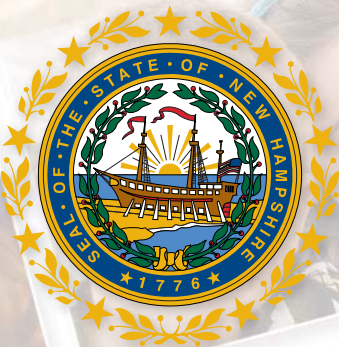




VITAL SIGNS 2011

Economic & Social Indicators in New Hampshire, 2006-2009



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This annual review of the economic and social condition of New Hampshire highlights eighteen different indicators that describe the state's economic, social, environmental, and cultural character. Each chapter of Vital Signs compiles four years of available data, analyzing emerging trends at the local, regional, and national levels where appropriate. Whenever possible, 2010 updates have been included in the summary analysis.

Attention should be paid to notations within the tables that describe data details such as sample size, time intervals, or rank order. Additionally, readers should note that throughout the text, proper titles of specific data elements (i.e. industry sectors such as *Retail trade* and publication titles) are italicized to distinguish them from recurring ordinary usage. Readers are also encouraged to review the glossary and index on page 112 to become familiar with the different terminology used throughout the report.

The information presented in Vital Signs has been drawn from print and Internet-based media reports, trade publications, academic journals, and the records of a wide variety of state and federal agencies and private organizations. Sources used in the text are identified with footnotes, and sources used in the tables are noted with abbreviations in the right hand column of each table. All abbreviations are "spelled out" in the source appendix beginning on page 100. While all sources are believed to be reliable, no guarantee is made as to the correctness, sufficiency, or completeness of their information.

Some of the data tables are available by substate areas. If you seek additional information, please contact the Economic and Labor Market Information Bureau at elmi@nhes.nh.gov or (603) 228-4124.

We are indebted to the numerous individuals who contributed special information or provided advice on evaluating reported data. The observations expressed in this report do not necessarily reflect those of New Hampshire Employment Security, and no official endorsement should be inferred.

Key Economic Indicators

Change in Key Economic Indicators	2007-2008		2008-2009		Chapter
	Net Change	Percent Change	Net Change	Percent Change	
Population	5,000	0.4%	3,000	0.2%	1
Income, per capita personal	\$798	1.9%	-\$1,002	-2.3%	2
Wages, average weekly (private)	\$19	2.2%	-\$4	-0.4%	2
Labor force	3,280	0.4%	-590	-0.1%	3
Employment	490	0.1%	-18,630	-2.6%	3
Unemployment	2,790	10.7%	18,040	62.4%	3
Nonfarm jobs - total all industries	100	0.0%	-22,000	-3.4%	4
Retail sales of electricity (million KWH)	-259	-2.3%	-386	-3.5%	8
Gross domestic product by state (current dollars-millions)	\$1,128	1.9%	\$269	0.5%	9
Gross domestic product by state (chained 2005 dollars-millions)	\$124	0.2%	-\$645	-1.2%	9
Export sales to the world (\$ millions)	\$838	28.8%	-\$690	-18.4%	9
Rental of accommodations - short term includes combinations (\$ millions)	\$2.5	0.5%	-\$59.2	-11.4%	10
Bank assets (\$ millions)	\$1,026	10.4%	-\$1,508	-13.8%	12
Non-current loans and leases (\$ millions)	\$43.2	81.5%	-\$4.5	-4.7%	12
Bankruptcy filings	947	32.3%	1,247	32.2%	12
School enrollment, public and private (includes preschool)	-3,619	-1.6%	-3,527	-1.5%	14
Violent crime index (Rate per 100,000 population)	23.6	17.2%	-1.3	-0.8%	17
Property crime index (Rate per 100,000 population)	230.3	12.2%	38.7	1.8%	17
Traffic crashes	-3,225	-8.6%	-886	-2.6%	17

New Hampshire's population increased by a meager 0.2 percent from 2008 to 2009. Nonetheless, New Hampshire, along with Massachusetts, Connecticut, and Vermont, did gain population from 2008 to 2009. Maine and Rhode Island declined in population over the same period.

For the first time since 1800, the population of New Hampshire exceeds that of Maine. The turning point occurred in 2007, when New Hampshire edged Maine by a mere 35 inhabitants. Maine is continuing a long-term trend where its population has been growing considerably more slowly than New Hampshire's.

Based on population estimates for July 1, 2009, released in late 2009, New Hampshire's population totaled 1,324,575 compared to 1,318,301 for Maine. The U.S. Census Bureau issues population estimates on July 1 of each non-Census year. With each release, estimates are revised for prior years back to the last census.¹

Looking at the difference between 2008 and 2009, New Hampshire had a net population gain of 2,703 while Maine's population shrank by 1,390 accounting for a difference of 4,903 residents.

A closer look at the components of population change reveals some of the underlying trends. New Hampshire had more live births in 2009 than Maine, with 14,036 and 13,683 respectively. Also, New Hampshire had fewer deaths compared to Maine, 10,449 to 12,894. This natural increase, the difference between live births and deaths, was 3,587 in New Hampshire in 2009, compared to 789 in Maine.

The other factor in population change is migration, where both states showed a net decrease in inhabitants. New Hampshire gained 1,787 residents through net international migration but lost 2,602 people in net domestic migration – meaning more people moved out of New Hampshire into another state than moved into New Hampshire from another state.

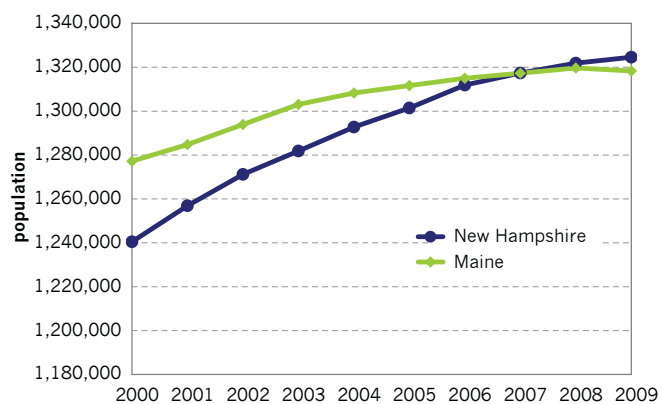
The effect of the economy in one state is just one of the reasons for migration to another state as people seek employment opportunities. It will be interesting when the 2010 Census data is released to see if New Hampshire still holds a lead in population over its eastern neighbor.

Slower population growth

Despite passing our neighbor, population growth has slowed from gains in the early part of the decade.

New Hampshire, along with other states in the Northeast, is falling behind the rest of the U.S. in population growth. While the nation increased by 0.9 percent between

New Hampshire now has more residents than Maine



Source: U.S. Census Bureau

1. "Overview." Population Estimates. US Census Bureau. Accessed 20 Sep. 2010. <www.census.gov/popest/overview.html>.

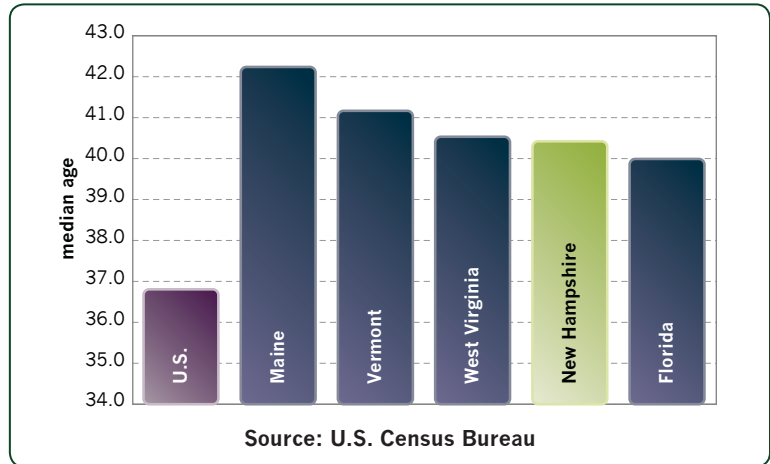
July 1, 2008 and July 1, 2009, New Hampshire grew by 0.2 percent. New Hampshire was among the five states with the slowest population growth, ranking 46th in the nation (including District of Columbia). Vermont and Rhode Island had slower growth rates. Maine and Michigan were the only two states to lose population over-the-year.

