The Class of 1964 Policy Research Shop
—Celebrating 10 Years of Service to New Hampshire and Vermont—

THE SILVER TSUNAMI

Analyzing the Impact of New Hampshire's Aging Population

Presented to Representative Neal Kurk, Chairman, House Finance Committee

Prepared By:

Sam Libby
Katie Schultz

TABLE OF CONTENTS

EXECUTIVE SUMMARY

This report addresses the problem of New Hampshire's aging population. Major demographic changes in recent years will dramatically shift the population breakdown of the Granite State, particularly as the Baby Boomers approach retirement. In this report, we examine these trends and propose solutions for New Hampshire policymakers to combat proactively the relative rise in the elderly population and the decline in the young and middle age demographics. We begin by discussing the general trends and problems facing the state. We then break down the report by policy arena, focusing on education, transportation, housing, business development, and New Hampshire's image compared to other states. In each section, we highlight trends specific to the policy area before diving into solutions the state can employ to help mitigate the socioeconomic consequences caused by a dramatic shift in the population pyramid. We conclude by exploring areas for future research and policy development.

I. PROBLEM STATEMENT

The "silver tsunami" in New Hampshire is not unique to the state. Often contextualized by the rapid retirement of the Baby Boomer generation in recent decades, the entire nation is experiencing an aging population. The U.S. Census Bureau has projected that around 10,000 baby boomers will turn 65, nearly the full retirement age, every day until the year 2030.[1] The retirement of this unusually large generation relates closely to concerns over the looming insolvency of Social Security and rising healthcare costs in the United States. While this problem is nationally documented, the following report focuses on the severity of New Hampshire's aging crisis compared to other states and the specific problems New Hampshire faces that may not appear in broader national studies.

In New Hampshire, predictions show that over half a million residents, or nearly one third of the state's population, will be 65 years or older by 2030.[2] According to a national analysis, New Hampshire is the fourth oldest state with a median age of 41.1 years, exceeded only by West Virginia (41.3) and its neighbors Vermont (41.5) and Maine (42.7).[3] Some of the younger states include Utah (29.2), the youngest, Alaska (33.8), Washington, D.C. (33.8) and Idaho (34.6).[4]

In addition to its aging population, the state has experienced positive population growth at a rate of 7.2 percent annually based on figures from the 2010 Census. New Hampshire's growth rate between 2000 and 2009, however, is less than the national average of 9.1 percent, ranking New Hampshire 24th among all states.[5] Recently, the rate of population growth has declined to 0.3 percent between April 2010 and July 2012 due in part to migration patterns. While New Hampshire gained on net 5,094 residents (births minus deaths) over this period, it lost 389 residents on net from migration out of the state.[6] Thus, while birth and death rates are still producing a positive increase in New Hampshire's population, net migration out of the state may cause a problem if it is among younger populations while older generations remain in the state.

In addition to the silver tsunami facing New Hampshire, the state is also facing what many term a 'brain drain,' whereby the young and educated population is moving out of the state.[7] Demographer Ken Johnson of the University of New Hampshire's Carey Institute observed that the population of people aged 25 to 34 years old declined by 23 percent between 1990 and 2000.[8] Furthermore, 32 percent of 'young professionals' today claim they plan to move out of New Hampshire within five years.[9]

In 2008, New Hampshire Governor John Lynch created through executive order the Task Force for the Retention and Recruitment of a Young Workforce for New Hampshire. The task force presented a range of solutions for retaining young people, from formally promoting New Hampshire as a launching pad for life, to building a *Stay, Work, Play* website, establishing affiliated student loan assistance programs and business awards, and improving childcare options for young professionals. This report aims to build upon and revisit those potential solutions while also exploring new areas for policy action to mitigate the potential effects of New Hampshire's rapidly aging population.

II. EDUCATION

The following section outlines New Hampshire's college education system, its graduates, and possible incentives for students to remain in the state to work upon graduation. The section concludes with an analysis of the city of Philadelphia as a case study for retaining young graduates. Additionally, it explores similarities between the Campus Philly online platform and New Hampshire's *Stay, Work, Play* website and program.

2.1 State of New Hampshire

Retaining young educated people will allow innovation and growth, contributing to the overall health of the state's economy. Recent surveys of college seniors in the University System of New Hampshire (USNH), however, show that graduating students are hesitant to stay in the state. In a 2007 study, 41 percent of students indicated they probably or definitely want to stay in New Hampshire following graduation while 37 percent stated they probably or definitely do not. The remaining 22 percent were undecided.[10] Of those planning to leave, 28 percent cited job offers, opportunities, and salaries as the primary reason. An additional 25 percent cited a desire for change, in terms of urban living or more diversity, as the primary reason.[11]

While recent graduates may not believe New Hampshire can or will offer them the employment opportunities and cultural community they desire, many believe New Hampshire is an excellent state in which to raise a family. In the same survey, 52 percent of graduating seniors indicated that they would probably or definitely consider returning to New Hampshire after moving away.[12] The perception that young people view the state positively, particularly if they see New Hampshire as a good environment to raise children, could help mitigate the brain drain and other harmful effects of talented young people leaving the state.

In addition to the primary reasons listed above, the cost of a college education in New Hampshire may place additional stress on the need for better job opportunities. A 2009 report by the Governor's Task Force for the Recruitment and Retention of a Young Workforce for the State of New Hampshire cited two important figures. First, the average debt for a New Hampshire graduate is $25,211. Second, 74 percent of New Hampshire graduates are leaving college with debt.[13] Because debt is a major factor facing recent college graduates, young people may seek out jobs in lower cost areas that allow them to better repay their loans. New Hampshire may institute loan forgiveness programs contingent on remaining in the state that would help retain young graduates.

2.2 Current Programs

Several programs have been established in the past decade in response to changing demographics as they relate to college education. In the following subsections, we outline the *55% Initiative* formed by the USNH and the *Stay, Work, Play* nonprofit formed following the release of a report by Governor Hassan. Notably, these programs have highlighted an intense focus aimed at retaining youth, though because they originate from different sources, they suffer from a lack of coordination and clear data metrics.

