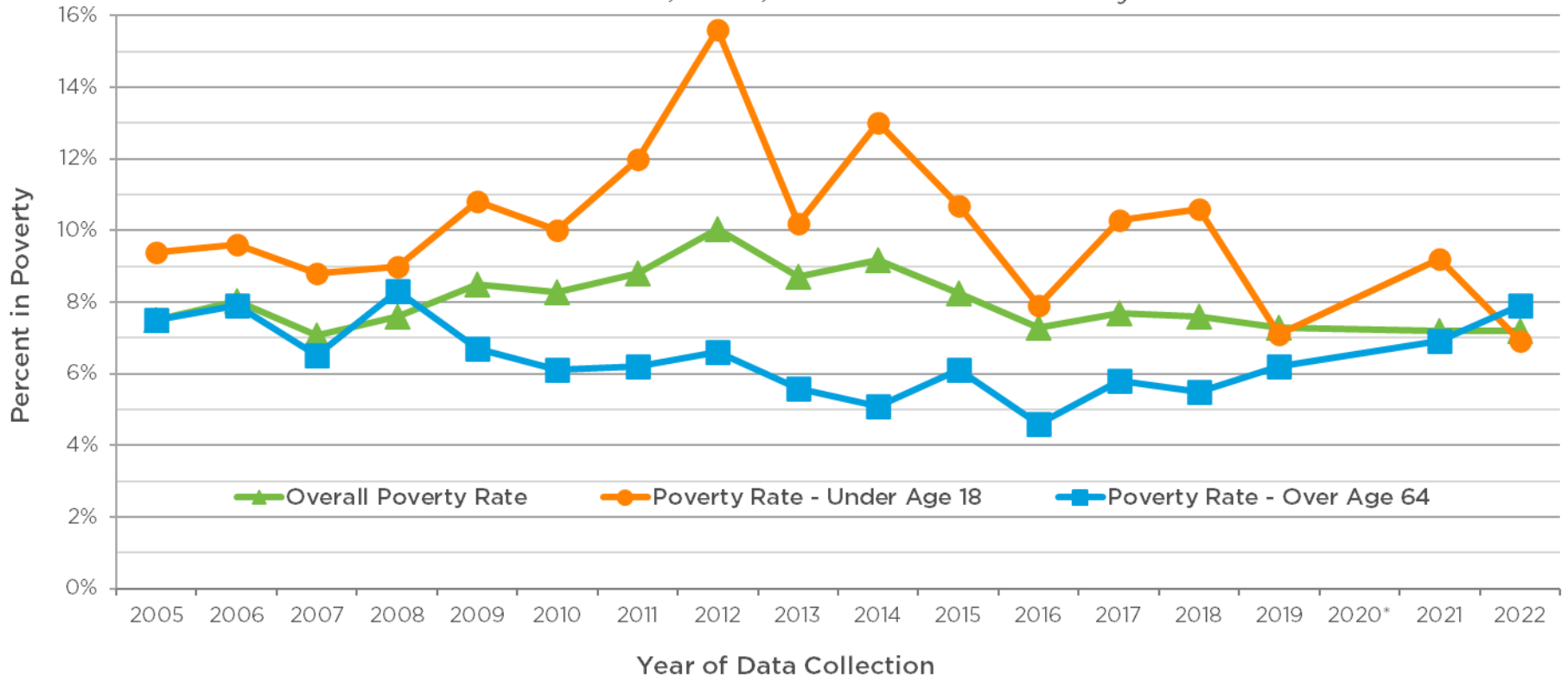


For more information, see NHFPI's June 20, 2022 presentation *Financial Vulnerability in New Hampshire* and February 3, 2022 blog *Poverty in New Hampshire Was Higher Than Other States When Adjusted for Regional Housing and Other Costs*.

ABOUT 98,000 (7.2%) OF GRANITE STATERS, INCLUDING 17,000 CHILDREN, IN POVERTY

NEW HAMPSHIRE POVERTY RATES OVER TIME

Estimates for Overall, Child, and Older Adult Poverty Rates



*Note: These data were not available for 2020 due to disruptions associated with the pandemic.

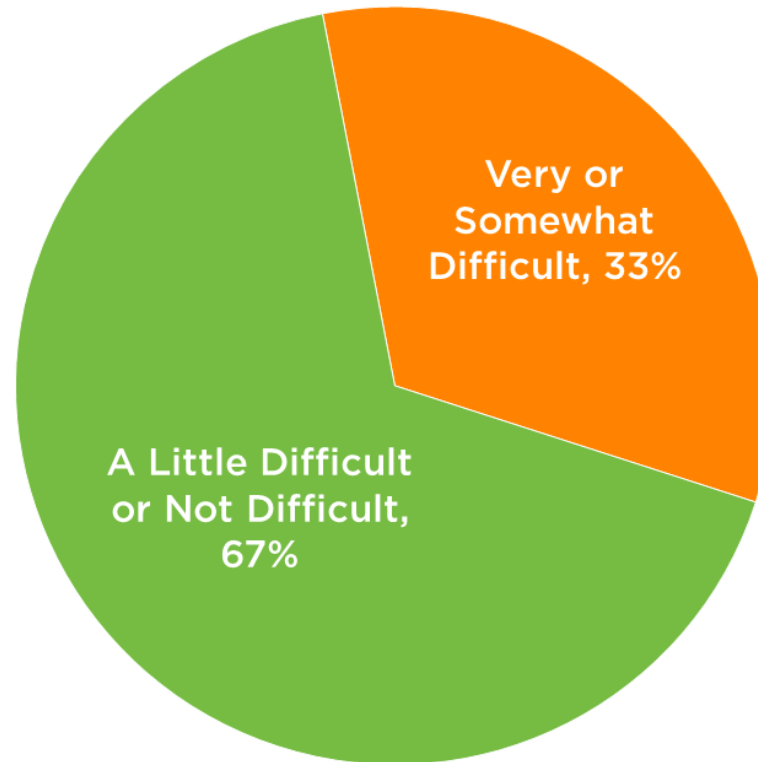
The poverty rate is measured as a percentage of the population for whom poverty status could be determined.