In 2009, New Hampshire residents are older on average than the rest of the nation. The median age in New Hampshire is now 40.4 years of age, compared to 36.8 years for the U.S. overall. Only three other states have a higher median age: Maine at 42.2 years, Vermont at 41.2 years, and West Virginia at 40.5. In comparison, the youngest state is Utah, with a median age of only 28.8 years.²

2010 Census

The Constitution requires a census every ten years for the purpose of allocating representatives to Congress. A census attempts to count every resident in the United States. Census forms were mailed out to households in March 2010. By late April, New Hampshire residents had returned 70 percent of census forms by mail compared to 72 percent for the United States. Other New England states had

New Hampshire residents had the 4th highest median age among all states in 2009



similar participation rates: Maine (66 percent), Vermont (67 percent), Massachusetts (73 percent), Connecticut (74 percent), and Rhode Island (71 percent).³

Participation rates for New England lagged behind the top five states, all in the Midwest, with Wisconsin leading the nation at 81 percent, followed by Minnesota (80 percent), Indiana (78 percent), Iowa (78 percent), and Michigan (77 percent).

By law, the Census Bureau must deliver population information to the President by the end of December.⁴ This official count of the national

2. Population Estimates. US Census Bureau. Accessed 10 Nov. 2010. <www.census.gov/popest/estimates.html>.
 3. "2010 Census Mail Participation Rate Map." U.S. Census 2010. United States Census Bureau. Accessed 21 Sep. 2010. <2010.census.gov/2010census/take10map>.
 4. "2010 Census Key Dates." U.S. Census 2010. United States Census Bureau. Accessed 21 Sep. 2010. <2010.census.gov/partners/materials/operational-timeline-materials.php>.

Resident Population	2006	2007	2008	2009	Source
Population, July 1st (thousands)	1,312	1,317	1,322	1,325	CB
Annual percent change	0.8%	0.4%	0.3%	0.2%	CB/NHES
United States rank of annual percent change (including District of Columbia)	30	39	42	46	CB/NHES
Percent change since last census	6.2%	6.6%	7.0%	7.2%	CB/NHES
Population, Males	646,745	649,346	651,765	652,948	CB
Population, Females	665,149	667,997	670,107	671,627	CB

and state population will be used to apportion the 435 seats in the U.S. House of Representatives as mandated by the Constitution.

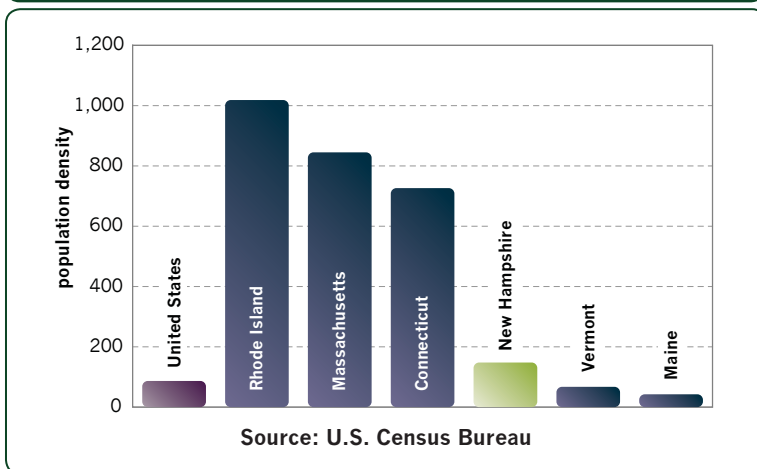
The official U.S. Census Bureau count released in late December 2010 showed that the resident population of New Hampshire was 1,316,470 on April 1, 2010. That was an increase of 6.5 percent over the last decennial census in 2000 and the fastest rate of any New England state. Total population for the United States was 308,745,538, an increase of 9.7 percent. With the new population totals, New Hampshire will retain its two congressional seats.⁵

Population Density

New Hampshire ranked 22nd in population density based on the July 1, 2009 population estimates. With 148.0 persons per square mile, the state is more densely populated than both Vermont (67.5) and Maine (42.7). The state is far less densely populated than the other three New England states, all of which have over 600 persons per square mile.

In estimates developed separately by the New Hampshire Office of Energy and Planning, there were seven municipalities with a population density of more than a thousand persons per square mile in 2009. All of these are located in the southeastern

New Hampshire ranks 22nd in population density, with more people per square mile than the U.S. on average



part of the state. Manchester, the state's largest city is also the most densely populated, with 3,292 persons per square mile, followed by Nashua (2,843) and Portsmouth (1,316).

At the other end of the ranking, tiny Hart's Location continued its reign as the least densely populated among New Hampshire's incorporated cities and towns, with 1.8 persons per square mile. Pittsburg, New Hampshire's largest town in land area, was next with 3.3 persons per square mile in 2009.⁶

Michael Argiropolis

5. "2010 Resident Population Data." *U.S. Census 2010*. United States Census Bureau. Accessed 22 Dec. 2010. <2010.census.gov/2010census/data/apportionment-pop-text.php>.

6. "2009 Population Estimates of New Hampshire Cities and Towns." *Population Estimates*. Jul. 2010. New Hampshire Office of Energy and Planning. Accessed 21 Sep. 2010. <www.nh.gov/oep/programs/DataCenter/Population/PopulationEstimates.htm>.

Distribution by Age	2006	2007	2008	2009	Source
Under 5 years	5.9%	5.8%	5.7%	5.6%	CB/NHES
5 to 17 years	17.2%	16.9%	16.6%	16.2%	CB/NHES
18 to 24 years	9.6%	9.7%	9.1%	9.8%	CB/NHES
25 to 44 years	26.8%	26.3%	26.2%	25.2%	CB/NHES
45 to 64 years	28.0%	28.6%	29.5%	29.6%	CB/NHES
65 years and over	12.5%	12.8%	12.9%	13.5%	CB/NHES

Vital Statistics	2006	2007	2008	2009	Source
Marriages	9,370	9,352	8,993	8,501	DVRA
Marriage rate (per 1,000 population)	7.1	7.1	6.8	6.4	DVRA/NHES
Divorces	5,383	5,059	5,120	4,920	DVRA
Divorce rate (per 1,000 population)	4.1	3.8	3.9	3.7	DVRA/NHES
Components of Population Change:					
Live births	14,070	13,937	13,630	13,389	DVRA
Birth rate (per 1,000 population)	10.7	10.6	10.3	10.1	DVRA
Births to teenage mothers (less than 20 years old)	890	949	945	772	DVRA
Percent of total live births	6.3%	6.8%	6.9%	5.8%	DVRA/NHES
Non-marital births (percent of live births)	30.5%	32.2%	33.8%	33.9%	DVRA/NHES
Resident deaths	9,907	10,151	10,154	9,994	DVRA
Crude death rate (per 1,000 population)	7.6	7.7	7.7	7.5	DVRA
Infant death rate (per 1,000 live births)	7.1	5.5	5.0	5.7	DVRA/NHES
Natural increase rate (per 1,000 population)	3.2	2.9	2.6	2.6	CB
Net migration rate (per 1,000 population)	4.8	1.3	0.8	-0.5	CB

Median Age	2006	2007	2008	2009	Source
United States	36.3	36.5	36.7	36.8	CB
New Hampshire	39.2	39.6	40.0	40.4	CB
Connecticut	38.8	39.0	39.2	39.5	CB
Maine	41.0	41.4	41.8	42.2	CB
Massachusetts	38.3	38.5	38.7	39.0	CB
Rhode Island	38.3	38.6	38.9	39.2	CB
Vermont	40.1	40.5	40.9	41.2	CB

Average Weekly Wage

New Hampshire's 2009 average weekly wage, across all private industries, was \$867. This represents a decrease of \$4 from 2008, or -0.4 percent. The average weekly wage is computed from New Hampshire covered employment data, and provides an average of wages paid, classified by industry sector. These sectors come from the North American Industry Classification System, or NAICS. Covered employment refers to wages paid to workers covered by unemployment insurance.