2.2.1 55% Initiative

Announced in 2007 by USNH Chancellor Stephen Reno, the *55% Initiative* aimed to promote New Hampshire to future college graduates and increase the number of graduates who remain in the state.[14] Its goal was to retain 55 percent of New Hampshire graduates, and in 2007, 53 percent of overall degree holders were staying in the state. By the Initiative's analysis, the state only needed an additional 323 students to remain in New Hampshire beyond graduation, resulting in an economic impact of $22 million, expanding to $327 million over five years with an increase of 1615 jobs filled.[15] Figure 2 below shows a further breakdown of those statistics.

Table 1: Potential Economic Effects of Reaching 55% Retention of College Graduates[16]

% of Grads By Sex	# Annual 4-yr Grads	66% Leave Upon Grad	% In Workforce	# In Workforce	# Needed to Stay	Earnings At $45k Per Yr	1.5x Impact Multiplier
F (57%)	4,677	3,087	70%	2,161	164	$7,380,000	$11,070,000
M (43%)	3,528	2,329	90%	2,096	159	$7,155,000	$10,732,500
Totals	8,205	5,415		4,256	323	$14,535,000	$21,802,500
Cumulative # Jobs Filled (5 Yrs): 1,615; Cumulative Impact: $327,037,500							

In short, the initiative estimated that the additional recruitment of only a few hundred students per year could lead to an enormous economic impact on the state. Spearheaded by USNH, the report generated a number of statistics and a compact study of the movement and plans of college graduates coming out of New Hampshire, but it did not offer policy recommendations.

2.2.2 Stay, Work, Play

In New Hampshire, the report produced by the Governor's Task Force for the Recruitment and Retention of a Young Workforce resulted in the creation of the 501(c)3 nonprofit *Stay, Work, Play*. The organization works to promote the state as a "favorable place for young workers and recent college graduates to stay, work and play, when considering employment and life-style opportunities."[17]

While most of their programming is condensed on an online platform and through community outreach, *Stay, Work, Play* also includes an arm that works to create educational incentives for college students to continue living in New Hampshire upon graduation. For example, the website hosts an internship portal to connect students to local employers and increase opportunities for during, and potentially following, college careers.[18]

Perhaps of more interest to members of the New Hampshire state government is the Stay Work Play Challenge Grant. This incentive program partners with New Hampshire employers who agree to pay $8,000 to newly hired graduates over their first four years of employment to aid in loan repayment.[19] The program, however, lacks the support it needs to expand beyond its six participating employers and current minimal funding for operating costs and additional grants.[20] While the nonprofit has met with representatives of the New Hampshire government, including the Governor's office, regarding a potential partnership for additional support, no official relationship has been established.[21] Nevertheless, the potential merits of the program are strong: young people agree to stay in the state, producing economic benefits, and participating companies receive the retention benefits of guaranteed employees.[22] *Stay, Work, Play* does not keep metrics on participation or success rates of the program; it is part of their strategic plan to begin doing so.[23]

2.3 Philadelphia as a Case Study

Similar to New Hampshire's *Stay, Work, Play* program, Philadelphia has launched a non-profit organization with an extensive online platform that focuses solely on the educational component of retaining young workers. Campus Philly's mission aims to "[fuel] economic growth by encouraging college students to study, explore, live and work in the Greater Philadelphia tri-state region."[24] A main focus of the organization is to connect students to local employers through internships and to the community through leadership and additional targeted programming.[25] The organization is housed through a website that garners heavy viewership, boasting 129,948 visitors and 276,735 page views in the Campus Philly 2015 Annual Report.[26] This wide reach proves that Campus Philly represents a good case study for further analysis.

2.3.1 Internship Program

Campus Philly runs an extensive internship matching program to help connect students with potential future employers. The organizations claims that "research shows that good internship experiences are 'sticky' – they connect students to the region's employers and civic life, increase future work opportunities and increase the likelihood that students will stay in the region after they graduate."[27] The organization launched its online internship matching platform in 2015. Within the 2014-2015 year: 4,304 student profiles were created; 1.286 employees posted over 3,000 active opportunities; and 2.876 students participated in online internship fairs.[28]

A report on recent college graduates from the Philadelphia region shows that of students with summer internship experience, 71 percent of those whose experiences were located in the Philadelphia region chose to stay in Philadelphia compared to only 47 percent of those with internship experience outside of Philadelphia who chose to remain.[29] Additionally, 81 percent of those with internship experience are employed after graduation compared to 73 percent of those with no internship experience. Since beginning its reports in 2010, Campus Philly has seen an increase in the number of students taking advantage of internships with 62 percent holding one before graduation in 2010 compared to 81 percent in 2014.[30]

2.3.2 Administrative Structure

Campus Philly partnerships include 31 colleges and universities working in conjunction with 26 corporate members.[31] Even though New Hampshire only has 21 institutions of higher education, Campus Philly's budget is comparable to state-funded programs, with a $1,050,250 budget in FY 2014 with 85 percent spent on student engagement, internship and career programs.[32] The revenue breakdown consisted of 37 percent government support, 25 percent college and university partnerships, 23 percent corporate partnerships and sponsorships, 9 percent foundations and grants, and 6 percent earned revenue.[33] Because the program relies on funding from non-government institutions, it appeals to a small state like New Hampshire, allowing a similar program in the Granite State to leverage partnerships to reduce the financial burden on the state.

III. TRANSPORTATION

This section discusses the changes in New Hampshire's transportation system that will happen due to an aging population. It outlines the current state of transportation in New Hampshire before exploring policies aimed at serving seniors and attracting Millennials.