Source: U.S. Census Bureau, American Community Survey, One-Year Data

ONE IN THREE GRANITE STATE ADULTS HAD DIFFICULTY PAYING FOR EXPENSES IN 2023

NEW HAMPSHIRE RESIDENTS REPORTING DIFFICULTY PAYING FOR USUAL EXPENSES

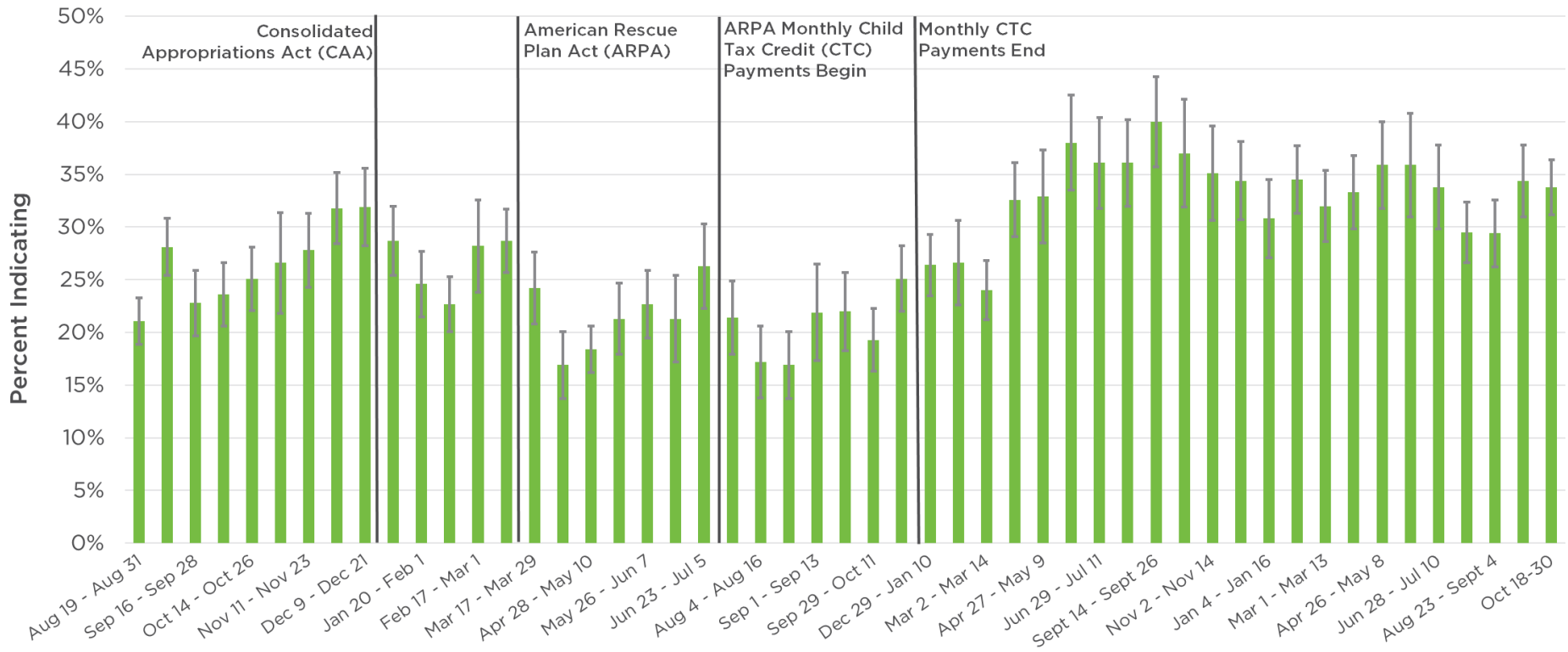
Percent of Granite State Adults Indicating Difficulty Affording Usual Household Expenses in Prior Seven Days, Based on Data Collected Between January 4, 2023 and October 30, 2023



Source: U.S. Census Bureau, 2020-2023 Household Pulse Survey, accessed November 10, 2023

PANDEMIC AID EASED DIFFICULTY PAYING FOR USUAL EXPENSES BEFORE SPRING 2022

PERCENTAGE OF NEW HAMPSHIRE ADULTS LIVING IN HOUSEHOLDS WHERE IT HAS BEEN SOMEWHAT OR VERY DIFFICULT TO PAY FOR USUAL HOUSEHOLD EXPENSES DURING THE LAST SEVEN DAYS



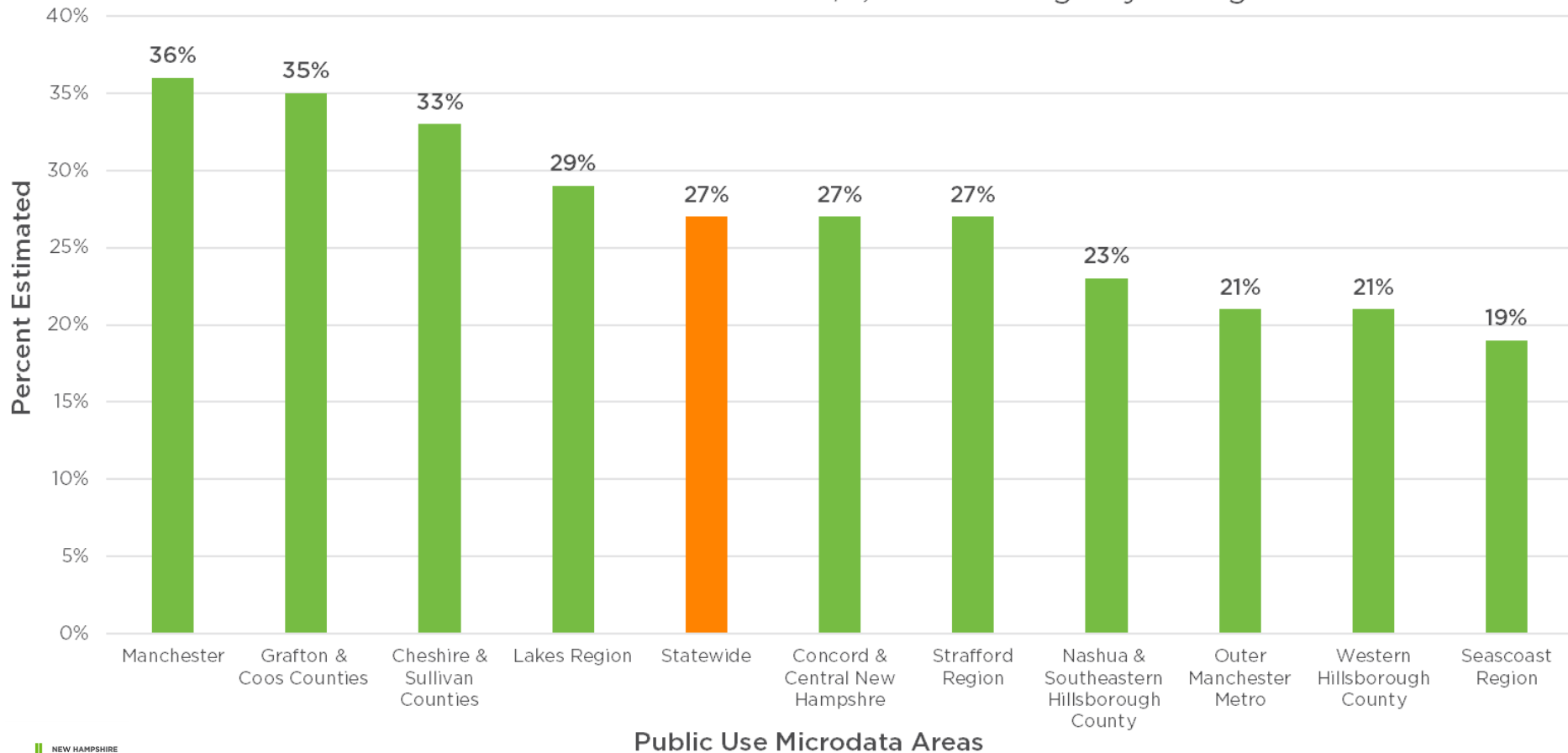
Survey Period (Years 2020-2023)