The sector with the highest average weekly wage was *Utilities*, with \$1,687, with *Management of companies and enterprises* coming in second with \$1,467. Both of these sectors, along with nine other sectors, were above the state average.

The sectors with the lowest average weekly wage were *Retail trade* at \$506, *Arts, entertainment and recreation* at \$362, and *Accommodation and food services* at \$324. It is worth noting that these sectors have a high proportion of part-time workers, and the average weekly wage calculation does not adjust for factors such as hours worked per week. For example from a national survey, the average number of hours worked in 2008 for *Retail trade*, *Accommodations and food services*, and *Arts, entertainment and recreation* were 30.0, 25.4 and 24.1 hours per week, respectively, while the average number of hours for workers in the *Utilities* industry was 42.7 hours per week.¹

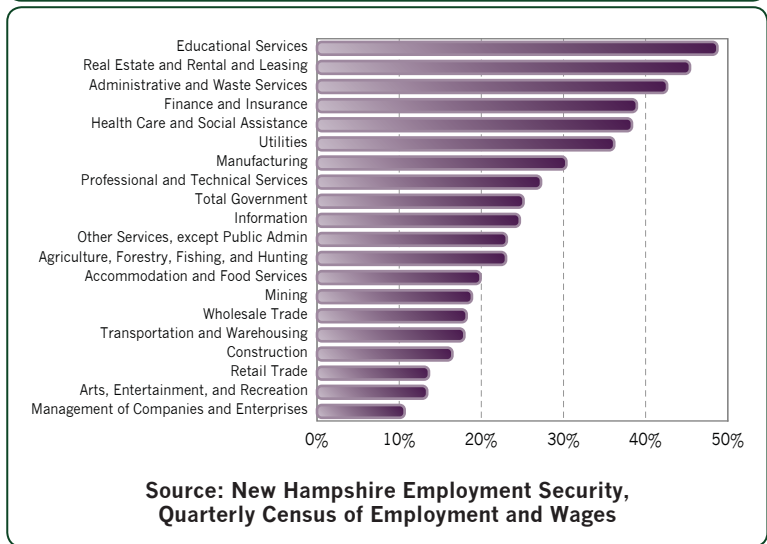
The decline in average weekly wages (-0.4 percent) from 2008 to

2009 is unusual. In recent history the annual percent change has been a positive number; only in 2009 did it become a negative. In 1993, the annual percent change was 0.6 percent, and in 2003 it was 3.0 percent. These followed the recessions of 1990-91 and 2001.

Personal Income

Total personal income for New Hampshire in 2009 was \$56.4 billion, a decrease of 2.1 percent from 2008, which came in at \$57.6 billion. This was the first time since 1938 that total personal income in the state decreased over-the-year; from 1937 to 1938, personal income dropped 5.1 percent. Personal income is a residence-based measure, consisting of net earnings, dividends, interest, rent and transfer payments. It is the income received by all people from all sources.

**New Hampshire Average Weekly Wage by Industry Sector
Percent Change from 2001 - 2009**



1. "Employment, Hours, and Earnings - National." *Current Employment Statistics*. U.S. Bureau of Labor Statistics. Accessed 21 Dec. 2010. <www.census.gov/compendia/statab/2010/tables/10s0617.xls>. *Average hours and earnings of production workers for mining and logging, manufacturing, and construction; average hours and earnings of nonsupervisory workers for the service-providing industries.*

The decrease in personal income from 2008 to 2009 was largely due to lower employment, a result of the recession. Among the components of personal income, net earnings by place of residence had the largest numeric loss, dropping from \$40.6 billion in 2008 to \$39.2 billion in 2009. This was a 3.6 percent decrease. Net earnings by place of residence represent total earnings by place of work, less contributions for government social insurance, adjusted for residence. Total employment data from the Geographic Profile of Employment and Unemployment showed a 2.4 percent decrease from 712,000 in 2008 to 695,000 in 2009.²

The second component of personal income — investment and property income from dividends, interest, and rent — declined as well, dropping from \$9.6 million in 2008 to \$9.0 million 2009. This was a 6.8 percent decrease over-the-year.

On the other hand, personal current transfer receipts rose from \$7.4 billion in 2008 to \$8.3 billion in 2009, a 12.6 percent increase over-the-year. In New Hampshire, the two largest components of current transfer receipts were heavily affected by the recession. Income maintenance programs, such as SSI, family assistance, and supplemental nutrition assistance, increased by 20.2 percent over-the-year, from \$423.1 million in 2008 to \$508.2 million in 2009. Unemployment insurance compensation was more than two and a half times larger in 2009 than 2008, rising from \$150.3 million in 2008 to

\$388.3 million in 2009. State, federal employee, railroad employee, and veteran unemployment compensation are included in this measure.

Throughout 2009, personal current transfer receipts had transactions from the American Recovery and Reinvestment Act of 2009 (ARRA) including the extension of Emergency Unemployment Compensation (EUC 08) and the Federal Additional Compensation (FAC), the additional \$25 per unemployment compensation benefit check.

Who uses personal income numbers? According to the U.S. Bureau of Economic Analysis, personal income figures are used by the federal government to allocate funds to states, and state government to measure the economic base of state planning areas and to project tax revenues and public utility needs. Business and development officials use it to conduct market research and measure the impact of business development on regional growth.³

Per Capita Personal Income

Per capita personal income in New Hampshire was \$42,585 in 2009. This represents a 2.3 percent decrease from 2008, or about \$1,000. When adjusted for inflation, per capita personal income decreased by 2.0 percent, or about \$850.

In spite of the decline from 2008, New Hampshire's per capita personal income in 2009 was \$2,959 above the national average of \$39,626. New Hampshire ranked 10th highest in the nation. Connecticut

2. [Geographic Profile of Employment and Unemployment](http://www.bls.gov/gps/). US Bureau of Labor Statistics. Accessed 15 Oct. 2010. <www.bls.gov/gps/>. *Employment status of the civilian noninstitutional population in states by sex, race, Hispanic or Latino ethnicity, and detailed age*.
3. [Bureau of Economic Analysis, Customer Guide](http://bea.gov/agency/pdf/BEA_Customer_Guide.pdf). Pg 18. Accessed 15 Oct. 2010. <bea.gov/agency/pdf/BEA_Customer_Guide.pdf>.

and Massachusetts were ranked 1st and 3rd, respectively, and Maine was 30th with per capita personal income of \$36,749. New Hampshire ranked third highest among the New England states.⁴

Per capita personal income is based on total personal income divided by the annual midyear population estimate from the U.S. Census Bureau.

County Per Capita Income

Rockingham, Hillsborough and Grafton counties had the highest per capita personal income in 2008, which is the latest available data at the county level. Rockingham County was number one with \$49,250, while Coös County, at \$34,239, had the smallest per capita personal income of New Hampshire's ten counties.

Donald Kelley

4. Rankings from the U.S. Bureau of Economic Analysis exclude the District of Columbia.

Total Personal Income	2006	2007	2008	2009	Source
New Hampshire (\$ millions)	53,765	56,368	57,617	56,408	BEA
Components:					
Net Earnings ^a	73.1%	72.0%	71.2%	70.4%	BEA
Dividends, interest, rent	15.1%	15.7%	15.7%	15.4%	BEA
Transfer payments	11.7%	12.0%	12.7%	14.7%	BEA

^aEarnings (wages and salaries, other income, and proprietors' income) by place of work, less personal social insurance by place of work, adjusted for place of residence.