3.1 Current State of Transportation

As New Hampshire's population ages, its transportation system confronts new challenges. As of 2010, the Federal Highway Administration reports roughly 155,000

licensed drivers age 65 or older. This number constitutes about 15 percent of its total number of licensed drivers.[34]

Figure 1: New Hampshire Driver Distribution
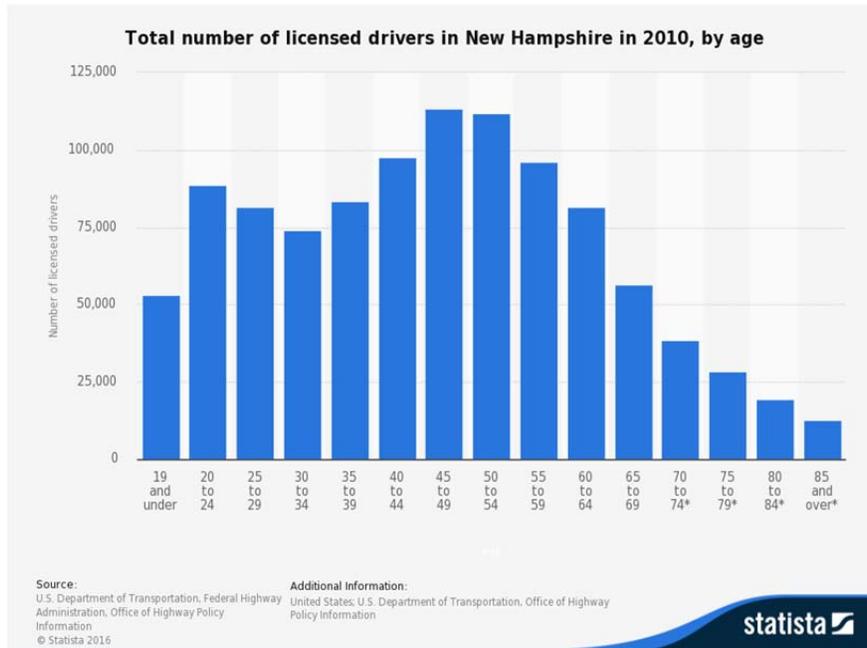
Drivers in New Hampshire must renew their licenses every five years. The state previously required all drivers over the age of 75 to pass a road test; however, this mandate was repealed in 2011. Several states have additional requirements on elderly drivers, such as in-person renewal, mandatory eye and road tests, and more frequent renewal.[35] Coughlin (2001) finds through focus groups and interviews with the elderly a link between transportation and independence, with the car serving as the primary means of transportation. Even in cities, the older citizens prefer driving over public transportation and reliance on friends and family.[36] New Hampshire has a limited public transportation infrastructure. Only 0.8 percent of the population utilizes public transit services compared to 5.1 percent for the entire nation.[37] While southern New Hampshire and the Upper Valley have bus systems in place, transportation issues in the state center around the car and the roads.

3.2 Policies for Seniors

New Hampshire can institute a number of policies based on empirical research that will aid seniors in their transition away from the road and toward maintaining their quality of life. Dickerson et. al. (2007) describe a continuum whereby the elderly transition slowly away from driving. At each step in the process, the elderly require assistance adjusting to a life away from the automobile. They discuss techniques aimed at prolonging the ability of elderly Americans to drive, such as screening both at the home and by physicians,

rehabilitation, vehicle modifications, and redesigned roads. The transition away from driving is largely a gradual process made in consultation with family members. Once the elderly can no longer drive, older adults must either take advantage of family or alternative services, such as public paratransit.[38]

Figure 2: Aging Progression
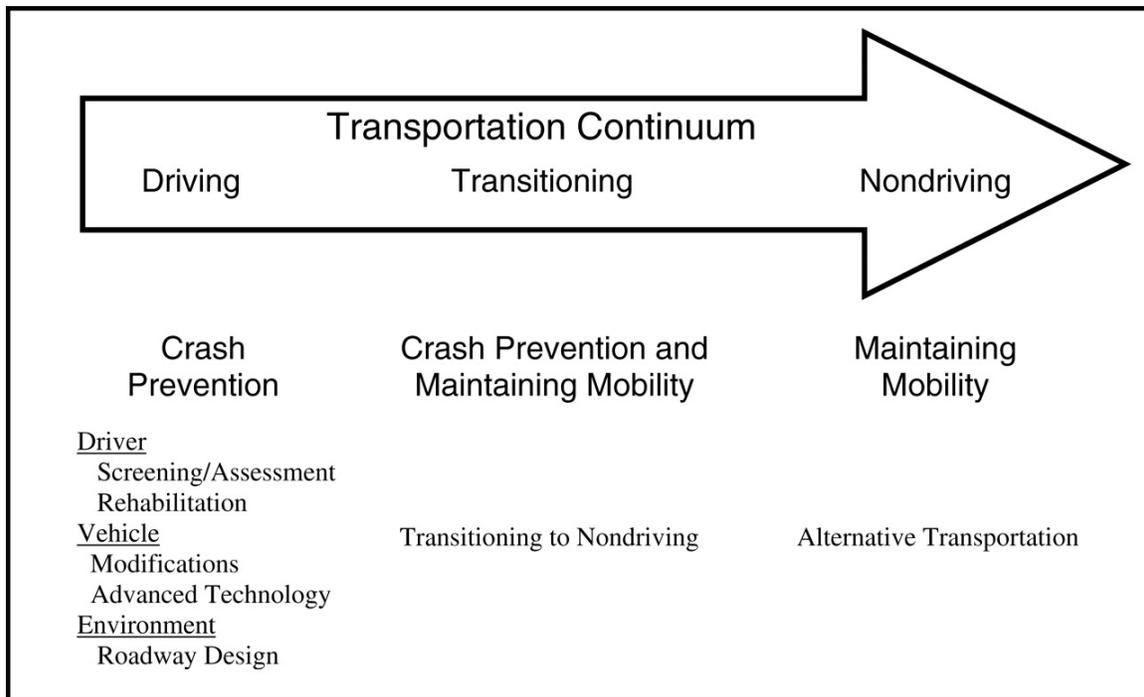
Adler and Rottunda (2006) suggest that elderly drivers stop driving based upon health limitations, either in consultation with family or on their own. They offer self-evaluations and state examinations as potential policy solutions to prompt the elderly to think critically about their continued ability to drive safely.[39] Criticisms of mandatory evaluations by either a physician or at the home center largely on limited government and implementation hurdles.

Stepaniuk et. al. (2008) conducted a small pilot study with two treatment groups, giving one group transit training and a second group both training and a free bus pass. They found that those who received training were more likely to use public transportation, but their study was limited in both sample size and research design.[40] Nonetheless, given the limited public transportation infrastructure in New Hampshire, implementing a voucher program could encourage public transit use and help transition seniors away from the roads.