Note: Margin of error bars represent 90 percent confidence intervals
 Source: U.S. Census Bureau, 2020-2023 Household Pulse Survey, accessed November 10, 2023

MORE THAN 1 IN 4 GRANITE STATERS DID NOT HAVE \$2,000 IN SAVINGS DURING 2019

NEW HAMPSHIRE HOUSEHOLDS WITHOUT AT LEAST \$2,000 IN SAVINGS

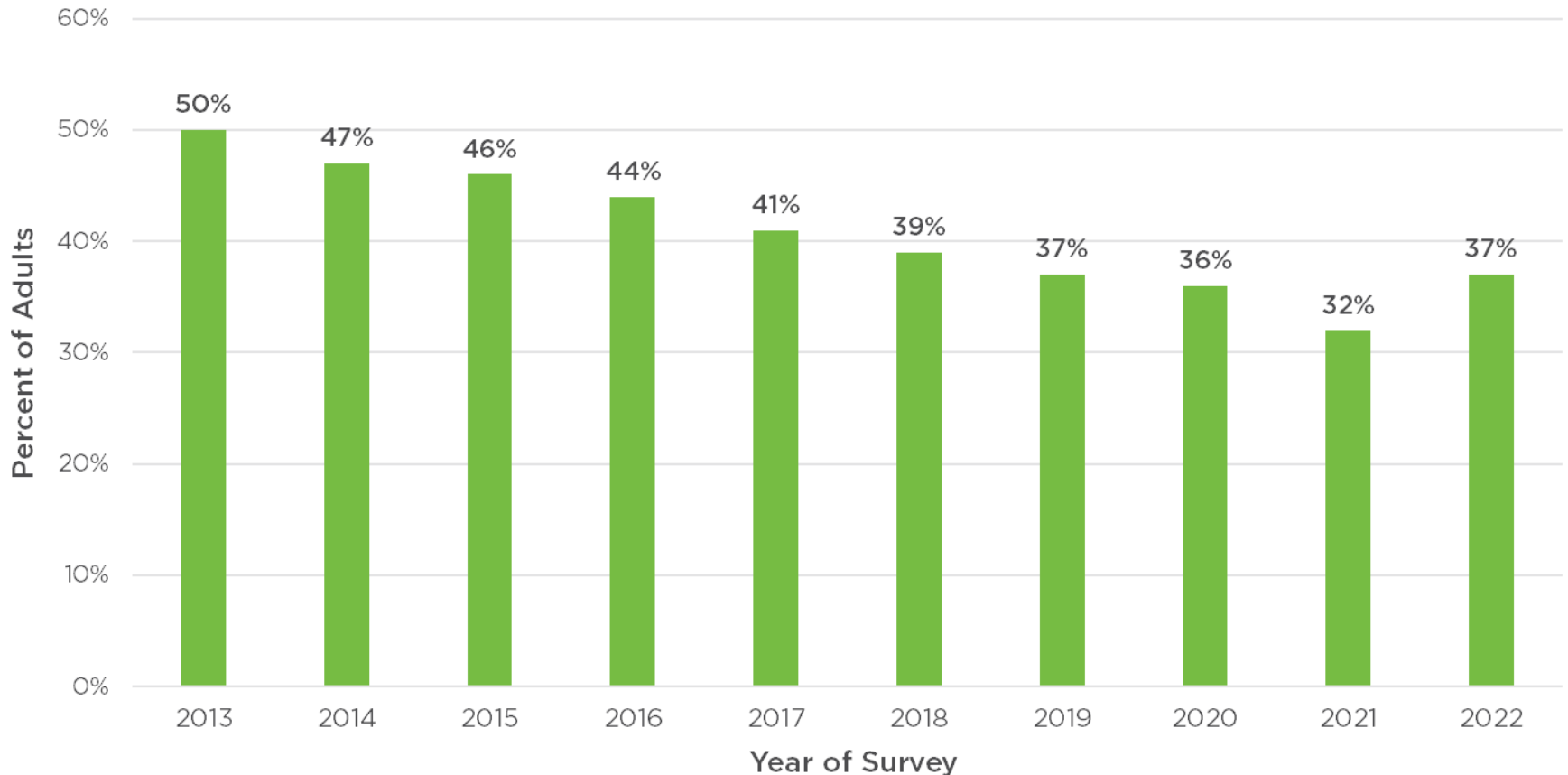
Estimated Percent of Households in New Hampshire Regions with at least 100,000 Residents that Do Not Have at Least \$2,000 in Emergency Savings in 2019