Per Capita Personal Income	2006	2007	2008	2009	Source
Per Capita Personal Income	\$40,982	\$42,789	\$43,587	\$42,585	BEA
United States rank (excluding D.C.)	9	9	10	10	BEA
Annual percent change	6.6%	4.4%	1.9%	-2.3%	BEA/NHES
Percent change after adjusting for inflation using CPI	3.3%	1.5%	-1.9%	-2.0%	BEA/NHES

Per Capita Disposable Income	2006	2007	2008	2009	Source
Per Capita Disposable Income	\$36,724	\$38,115	\$39,128	\$39,124	BEA
United States rank (excluding D.C.)	7	7	8	8	BEA
Annual percent change	6.2%	3.8%	2.7%	0.0%	BEA/NHES
Percent change after adjusting for inflation using CPI	2.8%	0.9%	-1.1%	0.3%	BEA/NHES

U.S. Price Indices	2006	2007	2008	2009	Source
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CONSUMER PRICE INDEX, All Urban Consumers, Year End (Not-seasonally Adjusted)					
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Annual Average (U.S., 1982-1984 = 100)	201.8	210.0	210.2	215.9	BLS
Over-the-Year Change in Annual Average	2.5%	4.1%	0.1%	2.7%	BLS

Wages	2006	2007	2008	2009	Source
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TOTAL WAGES in employment covered by unemployment compensation (millions)					
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Private and public employers	\$26,627	\$27,639	\$28,240	\$27,179	NHES
Annual percent change	5.8%	3.8%	2.2%	-3.8%	NHES

AVERAGE WEEKLY WAGE in employment covered by unemployment compensation					
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All private industries (annual average)	\$827	\$852	\$871	\$867	NHES
Annual percent change	4.8%	3.0%	2.2%	-0.4%	NHES

Agriculture, Forestry, Fishing, and Hunting	\$535	\$576	\$563	\$555	NHES
Mining	\$957	\$972	\$978	\$1,007	NHES
Utilities	\$1,503	\$1,548	\$1,753	\$1,687	NHES
Construction	\$902	\$930	\$960	\$943	NHES
Manufacturing	\$1,067	\$1,109	\$1,127	\$1,121	NHES
Wholesale Trade	\$1,319	\$1,373	\$1,389	\$1,362	NHES
Retail Trade	\$504	\$508	\$509	\$506	NHES
Transportation and Warehousing	\$668	\$681	\$688	\$686	NHES
Information	\$1,237	\$1,278	\$1,373	\$1,342	NHES
Finance and Insurance	\$1,347	\$1,371	\$1,422	\$1,430	NHES
Real Estate and Rental and Leasing	\$763	\$733	\$841	\$845	NHES
Professional and Technical Services	\$1,296	\$1,330	\$1,413	\$1,397	NHES
Management of Companies and Enterprises	\$2,238	\$2,024	\$1,499	\$1,467	NHES
Administrative and Waste Services	\$668	\$746	\$744	\$773	NHES
Educational Services	\$777	\$814	\$861	\$888	NHES
Health Care and Social Assistance	\$785	\$820	\$862	\$885	NHES
Arts, Entertainment, and Recreation	\$380	\$414	\$378	\$362	NHES
Accommodation and Food Services	\$304	\$313	\$316	\$324	NHES
Other Services, except Public Admin	\$562	\$578	\$598	\$592	NHES
Total Government	\$746	\$787	\$820	\$844	NHES

AVERAGE WEEKLY EARNINGS					
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Production Workers in Manufacturing Employment	\$682.68	\$688.73	\$671.63	\$671.83	BLS
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Median Household Income (in current dollars)	2006	2007	2008	2009	Source
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New Hampshire	\$61,970	\$67,576	\$66,176	\$64,131	CB
Connecticut	\$62,404	\$64,141	\$64,437	\$64,851	CB
Maine	\$45,642	\$47,894	\$47,228	\$47,502	CB
Massachusetts	\$55,330	\$58,463	\$60,320	\$59,373	CB
Rhode Island	\$53,736	\$54,210	\$53,241	\$51,634	CB
Vermont	\$51,981	\$47,390	\$50,706	\$52,318	CB

New Hampshire has had one of the lowest unemployment rates in the United States for many years and enjoyed a seasonally adjusted unemployment rate of less than 4.0 percent from June 2004 to August 2008. By December 2008 it had become clear that New Hampshire's labor force was not immune to the nation's Great Recession, which began in December 2007. New Hampshire's unemployment rate increased to 4.8 percent by December 2008 and then to 6.9 percent by December 2009. Nonetheless, New Hampshire fared better than most states, with an annual unemployment rate of 3.9 percent ranking seventh lowest in 2008 (tied with Virginia), and an annual rate of 6.3 percent ranking sixth lowest in 2009. Vermont, with a national rank of fourteenth lowest in both 2008 and 2009, was the second lowest ranked New England state.

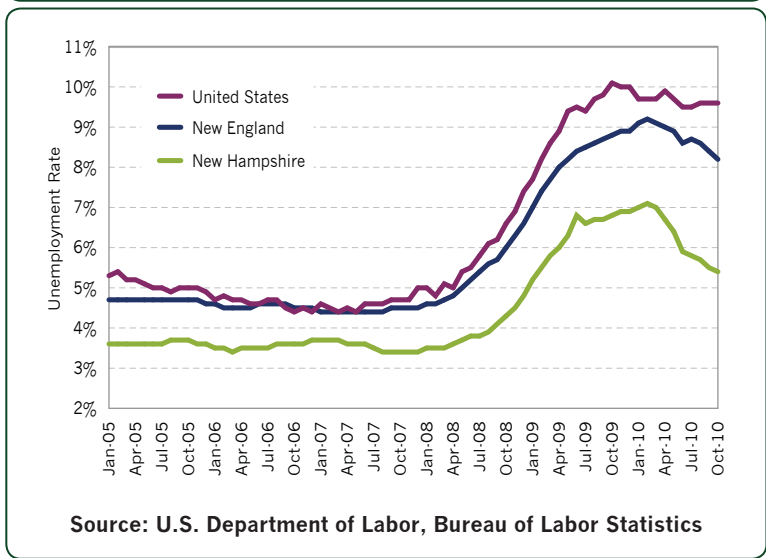
The New Hampshire annual unemployment rate of 6.3 percent for 2009 was not spread evenly among all workers. Male workers fared far worse than females, experiencing a 7.2 percent unemployment rate compared to a 5.6 percent rate for females. This was a significant change from the annual averages for 2008, during which males had an unemployment rate of 4.0 percent compared to 3.6 percent for females. Similarly, the annual averages for 2007 indicate an unemployment rate of 3.9 percent for males and 3.3 percent for females. The *Construction and Manufacturing* industries were among the most affected by the recession, and these industries typically employ more male workers than female workers.

Labor Force Dynamics

New Hampshire's unemployment rate climbed to a peak of 7.1 percent in February 2010 before declining

to 5.8 percent in July 2010. There was much speculation as to whether or not this indicated that things were getting better; but there is no simple answer, as the rate alone does not tell the whole story. The seasonally adjusted labor force usually grows at a slow and steady pace as the population increases. New Hampshire's labor force experienced a very high level of growth for the first few months of 2010, increasing by approximately 6,700 persons from December 2009 to March 2010, without a corresponding high level of population growth. During the previous ten years, the average December to March labor force increase was 1,750 and the average December to December increase was only about 5,200 persons. The high level of labor force growth, absent a comparable growth in jobs, resulted in the majority of this increase falling into the "unemployed" category and causing a rapid increase in the unemployment rate. Conversely, between March 2010 and August

New Hampshire Unemployment Rate Compared to New England and the Nation Seasonally Adjusted



2010, the seasonally adjusted labor force declined by nearly 8,600 while the number of unemployed fell by 10,200, resulting in a rapid decline in the unemployment rate. It is important to note that these numbers represent the labor force as a whole, and not specific individuals. All entrants to the labor force did not necessarily add to the unemployed directly, as many found work at the same time that workers who were employed in one month became unemployed in the next month.