Several other American cities have programs that New Hampshire could mimic to promote senior mobility. The National Center on Senior Transportation describes volunteer transportation programs, whereby volunteer drivers provide rides to seniors

without vehicles, forming relationships with seniors in addition to providing them transportation services. These programs, funded by grants and user fees, exist throughout the country, including in Wood-Ridge, New Jersey, Knoxville, Tennessee, and Pasadena, Maryland.[41]

3.3 Policies to Attract Youth

In addition to solving the problem of diminishing elderly mobility, New Hampshire must also confront Millennial preferences with respect to its transportation system. Millennials prefer biking or riding the bus above all other forms of transportation, with driving the least-preferred mode. They view cars as expensive and prefer using multiple modes of transportation, with the average of three methods of transportation per trip.[42] Millennials living in cities especially prefer transportation options, with 86 percent desiring public transportation. The cost is the key concern for Millennials, as 64 percent cite the expense as a major factor and 92 percent making under $30,000 desire affordable public transit options.[43]

Millennials tend to work more while traveling, explaining some of their preference for non-driving means of transportation. They desire constant cellular connectivity, particularly as many occupations require constant accessibility. Survey data suggests Millennials are more conscious of the environmental impact of cars, reflecting greater Millennial attention to climate change.[44]

In light of these preferences, New Hampshire can pursue several policy options. Currently, the state is pursuing a $800 million widening of Interstate 93 between Salem and Manchester. To be completed by 2020, the project aims to widen the highway from two to four lanes in each direction, repair damaged bridges, and reconstruct interchanges.[45] Traffic on I-93 has seen growth rates of more than 50 percent in the past two decades, with projections indicating further congestion.[46] The average American car-owning household pays $1,700 per year in congestion-related costs.[47] Because of Millennial preferences for mobility and connectivity, this project, if successful, may encourage some to remain in the state.

Given Millennial desire for public transportation, New Hampshire can also pursue a high-speed rail link between Manchester and Boston. The lack of a high-speed rail line linking Massachusetts and New Hampshire has limited the 13 percent of New Hampshire workers commuting to Massachusetts to either commuter bus or driving on I-93.[48] Millennials employed in Boston may not even consider living in New Hampshire due to this lack of transportation options. The project, dubbed the Capitol Corridor, would link Concord and Manchester with Lowell and the Massachusetts Bay Transit Authority commuter rail network. The New Hampshire Department of Transportation estimates that a commuter rail line to Manchester would cost $245.6 million in capital costs and $10.8 million in annual operations and maintenance costs, with potential for federal funding. Other options include dedicated bus lanes in the shoulder of the highway and other intercity bus lines. The Department of Transportation projects daily ridership of 3,130 for

the Manchester rail line, which was the most cost effective rail option.[49] If true, this figure would only represent 0.4 percent[1] of the state's working age population.[50] The benefits of this option, however, remain unclear, as the New Hampshire Senate Transportation committee voted on party lines to reject a $4 million study.[51] Nonetheless, public transportation represents an opportunity for New Hampshire to reduce its reliance on its road network, particularly as it ages and requires increased maintenance and funding. A more robust public transportation system would appeal both to elderly residents unable or unwilling to drive and Millennials seeking to avoid the financial burden of a purchasing and maintaining a car.

IV. HOUSING

This section discusses the evolution of the housing sector in New Hampshire. The section focuses first on New Hampshire's elderly population, its current living situation, and preferences for seniors as they age. It then explores programs targeted at Millennials in other states in light of housing preferences.

4.1 Elderly Housing Trends

As the elderly age, they face two types of aging methods: "aging in place" and "aging in community." Those who age in place alter their homes to accommodate decreased mobility by modifying their bathrooms, renovating their floors, and adding rails and ramps. In contrast, those who age in community move to retirement homes designed specifically to accommodate them.[52] Aging in place also eventually requires in-home hospice care or nurse services, while nursing homes provide that care within the sticker price.

Elderly poverty in New Hampshire is much lower than the nation at large, with a poverty rate for those age 65 and older of 5.9 percent compared to 9.4 percent for the entire nation. Home ownership rates have consistently trended higher for Americans over the age of 65, with 81.6 percent owning their homes in quarter two 2012. These homeowners are unlikely to bear the effects of the Great Recession, as they have likely possessed their houses for a longer period of time. The Recession also appeared to have delayed the transition to retirement homes, consistent with elderly preferences.[53]

New Hampshire has far more old houses than the national average, with 21.3 percent of homes built before 1939 compared to 13.3 percent for the entire nation.[54] While this trend may not have posed a problem to New Hampshire residents when they first purchased their homes, as many approach their twilight years, they must make modifications to their already-old homes or move to accommodate their diminished mobility. Most seniors do not plan on moving, with 75 percent nationally planning on remaining in their homes

---

[1] Calculated using the percentage of the population between 18 and 65 (63.7 percent), or 847,597 persons, as the denominator.

until death and 34 percent proactively making updates to their bathrooms to accommodate aging.[55]

The elderly who are considering aging in place compared to aging in community must weigh the costs against the hassles of moving out, being away from children, and sacrificing mobility. Yet a 2011 study by Rantz et al found that aging in place programs saw lower costs than comparable nursing home care. While these researchers only focused on one program in Missouri, their results suggest that nursing home care is significantly more expensive than aging in place.[56] Seniors seem to feel comfortable about living in their communities, with 78 percent reporting general satisfaction with their local infrastructure.[57] New Hampshire's elderly may also benefit from a large presence of seasonal homes, as many vacation homes have become homes for older residents.[58]

4.2 Millennial Housing Developments

4.2.1 Issues Concerning Millennial Housing

The housing landscape in New Hampshire is not well suited to attract Millennials. While young people prefer to live in cities with good public transportation, New Hampshire is largely rural with few established public transportation networks. In the more rural areas, homes are far from highways, and the small and declining population in rural New Hampshire may discourage young people from moving into the more remote parts of the state.[59]

Young adults may have to compete with the elderly given limited housing supply in the Granite State. Baby Boomers and Millennials both desire cheap, minimalist spaces, and while youth looking to move to the state face a more difficult credit atmosphere, the elderly may be unable to afford to move. The Granite State also has 20,000 foreclosed homes leftover from the Great Recession, posing a supply challenge that has led to decreased home construction. Millennials fear debt overburdening them for the rest of their lives, with 75 percent facing some form of student debt. They resist purchasing a home and taking out a mortgage on top of their burdensome student loans. Fueling trouble on the supply-side of the housing market are regulations at the local level, with planning boards fearing over development that could undermine the small-town, New England feel of the state's rural communities.[60]