Source: Urban Institute, Financial Health and Wealth Dashboard, October 2022

U.S. ADULTS REPORTED GREATER DIFFICULTY PAYING FOR UNEXPECTED EXPENSES IN 2022

PERCENTAGE OF U.S. ADULTS WHO WOULD NOT PAY FOR AN UNEXPECTED \$400 EXPENSE WITH CASH OR AN EQUIVALENT*



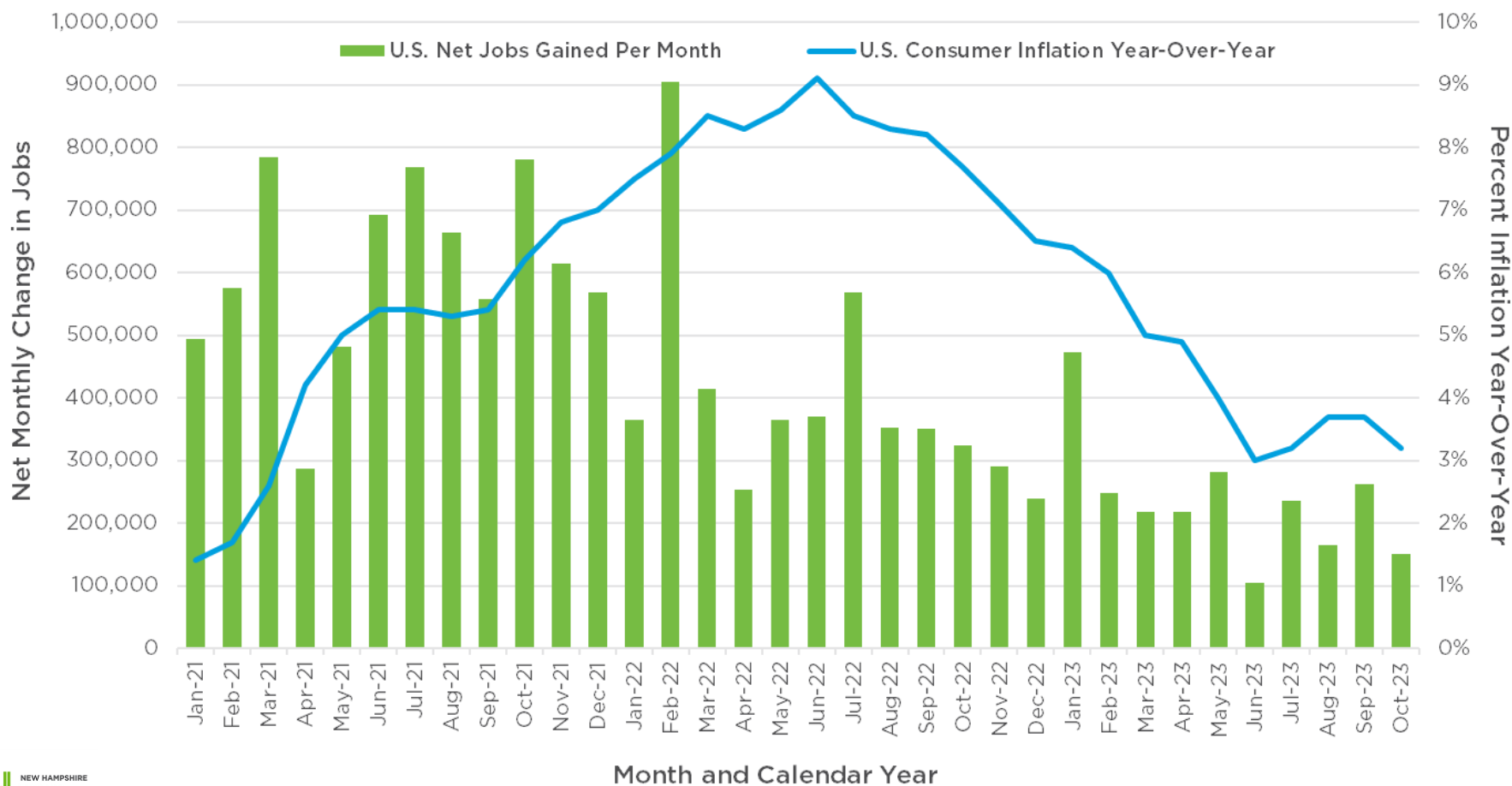
*Includes savings and credit cards to be paid off at next statement.

Source: Board of Governors of the Federal Reserve System, Economic Well-Being of U.S. Households in 2022, May 2023.