Individuals enter or reenter the labor force in a recession for many reasons. During uncertain times, spouses enter or reenter the labor force to provide a safety net for a potential job loss or hours reduction experienced or anticipated by the usual breadwinner. Retirees reenter the labor force to supplement their retirement income, and may currently be especially interested in doing so, given the fact that no Social Security cost of living increases were available to recipients for 2010 or 2011. Seasonal workers enter or reenter the labor force earlier in the year to improve their chances of finding employment. The entrance of seasonal workers into the labor force is normally compensated for by seasonal adjustment. Seasonal workers who reentered the labor force a few months earlier than usual, however, did not follow their normal seasonal pattern. Seasonal adjustment allows for month to month comparisons of labor force statistics and analysis of economic trends not related to normal seasonal changes in employment and unemployment. New Hampshire's seasonal adjustment is based on data regarding the state's normal seasonal pattern from 1976 through the most recent completed year. The normal seasonal pattern accounts for

changes to the labor force statistics caused by typical construction and tourism activities, ski season, holiday shopping, etc.

Between March 2010 and August 2010 the labor force in the state contracted, mainly from unemployed persons no longer actively seeking employment and consequently not being included in the labor force. The combination of 10,200 fewer unemployed and about 1,600 more employed resulted in a reduction in the unemployment rate from 7.0 percent in March to 5.7 percent in August. The reasons people choose to exit the labor force are personal and vary widely; but include not wanting a job, retirement, family obligations, child care issues, school, health related problems and discouragement.

A common misconception is that any contraction in the labor force is caused by unemployed persons giving up their searches because they are discouraged and believe that there are no jobs available to them. Current Population Survey (CPS) demographic data for New Hampshire indicate that the number of discouraged persons is much smaller than many people believe. CPS statistics for the third quarter of 2010 (July 2010-September 2010) indicate that there were 2,500 persons in New Hampshire who wanted a job, but did not look for work because they were discouraged and 3,800 persons did not look for work for reasons other than discouragement. By comparison, CPS statistics for the third quarter of 2007, which was prior to the Great Recession, indicate that there were 1,000 persons in New Hampshire who wanted a job, but did not look for work due to discouragement and 3,400 persons

Labor Force Participation Rates by Age

Age Group	2001	2002	2003	2004	2005	2006	2007	2008	2009
16 to 19	63.7%	61.0%	55.5%	52.9%	53.2%	52.2%	53.5%	52.2%	46.0%
20 to 24	82.9%	84.3%	80.5%	79.8%	79.1%	78.1%	76.8%	78.9%	74.3%
25 to 34	86.5%	87.5%	87.3%	84.7%	86.0%	86.7%	87.3%	87.8%	86.7%
35 to 44	88.9%	87.5%	87.4%	87.0%	88.2%	87.9%	87.8%	88.2%	88.0%
45 to 54	88.2%	87.0%	86.2%	88.0%	87.8%	88.5%	87.8%	86.5%	86.9%
55 to 64	66.1%	67.0%	72.1%	72.2%	73.0%	71.4%	73.2%	73.2%	72.1%
65 and over	16.2%	16.8%	15.5%	15.0%	15.2%	16.3%	17.1%	17.6%	20.7%

Source: U.S. Department of Labor, Bureau of Labor Statistics

did not look for work for reasons other than discouragement.¹

Labor Force Participation

New Hampshire's labor force participation rate, which is the percentage of the civilian non-institutional population age 16 or older that is part of the labor force, declined from 70.8 percent in 2008 to 70.3 percent in 2009. This continues a long-run, slightly downward trend as the labor force participation rate was 72.3 percent in the year 1999. The male participation rate declined from 76.3 percent in 2008 to 75.3 percent in 2009 while the female participation rate was essentially unchanged, going from 65.6 percent in 2008 to 65.5 percent in 2009.

Ten years earlier, in 1999, the male participation rate was 78.7 percent and the female participation rate was 66.2 percent.

New Hampshire's labor force participation rates by age group show some interesting changes from 2008 to 2009. Participation rates for those in the 25 to 64 years age range changed by a relatively small amount, with a normal year-to-year fluctuation. Young persons in the age groups of 16 to 19 years and 20

to 24 years had lower participation rates for 2009, declining from 52.2 percent to 46.0 percent and from 78.9 percent to 74.3 percent, respectively. These represent large single-year drops in the participation rates, but also continue a long-term trend of declining participation. Participation rates for persons in the 65 and over age group increased from 17.6 percent in 2008 to 20.7 percent in 2009.² These statistics are consistent with younger persons choosing to delay their entrance into the labor force, possibly to pursue training and education, and older persons choosing to remain in the labor force longer or to reenter the labor force.

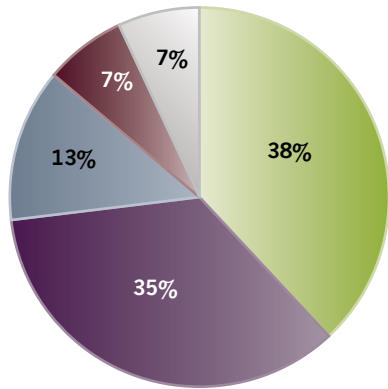
Unemployment Duration

The latest recession, along with its slow recovery, has left its mark on New Hampshire. Along with the large number of persons who are unemployed, New Hampshire has experienced increases in the duration of unemployment. Duration is the number of weeks individuals remain unemployed after a temporary or permanent separation from their employers. This is different from the duration of unemployment benefits, which measures how many weeks on

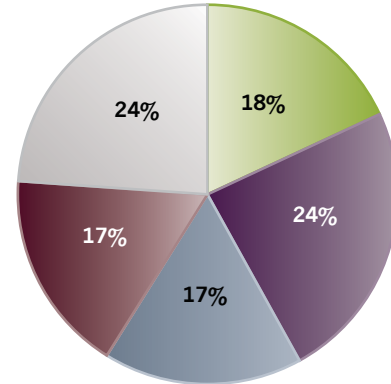
1. "Current Population Survey." U.S. Census Bureau. Unpublished data, 2007-2010.
 2. "Geographic Profile of Employment and Unemployment." 30 Aug. 2010. U.S. Bureau of Labor Statistics. Accessed 28 Dec. 2010. <www.bls.gov/lau/table12full99.pdf and <www.bls.gov/lau/table14full09.pdf>.

New Hampshire Unemployment Duration Comparison

Unemployment Duration for July 2007 through June 2008



Unemployment Duration for July 2009 through June 2010



■ Unemployed Less than 5 Weeks as a Percent of Total Unemployed
■ Unemployed 5 to 14 Weeks as a Percent of Total Unemployed
■ Unemployed 15 to 26 Weeks as a Percent of Total Unemployed
■ Unemployed 27 to 51 Weeks as a Percent of Total Unemployed
■ Unemployed 52 Weeks or More as a Percent of Total Unemployed

Source: Current Population Survey, U.S. Census Bureau.

average claimants receive benefits.³ Duration of unemployment reflects the experience of unemployed persons regardless of whether they have qualified for or exhausted unemployment benefits. For the twelve-month period July 2007 through June 2008, prior to the Great Recession affecting New Hampshire's unemployment statistics, about one in twelve of New Hampshire's unemployed were unemployed for 27 to 51 weeks, while another one in twelve were unemployed for 52 weeks or more. During the twelve-month period July 2009 through June 2010 these shares were much greater, with about one in six of New Hampshire's unemployed persons being unemployed for 27 to 51 weeks and about one in four were unemployed for 52 weeks or more.⁴ To be included as unemployed, labor force participants had to be not working, but actively looking for work, as well as able and available to work.