A University of New Hampshire poll found that affordable housing is a major concern for New Hampshire residents, with 88 percent viewing affordability a problem and 82 percent noting the difficulty facing young people.[61] Millennials and other buyers looking for starter homes priced at $179,000 cannot receive the credit necessary to close a mortgage.[62]

4.2.2 Solutions for Housing Millennials

Attracting young talent is key to retaining young people. The presence of younger workers fuels the local economy, creating additional jobs and ensuring they remain.[63] The Granite State has done little to incentivize young adults to purchase homes in the state, further exacerbating their exodus. Across the country, cities and states have pursued policies that ease the financial burden on young adults looking to establish permanent residence. Maryland offers a "You've Earned It" program, whereby borrowers with over $25,000 in student loan debt can receive down payment assistance and a reduction in the overall loan rate.[64] High demand caused the first phase of the program to run out of money in two months.[65] New Hampshire could institute a similar program on a broader scale to encourage home purchases, which would tie Millennials semi-permanently to the state.

New Hampshire could also partner with the private sector to incentivize companies to ease the housing burden on their employees. In Detroit, Quicken Loans and Compuware sponsor a "Live Downtown" program that offers up to $20,000 in loans to home buyers and $2,500 in rent assistance to prospective homeowners who wish to live in downtown Detroit.[66] By partnering with local businesses, Detroit avoids putting forward its own money and can leverage its private sector connections, strengthening companies' ties to the city. The program could appeal to more urban areas in the southern portion of the state, especially since Millennials prefer to live in cities.

V. BUSINESS DEVELOPMENT

This section covers the changes in New Hampshire's business climate. The section discusses changes in the workforce, new industries attractive to young people, and the link between employer needs and the evolving labor force's capacity. Finally, the section examines business policies that will incentivize young people to remain in the state.

5.1 Workforce projections and business needs

New Hampshire has weathered the Great Recession comparatively well. The unemployment rate in the Granite State has fallen to 2.6 percent as of March 2016, lower than the national rate of 5.0 percent and only second to South Dakota's unemployment rate of 2.5 percent.[67] However, New Hampshire's economy may be reaching full employment, as its labor force participation rate is 68.4 percent compared to the national rate of 63 percent, signaling New Hampshire is performing noticeably better than the rest of the nation.[68]

Despite New Hampshire's relative success, however, it should not remain complacent given broader economic trends. While its unemployment rate remains the second lowest, as the Baby Boomers retire, the size of the labor force is projected to decrease, leading to decreased output if New Hampshire does not find replacement workers. Even though its

labor force participation rate remains relatively high, it has declined over the past decade, with future decreases possible given additional aging. Moreover, New Hampshire has recently seen lower economic growth than the rest of the country. To correct this trend, New Hampshire could increase the size of its workforce by reversing migration trends, increase productivity, or incentivize investment. Growth in capital has declined over the past four decades, from 89.9 percent growth from 1970 to 1980 to 24 percent from 2000 to 2010. New Hampshire could boost capital investment through research and development, corporate tax reform, or incentivizing saving.[69]

While New Hampshire has a comparative advantage than other states in attracting individuals given its nonexistent income and sales taxes, its corporate tax rate is 8.5 percent and its interest and dividends tax rate is 5 percent.[70] Even though the state relies heavily on property taxes, the business tax could be a disincentive to businesses looking to invest in New Hampshire. While Vermont has the same corporate tax rate of 8.5 percent and Massachusetts has a slightly lower rate of 8.0 percent, six states levy no corporate income taxes, and only ten states have higher top marginal tax rates than New Hampshire.[71]

As the elderly retire, they tend to switch to part-time employment before phasing completely out of the workforce. Employer-provided insurance also increases the probability of retiring earlier, and employer-provided financial literacy training increases senior wealth accumulation.[72] New Hampshire could provide tax credits for financial literacy training or insurance to incentivize seniors to save enough money for retirement.

Figure 3: Elderly Income Sources

Share of Aggregate Income for the Population Aged 65 and Over by Source: 2010

(For information on confidentiality protection, sampling error, nonsampling error, and definitions, see *www.census.gov/cps/methodology/*)

Other 3.1%
Asset income 11.4%
Pensions 18.6%
Social Security 36.7%
Earnings 30.2%
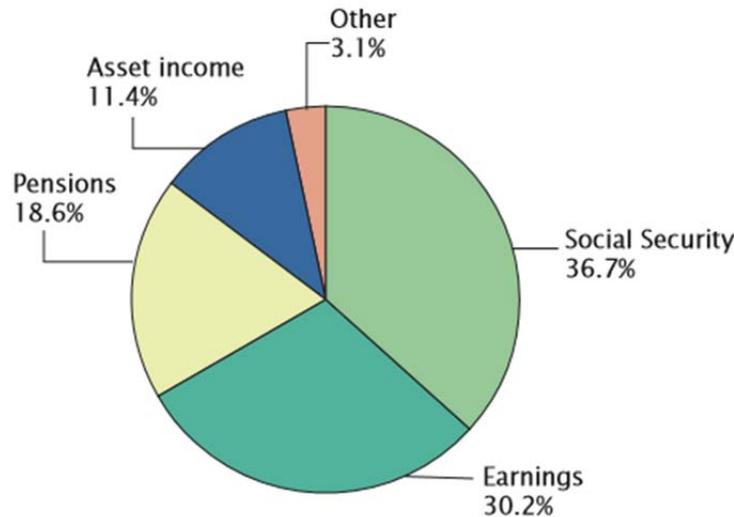
Note: The reference population of the survey is the civilian noninstitutionalized population.
Source: Social Security Administration, 2012b; Current Population Survey, Annual Social and Economic Supplement (ASEC), 2011.