U.S. INFLATION AND JOB GROWTH HAVE SLOWED, BUT BOTH STILL ELEVATED

INFLATION AND JOB GROWTH IN THE UNITED STATES

Monthly Nonfarm Payroll Employment and the Consumer Price Index-Urban

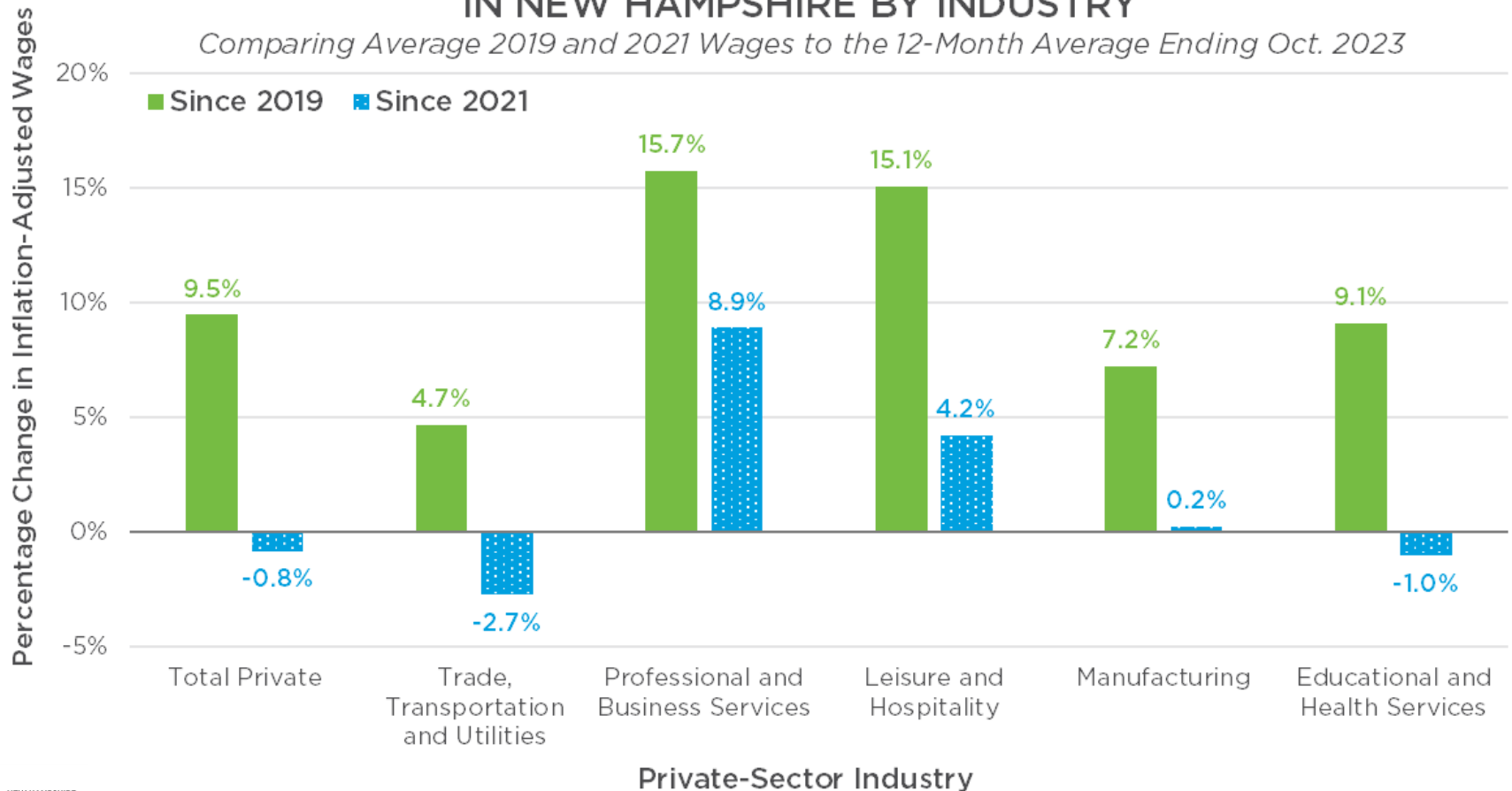


Sources: U.S. Bureau of Labor Statistics, Consumer Price Index-Urban, Current Employment Statistics, retrieved December 8, 2023

STATE INFLATION-ADJUSTED WAGES ABOVE 2019, BELOW 2021, VARY BY INDUSTRY

CHANGES IN INFLATION-ADJUSTED AVERAGE HOURLY WAGE IN NEW HAMPSHIRE BY INDUSTRY

Comparing Average 2019 and 2021 Wages to the 12-Month Average Ending Oct. 2023



Sources: New Hampshire Employment Security; U.S. Bureau of Labor Statistics, Consumer Price Index-Urban for New England

WAGE INCREASES LIKELY SPURRED BY WORKFORCE SHORTAGES

NUMBER OF JOB OPENINGS PER NEW HAMPSHIRE RESIDENT ACTIVELY SEEKING WORK

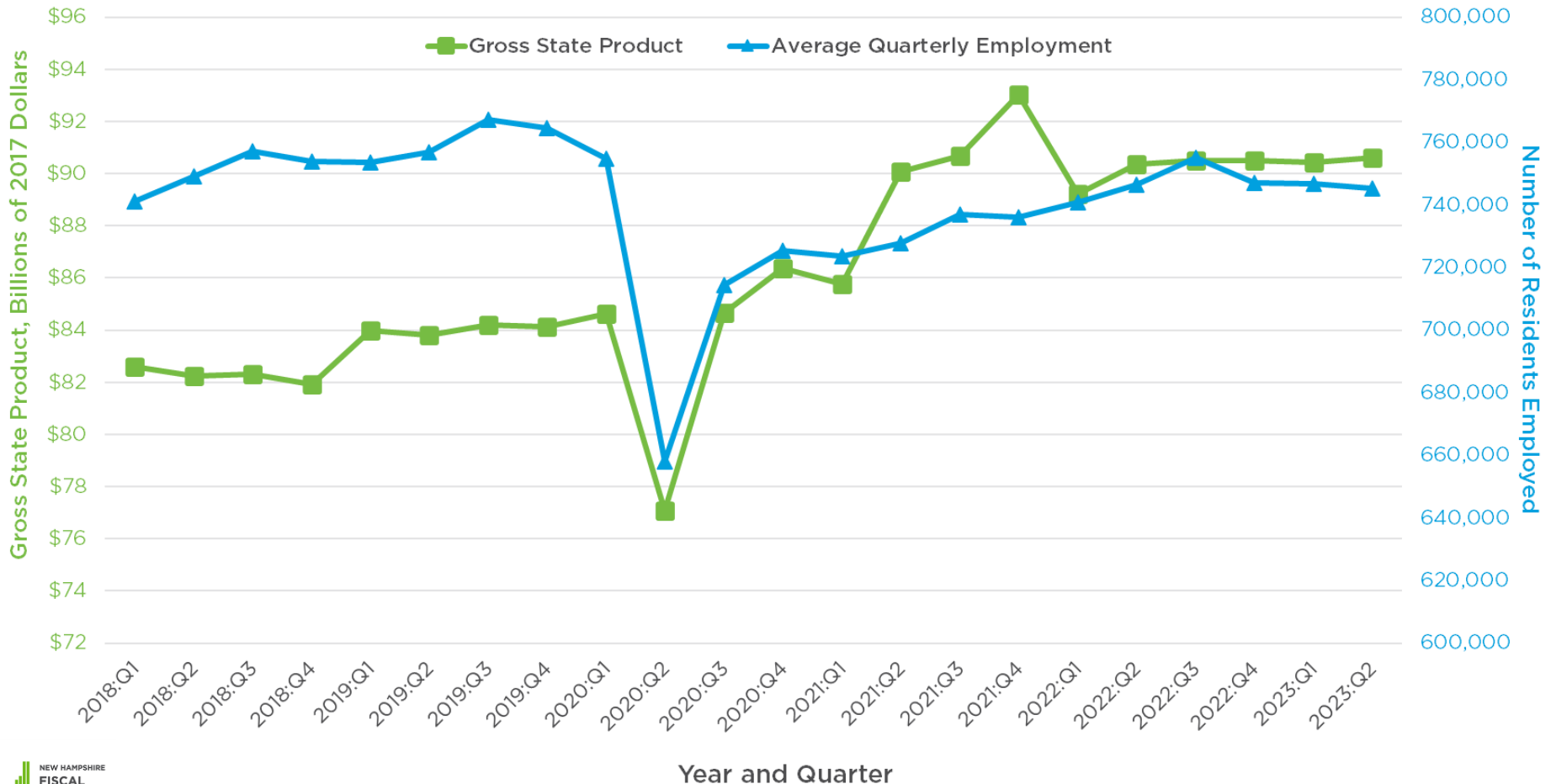


Sources: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics and Job Openings and Labor Turnover Survey. Seasonally Adjusted, data retrieved December 7, 2023; National Bureau of Economic Research

ECONOMIC GROWTH LIKELY LIMITED BY LACK OF EMPLOYMENT GROWTH

NEW HAMPSHIRE'S ECONOMY AND EMPLOYMENT

Inflation-Adjusted Quarterly Gross State Product and Three-Month Averages of Employment