Involuntary Part-Time Employment

Workers who are employed part-time for economic reasons are also known as involuntary part-time workers. These workers include those that normally work full time but are currently employed for less than 35 hours per week due to slack work or slow business conditions; and those that normally work part-time, but would prefer to be working full time and have been unable to find a full time job. For the twelve-month period July 2007 through June 2008 approximately 2.7 percent of New Hampshire's employed were employed part-time for economic reasons. During the twelve-month period July 2009 through June 2010 approximately 5.3 percent of New Hampshire's employed were employed part-time for economic reasons.⁵ This increase is a function of the recession and slow recovery as many employees were working reduced hours to avoid layoffs and

3. The duration of benefits measure does not include any special programs such as Extended Benefits (EB) and Federal Benefit Extension (EUC).
 4. "Current Population Survey." U.S. Census Bureau. Unpublished data, 2007-2010.
 5. Ibid.

employers were reluctant to hire full time workers until business conditions improved.

Work Programs

In early 2010 New Hampshire initiated two new programs to combat joblessness. The Stay at Work program, often referred to as Workshare, is a program designed to avoid layoffs by allowing approved employers to reduce work hours while their affected workers would also receive partial unemployment insurance benefits. The program allows for approved employers to reduce scheduled work hours by 10 to 50 percent for a period of up to 26 weeks, provided the reduction in hours is distributed equally among the employees in the plan and no layoffs occur during the approved period.

The Return to Work initiative provides opportunities for unemployed claimants to receive on the job training for up to six weeks without losing their unemployment benefits. To qualify for this initiative employers must provide structured and supervised training to the program participant and must agree that no current employee will be displaced by this training.

Claims for Unemployment Benefits

Employer tax rate surcharges and a schedule of increases to the taxable wage base were put in place in 2009 to ensure the future financial solvency of the unemployment insurance fund as claims for benefits escalated. Initial claims for unemployment compensation, totaling 22,780 during the second

quarter of 2010, were down slightly from the 25,529 initial claims for the second quarter of 2009, but up significantly from 14,244 initial claims for the second quarter of 2008. Continued claims for the second quarter of 2010 were 249,053, a decrease from the 311,837 continued claims for the second quarter of 2009. Continued claims for the second quarter of 2008 were only 115,137. The average duration of benefits for regular unemployment insurance programs in New Hampshire also rose to 17.2 weeks as of the second quarter of 2010 compared to 14.6 weeks as of the second quarter of 2009 and 12.8 weeks as of the second quarter of 2008.⁶ This further illustrates the fact that those who have become unemployed have remained unemployed for longer periods than in recent years.

Mass Layoffs

Initial claims for unemployment compensation involving New Hampshire employers are incorporated into the Mass Layoff Statistics (MLS) program that is conducted by the New Hampshire Employment Security, Economic and Labor Market Information Bureau in conjunction with the United States Bureau of Labor Statistics. The MLS program tracks layoffs of 15 or more employees for state statistics and 50 or more employees for federal statistics. These statistics are used to analyze economic trends and to aid in the development of training programs that may benefit those workers that are permanently displaced from their employment. From 2008 to 2009 total private industry and government layoff episodes of 15 or more persons

6. [UI Data Summary, 2nd Quarter CY 2008 through 2nd Quarter CY 2010](#). U.S. Department of Labor, Office of Workforce Security, Division of Fiscal and Actuarial Services.

New Hampshire Mass Layoff State Events

Industry	Layoff Events				Layoffs events of more than 30 Days		Individuals with separations of more than 30 Days	
	2008	2009	2008	2009	2008	2009	2008	2009
	Total Private & Government	188	425	9,165	22,153	51	171	3,485
Selected Industries:								
Construction	16	31	625	1,305	11	26	682	1,232
Manufacturing	75	206	4,022	11,324	18	73	966	2,937
Transportation and warehousing	31	30	2,132	3,121	8	3	995	865
Accommodation and food services	13	22	550	997	5	10	243	574

Source: New Hampshire Employment Security, Economic and Labor Market Information Bureau

increased from 188 to 425 events. Initial claims associated with these layoff events were 9,165 for 2008 and 22,153 for 2009. From 2008 to 2009 total private industry and government layoff episodes of 50 or more persons increased from 42 to 90 events.

The MLS program also classifies these layoffs as either temporary or extended. Temporary mass layoffs are those in which individual employees are separated from their employment for a period of 30 days or less. Extended mass layoffs, often referred to as permanent layoffs, are those in which individual workers are separated from their employment for a period of more than 30 days. Extended mass layoffs include seasonal employees, those on long-term layoff, and those who

have been terminated from their employment. MLS data are based on the relationship of the worker to the employer conducting a layoff. If an individual was terminated from their employer as part of an extended mass layoff event, yet found a new job a week later, that person would be included in the separations associated with that event despite their current employment. From 2008 to 2009 total private industry and government extended layoffs increased from 51 to 171 events. There were 3,485 individuals in 2008 with separations of more than 30 days associated with these layoff events and 8,462 for 2009. Manufacturing fared the worst in New Hampshire for 2009 with 73 extended mass layoff events and 2,937 individuals with separations of more than 30 days.

Robert Cote

Unemployment Insurance	2006	2007	2008	2009	Source
Weeks compensated for unemployment (UI)	292,507	328,678	443,499	969,379	USDOL-OWS
Benefits paid, unemployment insurance (thousands)	\$72,701	\$84,187	\$117,220	\$264,899	USDOL-OWS
Annual percent change	3.9%	15.8%	39.2%	126.0%	USDOL-OWS/NHES
Average duration, benefit payments (weeks)	11.7	12.6	13.1	16.9	USDOL-OWS
United States average	15.3	15.2	14.9	18.8	USDOL-OWS
United States rank ^a (1=longest duration)	48	46	40	39	USDOL-OWS
Average weekly benefit amount					
New Hampshire	\$255.58	\$263.65	\$272.03	\$282.65	USDOL-OWS
United States	\$277.19	\$287.71	\$297.09	\$309.58	USDOL-OWS

^aRanks include D.C., Virgin Islands, and Puerto Rico

Civilian Labor Force	2006	2007	2008	2009	Source
Civilian Labor Force (annual average)	733,070	739,440	742,720	742,130	BLS
Annual percent change	1.4%	0.9%	0.4%	-0.1%	NHES
Labor force participation rate	70.9%	70.8%	70.8%	70.3%	BLS
United States rank	11	10	11	tie 10	BLS
Male participation rate	76.9%	76.9%	76.3%	75.3%	BLS
United States rank	10	9	11	10	BLS
Female participation rate	65.3%	64.9%	65.6%	65.5%	BLS
United States rank	10	tie 9	9	9	BLS

Employment (Residents)	2006	2007	2008	2009	Source
Employed (annual average)	707,210	713,330	713,820	695,190	BLS
Annual percent change	1.5%	0.9%	0.1%	-2.6%	BLS/NHES

Unemployment (Residents)	2006	2007	2008	2009	Source
Unemployed (annual average)	25,860	26,110	28,900	46,940	BLS
Unemployment rate (annual average)					
New Hampshire	3.5%	3.5%	3.9%	6.3%	BLS
United States rank (1=lowest)	tie 11	tie 9	tie 7	6	BLS
New England	4.5%	4.4%	5.4%	8.3%	BLS
United States	4.6%	4.6%	5.8%	9.3%	BLS
Men					
New Hampshire	3.5%	3.9%	4.0%	7.2%	BLS
United States	4.6%	4.7%	6.1%	10.3%	BLS
Women					
New Hampshire	3.1%	3.3%	3.6%	5.6%	BLS
United States	4.6%	4.5%	5.4%	8.1%	BLS
Teenagers (16-19)					
New Hampshire	11.8%	12.6%	13.5%	18.5%	BLS
United States	15.4%	15.7%	18.7%	24.3%	BLS