5.2 Youth Policies

Attracting Millennials to the state will prove a major challenge for New Hampshire. A 2016 global survey by Deloitte found that 66 percent of Millennials plan to change jobs in the next four years. Values may also influence Millennial employment preferences, as 70 percent believe their employers share their values. Furthermore, for Millennials, the ability to work remotely is important, with 75 percent desiring more flexibility with their work location.[73]

Working from home may not be possible in some industries in New Hampshire, while others are well suited to encouraging telecommuting or remote access. The largest employer in New Hampshire, Dartmouth-Hitchcock Medical Center, cannot easily have its doctors telecommute, but in other sectors, employees could work remotely. The second-largest industry in Boston, finance and insurance, has 38,389 employees and generally could accommodate remote access.[74] The State of New Hampshire could explore policies or agreements with these companies to promote remote access and encourage Millennials to remain in New Hampshire.

New Hampshire's largest sector is smart manufacturing/high technology, which accounted for 18 percent of New Hampshire residents' 2013 compensation. The public sector and health care sectors have grown in recent years, and the creative economy

occupies a notable four percent of the economy, which represents a higher proportion than the rest of the country.[75] Because these sectors are attractive to Millennials—particularly the creative economy—New Hampshire can institute policies to attract Millennials employed in these sectors and encourage them to remain in the state.

VI. BRANDING NEW HAMPSHIRE

Building a brand that both interests and suits young people economically, culturally, and geographically could help retain Millennials. In addition, advertising that brand is a critical part of convincing individuals that New Hampshire is the right place to start their career, build a family, and spend their lives. The following section outlines the current perception of New Hampshire, defines the state's strengths and weakness, and details advertising campaigns championed by other cities and states across the country that could prove useful examples.

6.1 Strengths and Weaknesses

The Governor's Task Force for the Recruitment and Retention of a Young Workforce outlines several of the state's strengths and weaknesses. First, New Hampshire is seen as a good place to live and work with a plethora of outdoor destinations and activities.[76] Not every state can claim the hiking and skiing opportunities that New Hampshire houses. With mountains, lakes, and rivers, New Hampshire is a great place for outdoor enthusiasts. Additionally, the state can boast the sixth highest per capita income according to the U.S. Census, and was the fifth healthiest state in 2015 as ranked by the United Health Foundation.[77] With these qualities in mind, New Hampshire should be seen as an excellent place to live and build a life.

The state's branding weaknesses, however, must also be taken into account. First and foremost, people do perceive the state as having a shortage of young people, largely stemming from a lack of jobs for young workers, low salaries, and lack of affordable housing.[78] Additionally, people complain there is nothing to do in New Hampshire.[79] While these weaknesses may not necessarily be true, perception is critical: New Hampshire has proved itself unable to combat the negative image it is currently garnering.

Reported demographic shifts have likely not escaped perceptions of its young residents, who know they live in an "old" state. In addition, the state is overwhelmingly white compared to many of the cities where Millennials are choosing to live. As of 2014, statistics from the U.S. Census Bureau show that New Hampshire is 94 percent white.[80] Many cities that Millennials are known to flock towards boast very different statistics. New York City is 44 percent white with large black and Hispanic populations; Boston, more entrenched in the Northeast, is nearly 54 percent white with similarly proportioned black and Hispanic populations.[81] While some New Hampshire cities like Manchester and Nashua, which are approximately 86 and 84 percent white respectively, may show

greater diversity, the perception of a lack of racial heterogeneity compared to nearby metropolises harms New Hampshire's brand with Millennials.

The Governor's Task Force therefore argued that the best path forward would be to augment New Hampshire's current brand and strengths to appeal to wider demographics. [82] Continuing to build upon Philadelphia as a case study for New Hampshire, the city provides an important lesson in strengths and weaknesses when it comes to Millennials. One source claims: "Young adults – members of the nation's vast Millennial generation – are drawn to the city by its vibrancy, diversity, culture, and nightlife. But many of them voice a familiar set of concerns about life in the city, bemoaning the dirty streets, the crime, and the perennially troubled school system."[83] Fortunately, New Hampshire has little crime and presents itself as a good place to raise a family, as the Governor's Task Force emphasized.

6.2 Advertising Campaigns

One common approach to changing public perception regarding a state or city is through advertising campaigns, as have been common in recent years among many localities. Philadelphia has run advertisement campaigns targeting Millennials ridiculing the price of a cocktail in New York City.[84] New Hampshire could possibly develop a similar formula to advertise to residents in nearby metropolises such as Boston.

6.2.1 Columbus as a Case Study

Columbus, Ohio, a city of roughly 820,000, has in recent years launched a massive advertising campaign spanning from Washington, D.C. to Chicago in attempts to market the growing Midwestern city to young professionals. In addition to physical advertisements in metro stations and along highways, the Columbus Convention and Visitor's Bureau has pushed a massive social media campaign and website online.[85]

Columbus and New Hampshire suffer from the same perception problem: that nothing that "sticks out" in people's minds. [86] Thus, the new campaign aims to highlight Columbus as a lively atmosphere with art, sports, and diversity. A video on the LifeinCbus website shows a gay couple holding hands with their son and minority business owners. [87] Advertisers believe Millennials are looking for this type of atmosphere when looking to move from other major U.S. cities.

While actual moves as a result of direct advertising may be negligible according to Rolf Pendall, the urban demographer says that the targeted advertising campaign could prove that the city is worth additional investment, thus potentially bringing more business to the area.[88] Since the city is expected to add 500,000 to its population by 2050,[89] Columbus may prove an example for New Hampshire should it choose to pursue a similar targeted advertising blitz.

VII. CONCLUSION

The impending silver tsunami of New Hampshire's elderly population growing at the expense of its youth has few easy solutions. Major demographic changes, prompted by shifts in the preferences of younger adults, have led to an uncertain policy landscape in New Hampshire. While migration into the state has declined and economic growth has slowed, policies exist to combat these trends and address the major challenges facing the state before the Baby Boomers fully retire. The situation in the state is far from hopeless. Policies such as student loan forgiveness, investments in public transportation, and mortgage subsidies may help rebrand New Hampshire to a new generation of young adults. While policymakers may weigh the costs of these programs against the expected benefits they may provide, inaction may perpetuate the negative trends of an aging population beyond repair.