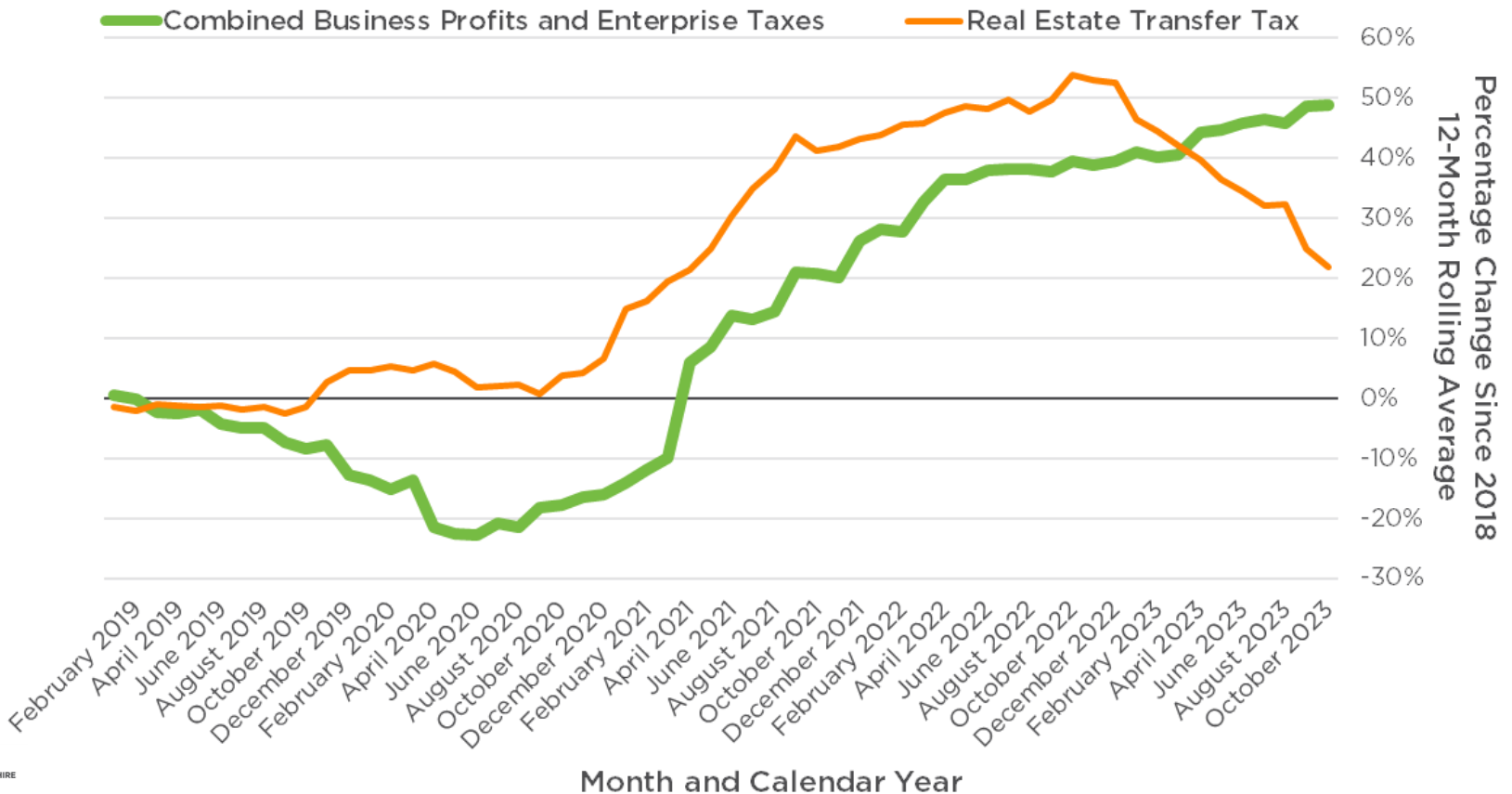


Sources: U.S. Bureau of Economic Analysis; New Hampshire Employment Security

KEY NEW HAMPSHIRE STATE BUSINESS TAX REVENUES CONTINUE TO GROW

PERCENTAGE CHANGE IN MONTHLY CASH RECEIPTS FROM KEY NEW HAMPSHIRE TAXES

12-Month Rolling Average Relative to Calendar Year 2018

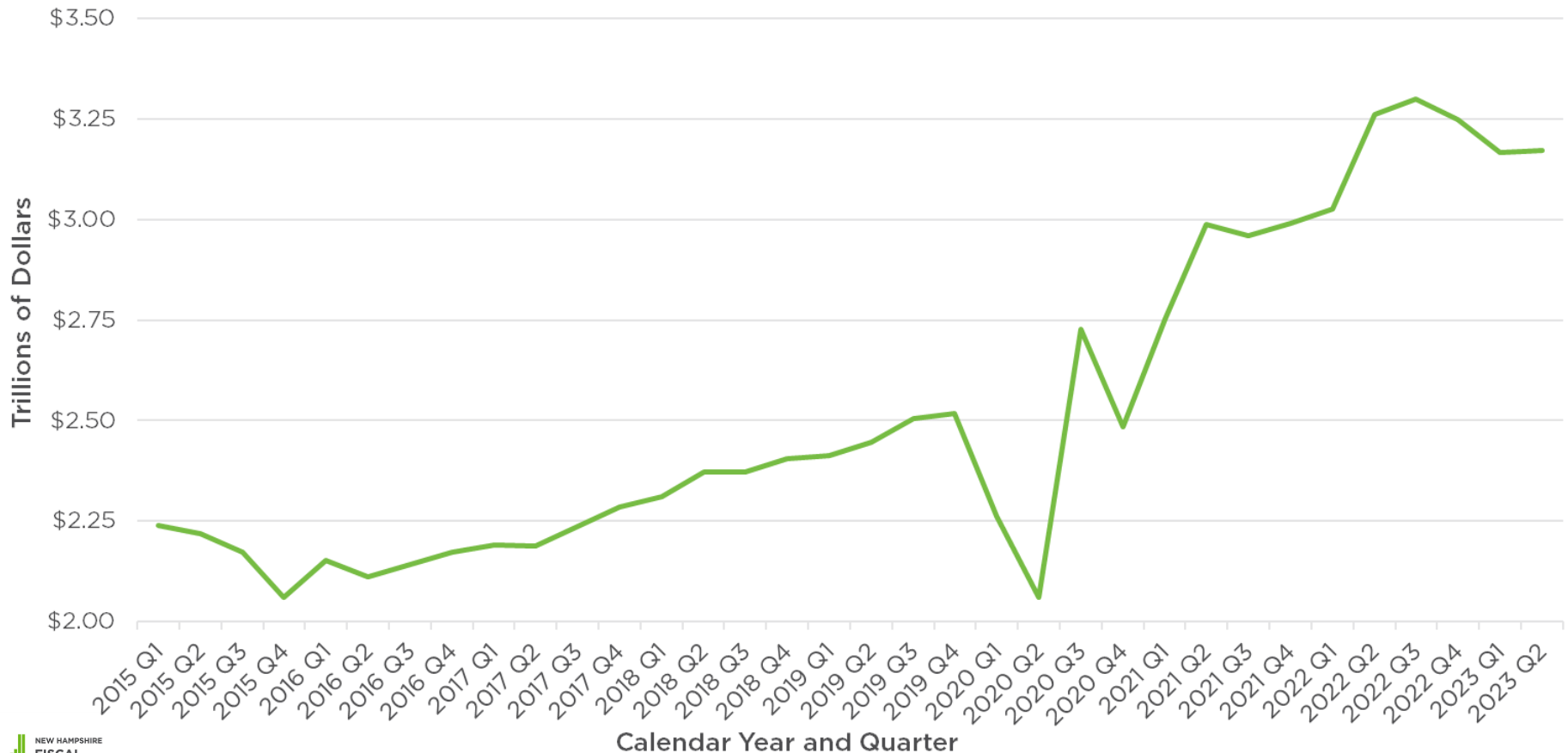


Source: New Hampshire Department of Administrative Services, Monthly Revenue Focus Reports

HIGH NATIONAL CORPORATE PROFITS LIKELY BOOSTING STATE REVENUES

U.S. CORPORATE PROFITS BY QUARTER

*Corporate Profits Adjusted for Inventory Valuation and Capital Consumption,
Annual Rate, Seasonally Adjusted*