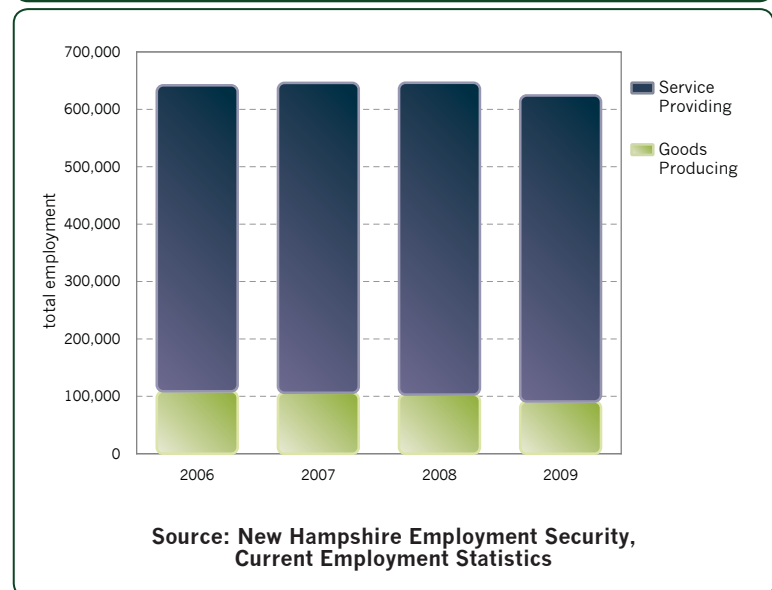
Work Stoppages	2006	2007	2008	2009	Source
Number of companies	0	0	0	0	USDOL
Employees involved	0	0	0	0	USDOL

In September 2010, the National Bureau of Economic Research's (NBER) Business Cycle Dating Committee announced that the latest recession officially ended in June 2009. By common definition, recession generally refers to two consecutive quarters of decline in Gross Domestic Product (GDP), the amount of goods and services produced by the United States. Therefore, according to this definition a recession would be considered over when growth in GDP resumes. The NBER's Business Cycle Dating Committee, however, looks at the amount of business activity in the economy, such as employment, industrial production, real income and wholesale-retail sales. When the Committee declared that the recession had ended in June 2009, it meant that the economy had reached its lowest point, not that economic activity had returned to its pre-recession levels. The recession from which the country is slowly emerging was determined not only to be the longest post-World War II recession, but also the deepest in terms of job losses, and the recovery has been slow.

Despite the jobless recovery (when employment growth lags significantly behind growth in GDP) nationwide, New Hampshire has demonstrated slow, but consistent job growth after dropping to 614,400 nonfarm jobs in January 2010, the lowest January nonfarm estimate (not seasonally adjusted) since 2004. Seasonally adjusted nonfarm employment estimates placed New Hampshire's job growth at 1.43 percent, or 8,900 jobs from June 2009 to June 2010. Nationally, as of June 2010, nonfarm payrolls were more than 500,000 jobs below the level that they were when the recession officially ended in June 2009.

According to a report released by the Economic Policy Institute (EPI), New Hampshire lost a higher percentage of jobs to China in the last ten years than any other state, especially in the high-tech industry, specifically *Computer and electronic product manufacturing*. An estimated 16,300 jobs were shifted to China between 2001 and 2008 which equates to approximately 2.35 percent of the average employment in the state between 2005 and 2007, according to the EPI report. This number includes jobs that were held by New Hampshire residents whether the jobs were located in the state, or were located in other states to which New Hampshire residents commuted. According to the report, the growing trade deficit with China has eliminated or displaced an estimated 2.4 million jobs in the United States between 2001 and 2008. The losses have been distributed throughout all fifty states, with the hardest hit, as a share of total state employment, being

Total New Hampshire Nonfarm Employment, Goods Producing and Service Providing



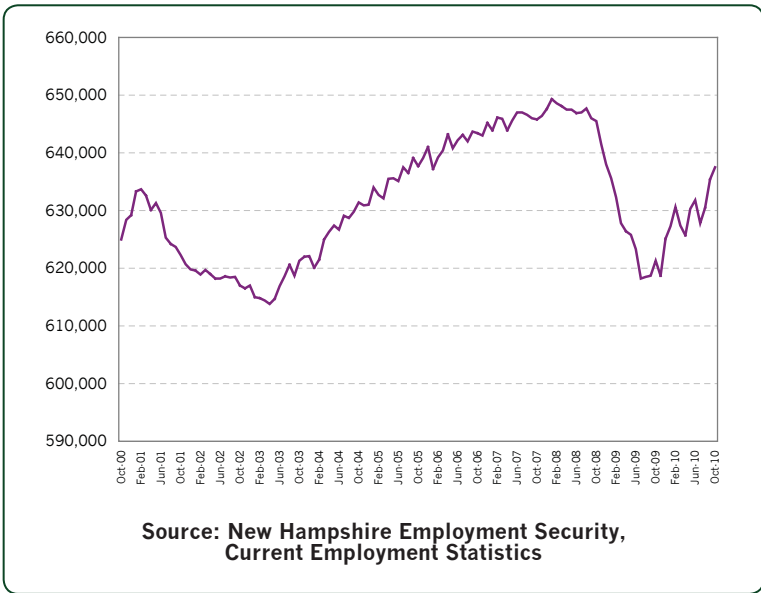
New Hampshire, North Carolina, Massachusetts, and California.¹ Since 2001 employment in the *Computer and electronic products* industry has declined by 8,200 jobs, from 25,800 in 2001 to 17,600 in 2008. Employment in this industry has continued to decline, to an average annual employment in 2009 of 16,000.

The average number of nonfarm jobs in 2009, not seasonally adjusted, was 624,100, a decrease of 3.4 percent from the previous year's level of 646,100. Preliminary October 2010 nonfarm employment estimates placed the total number of nonfarm jobs at 643,300, up 16,400 from October 2009. Employment in private industry, at 541,900 in October, also increased from its level of 525,600 a year earlier, a gain of 16,300 jobs. Private industry employment began to decline in 2008, losing 1,900 jobs from 2007. The jobs loss in 2009 was far more significant, with a reduction of 23,500, bringing total private industry employment down to 527,300. The latest data indicate that New Hampshire has gained almost half of the private industry employment lost during the recession.

Total Government employment in New Hampshire rose modestly from 2006 to 2009, and the preliminary October 2010 estimates showed continued employment growth, with 101,400 jobs. This is an increase of 100 jobs from October 2009. This small over-the-year change was driven by a loss of 500 jobs in Federal government, and a gain of 200 jobs in both State and Local government.

The Goods-producing domain of the New Hampshire economy consists of

Total New Hampshire Nonfarm Employment (seasonally adjusted)



the *Mining and logging, Construction, and Manufacturing* supersectors. Employment in *Mining and logging* stayed stable from 2006 to October 2010, fluctuating between 900 and 1,100 jobs. *Construction* employment gained 600 jobs over-the-year. *Manufacturing* had gained 2,200 jobs from October 2009 to October 2010. In 2009 *Manufacturing* employment in the state declined to 67,600 from a pre-recession level of 78,300 in 2006. Preliminary October 2010 estimates indicated that the current level of *Manufacturing* employment is 67,100.

Transportation, trade, and utilities is the second largest employing supersector in the state's economy and posted a 2,400 job gain over the past twelve months. In October 2009 employment was estimated at 134,400, and by October 2010 this total had increased to 136,800. The largest component, *Retail trade*,

¹ Scott, Robert E. "EPI Briefing Paper #260: Unfair China Trade Costs Local Jobs." *Economic Policy Institute*. 23 Mar. 2010. Accessed 20 Dec. 2010. <www.epi.org/publications/entry/bp260>.

gained 1,500 jobs over-the-year. *Wholesale trade* gained about half that amount during this period with 700 jobs added.