Although this report discusses several policy areas and explores many potential solutions, further research could explore each policy area in depth and offer detailed analysis on its potential to reverse New Hampshire's aging trends. We only provide a high-level overview of potential policy solutions. Despite the potential for a major, potentially permanent demographic shift, New Hampshire still has time to weather the silver tsunami.

REFERENCES

---

[1] "Training for the Silver Tsunami." *SAFEbuilt, Inc.* December 16, 2014.
http://icma.org/en/Article/105311/Training_for_the_Silver_Tsunami

[2] Norton, Steve. 2011. "NH's Silver Tsunami: Aging and the Healthcare System Report."
New Hampshire Center for Public Policy Studies.
http://www.nhpolicy.org/UploadedFiles/Reports/aging_and_the_healthcare_system_final
.pdf

[3] Uriona, Carla and Evan Potler. 2011. "Infographic: The Aging States of America." *Pew
Charitable Trusts.* http://www.pewtrusts.org/en/research-and-
analysis/blogs/stateline/2011/08/26/infographic-the-aging-states-of-america

[4] Ibid.

[5] Norton 2011.

[6] Ibid.

[7] "Report of the Governor's Task Force for the Recruitment and Retention of a Young
Workforce for the State of New Hampshire." 2009. *State of New Hampshire.*
http://stayworkplay.org/wp-content/uploads/governors-task-force_finalreport.pdf

[8] Ibid.

[9] Ibid.

[10] Fowler, Tracy and Andrew Smith. 2007. "University System of New Hampshire
Seniors Survey." *University of New Hampshire Survey Center.*
http://stayworkplay.org/wp-content/uploads/USNH-Senior-Report-FINAL_2007.pdf

[11] Ibid.

[12] Ibid.

[13] Governor's Task Force 2009.

[14] Cookson, Matt. 2008. "The 55% Initiative: A collective effort to keep college
graduates in NH." *Stay, Work, Play.* http://stayworkplay.org/wp-
content/uploads/55Initiative_white-paper_Jan2008.pdf

[15] Ibid.

[16] Ibid.

[17] "Stay, Work, Play New Hampshire." 2016. http://stayworkplay.org/about-us/

[18] Ibid.

[19] Ibid.

[20] Kate Luczko, President and CEO, Stay Work Play. Interview. 16 Feb. 2016.

[21] Ibid.

[22] Ibid.

[23] Ibid.

[24] "Campus Philly: Where Students Meet Their Philadelphia." 2016.
http://campusphilly.org/

[25] Ibid.

[26] "2015 Annual Report." *Campus Philly*, 2015. http://campusphilly.org/wp-
content/uploads/2015/12/CampusPhilly-2015AnnualReport.pdf

[27] Campus Philly 2016.

[28] 2015 Annual Report.

[29] "Choosing Philadelphia: 2014 Report on Recent College Graduates." *Campus Philly*, 2014. http://campusphilly.org/wp-content/uploads/2014/12/CampusPhilly-ChoosingPHL-summary.pdf

[30] Ibid.

[31] Ibid.

[32] 2015 Annual Report.

[33] Ibid.

[34] "Total number of licensed drivers in New Hampshire in 2010, by age." *Statistica*, 2016. http://www.statista.com/statistics/206409/total-number-of-licensed-drivers-in-new-hampshire-in-2010-by-age/

[35] Associated Press. "Rules of the road: A 50-state look at the rules governing drivers' licenses for older adults." *New York Daily News*: September 17, 2012. http://www.nydailynews.com/news/national/rules-road-50-state-rules-governing-drivers-licenses-older-adults-article-1.1161328

[36] Coughlin, Joseph. 2001. "Transportation and Older Persons: Perceptions and Preferences." *AARP Public Policy Institute*: http://assets.aarp.org/rgcenter/il/2001_05_transport.pdf

[37] *United States Census Bureau*. 2014.

[38] Dickerson, Anne et al. 2007. "Transportation and Aging: A Research Agenda for Advancing Safe Mobility." *The Gerontologist* 47(5): 578-590. http://gerontologist.oxfordjournals.org/content/47/5/578.full

[39] Adler, Gen and Susan Rottunda. 2006. "Older adults' perspectives on driving cessation." *Journal of Aging Studies* 20(3): 227-235.
http://www.sciencedirect.com/science/article/pii/S0890406506000053

[40] Stepaniuk, Janet et al. 2008. "Impact of transit training and free bus pass on public transportation use by older drivers." *Preventive Medicine* 47(3): 335-337. http://www.sciencedirect.com/science/article/pii/S0091743508001199

[41] "Volunteer Transportation." *National Center on Senior Transportation*. http://www.n4a.org/files/NCST%20Volunteer%20Transportation%20Info%20Brief.pdf

[42] "Millennials and Mobility: Understanding the Millennial Mindset." *American Public Transportation Association*.
http://www.apta.com/resources/reportsandpublications/Documents/APTA-Millennials-and-Mobility.pdf

[43] "Millennial Survey Results." *Transportation for America*, April 22, 2014. http://t4america.org/wp-content/uploads/2014/04/Press-Release_Millennials-Survey-Results-FINAL-with-embargo.pdf

[44] Millennials and Mobility.

[45] Ireland, Doug. "Work ramps up on I-93 in New Hampshire." *Eagle Tribune*, April 29, 2016. http://www.eagletribune.com/news/new_hampshire/work-ramps-up-on-i--in-new-hampshire/article_8973ea94-c755-599e-ad98-7387eca01eac.html

[46] "I-93 Corridor Multi-Modal Transit Investment Study." November 2009. *HNTB Corporation*:
http://www.rebuildingi93.com/content/taskForce/I-93%20Transit%20Study.pdf