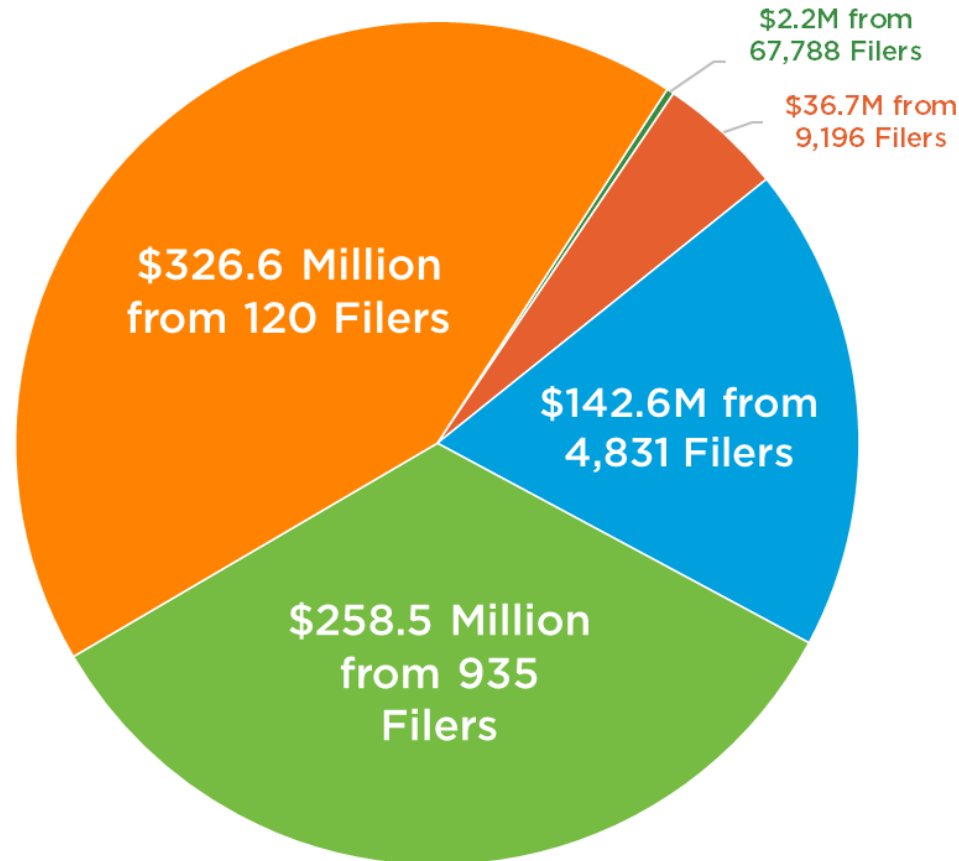


LARGE FILERS KEY TO BUSINESS PROFITS TAX TAX BASE AND TOTAL REVENUE

NEW HAMPSHIRE BUSINESS PROFITS TAX PAID AND NUMBER OF FILERS

Tax Year 2021

Source: New Hampshire Department of Revenue Administration,
2023 Annual Report

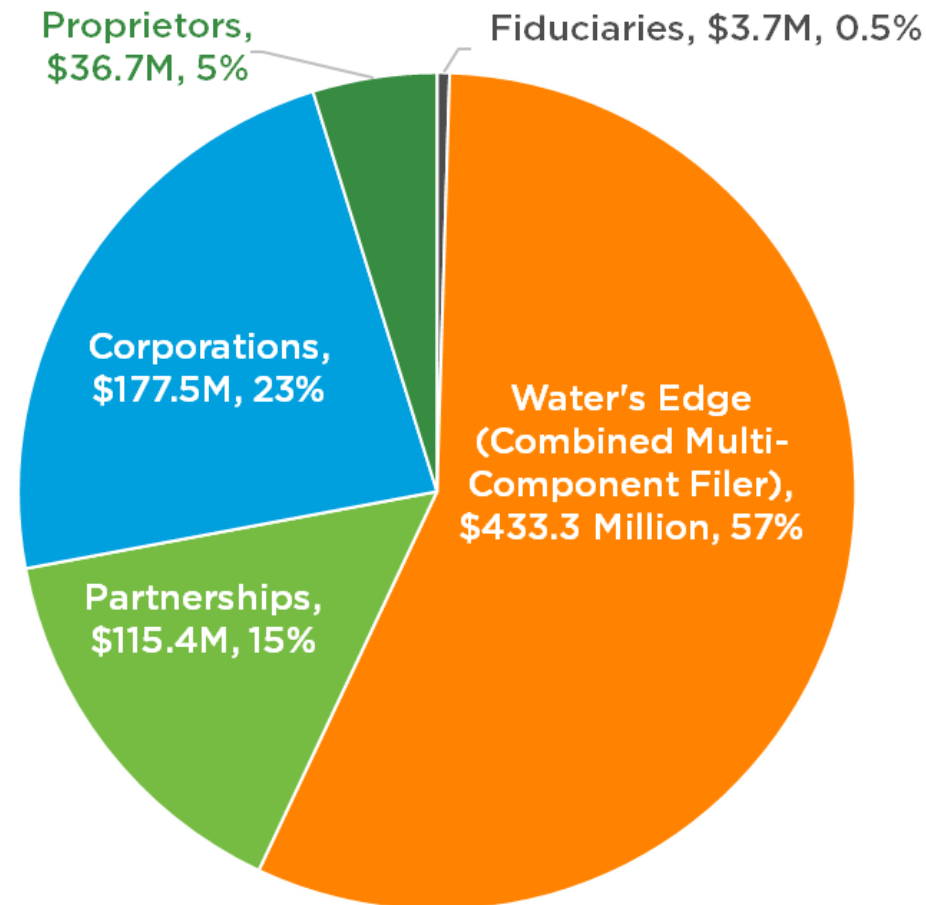


MULTI-COMPONENT FILERS PAID MAJORITY OF BUSINESS PROFITS TAX RECEIPTS

BUSINESS PROFITS TAX FILERS BY LIABILITY

Tax Year 2021

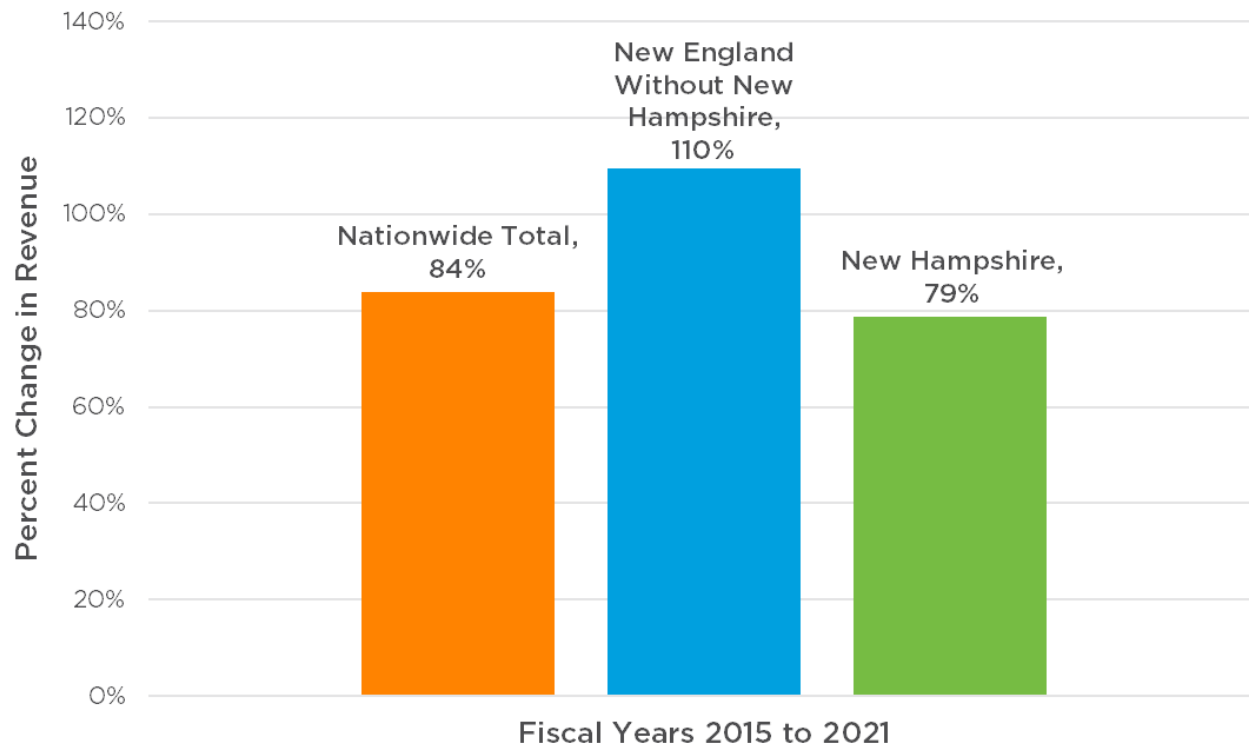
Source: New Hampshire Department of Revenue Administration, 2023 Annual Report



CORPORATE TAX REVENUES IN OTHER STATES SUGGEST NATIONWIDE FACTORS

CHANGE IN STATE CORPORATE TAX REVENUES, FISCAL YEARS 2015-2021

Nationwide and New England Aggregate Figures as Reported by the U.S. Census Bureau, New Hampshire Data from State Financial Audits



Note: New Hampshire data based on Annual Comprehensive Financial Reports, others based on U.S. Census Bureau data. Data for New Hampshire in the U.S. Census Bureau Collections appeared to include an error.

Sources: U.S. Census Bureau, Annual Survey of State Government Finances; New Hampshire Annual Comprehensive Financial Reports

KEY TAKEAWAYS

- Median household income fell behind inflation in 2022
- About one in three Granite State adults report that paying for usual expenses is very or somewhat difficult in 2023
- Recent months show slowing inflation with continued job growth nationally
- State-level wages have only kept pace with inflation in certain industries since 2021
- Workforce constraints have limited employment growth in New Hampshire, slowing State economy overall
- State business tax revenues continue to increase, which likely reflects profits rising nationally rather than robust growth particular to New Hampshire's economy

ADDITIONAL RESOURCES

- Issue Brief: Granite State Workers and Employers Face Rising Costs and Significant Economic Constraints – August 31, 2023:
<https://nhfpi.org/resource/granite-state-workers-and-employers-face-rising-costs-and-significant-economic-constraints/>
- Blog: Latest Census Bureau Data Show Median Household Income Fell Behind Inflation, Tax Credit Expirations Increased Poverty – September 22, 2023:
<https://nhfpi.org/blog/latest-census-bureau-data-show-median-household-income-fell-behind-inflation-tax-credit-expirations-increased-poverty/>
- Resource Page: Economy
<https://nhfpi.org/topic/economy/>



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