[47] "The cost of traffic jams." *The Economist*, November 3, 2014.
http://www.economist.com/blogs/economist-explains/2014/11/economist-explains-1
[48] I-93 Study.
[49] "New Hampshire Capital Corridor Rail and Transit Alternatives Analysis." *New Hampshire Department of Transportation*, December 2014.
https://www.nh.gov/dot/org/aerorailtransit/railandtransit/documents/fr-summary.pdf
[50] United States Census Bureau http://www.census.gov/quickfacts/table/PST045215/33
[51] Ronayne, Kathleen. "NH Senate committee rejects $4 million for commuter rail study." *Eagle Tribune*, May 22, 2015.
http://www.eagletribune.com/news/new_hampshire/nh-senate-committee-rejects-million-for-commuter-rail-study/article_002cfa34-c404-5e6f-9aee-08478c64f1be.html
[52] Cowen, Sharon and Molly Donovan. 2014. "Planning for an Aging Population." *University of New Hampshire Cooperative Extension*.
https://extension.unh.edu/resources/files/Resource004767_Rep6786.pdf
[53] West, Loraine, Samantha Cole, Daniel Goodkind, and Wan He. 2014. "65+ in the United States, 2010." *United States Census Bureau*:
http://www.census.gov/content/dam/Census/library/publications/2014/demo/p23-212.pdf
[54] *American Community Survey*. 2014. http://www.census.gov/acs/www/data/data-tables-and-tools/data-profiles/2014/
[55] "The 2015 United States of Aging Survey." *National Council on Aging*.
https://www.ncoa.org/resources/usa15-national-fact-sheet-pdf/
[56] Rantz, Marilyn et. al. 2011. "Evaluation of aging in place model with home care services and registered nurse care coordination in senior housing." *Nursing Outlook* 59(1): 37-46. http://www.sciencedirect.com/science/article/pii/S0029655410003313
[57] 2015 United States of Aging Survey.
[58] Loder, Amanda. "Are Second Homeowners The Next Wave Of New Hampshire's "Silver Tsunami?"" *State Impact New Hampshire*, October 5, 2011.
https://stateimpact.npr.org/new-hampshire/2011/10/05/are-second-homeowners-the-next-wave-of-new-hampshires-silver-tsunami/
[59] Delay, Dennis and Russ Thibeault. 2014. "Big Houses, Small Households: Perceptions, Preferences, and Assessment of New Hampshire's Housing Needs." *New Hampshire Center for Public Policy Studies*.
http://www.nhpolicy.org/UploadedFiles/Reports/HousingPreference040914_.pdf
[60] Ibid.
[61] "Huge majority of Granite Staters call affordable housing a problem." *Fosters*, October 16, 2015. http://www.fosters.com/article/20151016/NEWS/151019548/
[62] Big Houses, Small Households, 2014.
[63] Cain Miller, Claire. "Where Young College Graduates Are Choosing to Live." *The New York Times*, October 20, 2014. http://www.nytimes.com/2014/10/20/upshot/where-young-college-graduates-are-choosing-to-live.html?_r=2
[64] "You've Earned It: Student Loan Initiative Fact Sheet." Maryland Mortgage Program, State of Maryland. http://mmp.maryland.gov/EarnedIt/Documents/MMP-factsheet_EarnedIt-student_phase3.pdf

[65] Haigh, Susan. "Connecticut Looks For Ways To House, Hold On To Its Millennials." *Hartford Courant*, March 8, 2016. http://www.courant.com/business/hc-millenial-housing-20160308-story.html

[66] Wiltz, Teresa. "Hello, Columbus: Cities Woo Millennials." *The Pew Charitable Trusts*, April 3, 2015. http://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2015/4/03/hello-columbus-cities-woo-millennials

[67] "Regional and State Employment and Unemployment Summary." *Bureau of Labor Statistics*, May 20, 2016. http://www.bls.gov/news.release/laus.nr0.htm

[68] "States Ranked by March 2016 Unemployment Rate." *National Association of Workforce Boards*. http://www.nawb.org/documents/LMI_StateRank_Reports_MAR2016.pdf and "Labor Force Statistics from the Current Population Survey." *Bureau of Labor Statistics*. http://data.bls.gov/timeseries/LNS11300000

[69] Barrick, Daniel, Dennis Delay, and Stephen Norton. 2012. "From Tailwind to Headwind: New Hampshire's Shifting Economic Trends." *New Hampshire Center for Public Policy Studies*. http://www.nhpolicy.org/report/from-tailwind-to-headwind-new-hampshireamp39s-shifting-economic-trends

[70] http://revenue.nh.gov/laws/index.htm RSA-77, RSA-77-A

[71] Walczak, Jared. 2015. "State Corporate Income Tax Rates and Brackets for 2015." *Tax Foundation*: http://taxfoundation.org/article/state-corporate-income-tax-rates-and-brackets-2015

[72] West et. al. "65+ in the United States"

[73] "The Deloitte Millennial Survey 2016." *Deloitte*, 2016. http://www2.deloitte.com/global/en/pages/about-deloitte/articles/millennialsurvey.html

[74] Lima, Alvaro, Mark Melnik, John Taylor, and Dan Berez. 2013. "The Largest Employers in the City of Boston." *Boston Redevelopment Authority*. http://www.bostonredevelopmentauthority.org/getattachment/7ced9a9e-cb5c-4d6b-a840-2a0042f68ce5/

[75] "Policy Notes: An overview of trends in New Hampshire's economy." *New Hampshire Center for Public Policy Studies*, December 2014. http://www.nhpolicy.org/UploadedFiles/Reports/WINH14_blog_economy.pdf

[76] Ibid.

[77] America's Health Rankings, 2015 Annual Report. United Health Foundation. http://www.americashealthrankings.org/reports/Annual.

[78] "Policy Notes: An overview of trends in New Hampshire's economy."

[79] Ibid.

[80] United States Census Bureau. http://www.census.gov/quickfacts/table/PST045214/33

[81] United States Census Bureau http://www.census.gov/quickfacts/table/PST045214/2507000,3651000,33

[82] Ibid.

[83] "Millennials in Philadelphia: A Promising but Fragile Boom." *Pew Charitable Trusts*, 2014. http://www.pewtrusts.org/~/media/legacy/uploadedfiles/wwwpewtrustsorg/reports/philadelphia_research_initiative/phillymillennialsreport012214pdf.pdf

[84] Brodey, Sam. Forget Brooklyn. "Could Columbus Be the Next Hot Millennial Enclave?" *Mother Jones*, June 1, 2015. http://www.motherjones.com/media/2015/05/columbus-ohio-millennials-brooklyn

[85] Ibid.

[86] Ibid.

[87] "Columbus." *Life in Columbus*. http://lifeincbus.com/#!/

[88] Ibid.

[89] Brodey 2015.