The largest employing supersector in the state's economy is *Education and health services*. This group added 1,100 jobs from October of 2009 to October 2010. *Educational services* gained 800 jobs over-the-year, while *Health services* gained 2,200 during the same period. Since 2006 this supersector has experienced employment growth each year, with a high of 2.6 percent growth in 2006 down to a 1.5 percent growth rate from 2008 to 2009. Thus far in 2010, *Education and health services* has grown 3.2 percent since 2009, putting it on track to post the largest gain in employment since 2006.

New Hampshire is showing signs of a slow but steady recovery. There are projects on the horizon that have the potential to bring jobs to the state. The proposed Northern Pass project, a cooperative endeavor between Hartford, Connecticut-based Northern Utilities, Boston-based NSTAR, and Hydro-Quebec, is expected to create at least 1,200 jobs in the Franklin area according to the Chief Economist for Gallagher,

Callahan & Gartrell, the Concord-based law firm hired by Northeast Utilities to study the economic impact of the project.² The project would bring hydroelectric power from Canada to a proposed facility in Franklin which will convert the direct-current (DC) power to alternating current (AC) power to be distributed over the New England power grid.

Albany Engineered Composites (AEC), a subsidiary of Albany International, plans to expand its Rochester facility and construct a new building at its current site. The construction project is expected to create 300 jobs, while the new investment in AEC's existing operations is expected to create 500 new jobs by 2015. The company's corporate headquarters and leadership team from New York is expected to be transferred to Rochester over the course of the next several years. AEC makes light-weight, high-strength composite parts for aircraft engines.³

Such projects represent positive signs for New Hampshire's economy.

Eleanor Goodbread

2. Ballenger, Tara. "Job estimate at over 1,200." 13 Oct. 2010. *Concord Monitor*. Accessed 14 Oct. 2010. <www.concordmonitor.com/print/220298>

3. "Governor Lynch, State and Rochester City Officials Announce Creation of Hundreds of Jobs." *Press Release*. 15 Oct. 2010. Office of the Governor of New Hampshire. Accessed 29 Oct. 2010. <www.governor.nh.gov/media/news/2010/101510-rochester-jobs.htm>.

Annual Employment Averages	2006	2007	2008	2009	Source
TOTAL NONFARM	641,900	646,000	646,100	624,100	NHES
TOTAL PRIVATE	549,800	552,700	550,800	527,300	NHES
Goods Producing	108,700	106,200	103,000	91,100	NHES
Mining & Logging	1,100	1,100	1,000	900	NHES
Construction	29,400	27,400	26,000	22,600	NHES
Manufacturing	78,300	77,600	75,900	67,600	NHES
Durable Goods	59,600	59,300	57,900	51,400	NHES
Primary Metal Manufacturing	3,200	3,100	3,100	2,700	NHES
Computer & Electronic Product	18,400	18,300	17,400	16,000	NHES
Electrical Equipment, Appliance, & Component	4,800	4,900	4,800	4,000	NHES
Nondurable Goods	18,700	18,300	18,000	16,200	NHES
Service Providing	533,200	539,900	543,200	533,000	NHES
Trade, Transportation, & Utilities	141,600	141,400	139,900	134,200	NHES
Wholesale Trade	28,000	28,300	28,100	26,600	NHES
Retail Trade	98,000	97,700	96,700	93,100	NHES
Food & Beverage Stores	20,000	20,400	21,200	21,600	NHES
Transportation and Utilities	15,600	15,400	15,100	14,500	NHES
Information	12,500	12,400	12,600	12,500	NHES
Financial Activities	39,400	38,400	38,100	36,400	NHES
Professional & Business Services	61,800	65,500	66,400	62,700	NHES
Educational & Health Services	100,300	102,900	105,100	106,700	NHES
Educational Services	22,600	23,000	23,000	22,900	NHES
Health Care & Social Assistance	77,600	79,900	82,100	83,800	NHES
Hospitals	26,100	26,800	27,700	28,300	NHES
Leisure & Hospitality	63,900	64,000	63,800	62,200	NHES
Accommodation & Food Services	52,900	53,100	52,700	51,400	NHES
Food Services & Drinking Places	43,800	43,900	43,700	42,700	NHES
Other Services	21,500	22,000	22,000	21,500	NHES
Total Government	92,200	93,300	95,400	96,800	NHES

Annual Employment Percent Changes		2006	2007	2008	2009	Source
TOTAL NONFARM						
	New Hampshire	0.9%	0.6%	0.0%	-3.4%	NHES
	New England	0.9%	0.9%	0.0%	-3.8%	NHES/BLS
	United States	1.8%	1.1%	-0.6%	-4.3%	NHES/BLS
Private						
	New Hampshire	0.9%	0.5%	-0.3%	-4.3%	NHES
	New England	1.0%	0.9%	-0.2%	-4.3%	NHES/BLS
	United States	2.0%	1.1%	-1.0%	-5.2%	NHES/BLS
Government						
	New Hampshire	0.9%	1.2%	2.3%	1.5%	NHES
	New England	0.7%	0.8%	0.9%	-0.5%	NHES/BLS
	United States	0.8%	1.1%	1.3%	0.2%	NHES/BLS

Annual Employment Percent Changes		2006	2007	2008	2009	Source
Goods Producing						
	New Hampshire	-1.7%	-2.3%	-3.0%	-11.6%	NHES
	New England	-0.8%	-1.6%	-3.2%	-11.5%	NHES/BLS
	United States	1.5%	-1.3%	-4.0%	-12.7%	NHES/BLS
Natural Resources & Mining						
	New Hampshire	10.0%	0.0%	-9.1%	-10.0%	NHES
	New England	1.3%	-5.3%	-2.8%	-11.4%	NHES/BLS
	United States	8.9%	5.8%	5.9%	-8.7%	NHES/BLS
Construction						
	New Hampshire	0.0%	-6.8%	-5.1%	-13.1%	NHES
	New England	1.6%	-1.8%	-4.7%	-15.5%	NHES/BLS
	United States	4.8%	-0.8%	-6.1%	-15.7%	NHES/BLS
Manufacturing						
	New Hampshire	-2.4%	-0.9%	-2.2%	-10.9%	NHES
	New England	-1.8%	-1.5%	-2.5%	-9.8%	NHES/BLS
	United States	-0.5%	-1.9%	-3.4%	-11.4%	NHES/BLS
Durable goods						
	New Hampshire	-2.3%	-0.5%	-2.4%	-11.2%	NHES
	New England	-1.1%	-1.0%	-2.0%	-10.1%	NHES/BLS
	United States	0.3%	-1.9%	-3.9%	-13.6%	NHES/BLS
Nondurable goods						
	New Hampshire	-2.1%	-2.1%	-1.6%	-10.0%	NHES
	New England	-2.8%	-2.6%	-3.6%	-9.1%	NHES/BLS
	United States	-1.8%	-2.0%	-2.5%	-7.5%	NHES/BLS

Annual Employment Percent Changes	2006	2007	2008	2009	Source
Service Providing					
New Hampshire	1.4%	1.3%	0.6%	-1.9%	NHES
New England	1.3%	1.3%	0.5%	-2.5%	NHES/BLS
United States	1.8%	1.6%	0.1%	-2.7%	NHES/BLS
Trade, Transportation, & Utilities					
New Hampshire	0.7%	-0.1%	-1.1%	-4.1%	NHES
New England	0.2%	0.1%	-0.8%	-5.0%	NHES/BLS
United States	1.2%	1.3%	-1.3%	-5.1%	NHES/BLS
Wholesale trade					
New Hampshire	1.8%	1.1%	-0.7%	-5.3%	NHES
New England	2.0%	0.6%	-0.7%	-6.1%	NHES/BLS
United States	2.4%	1.9%	-1.2%	-5.3%	NHES/BLS
Retail trade					
New Hampshire	0.5%	-0.3%	-1.0%	-3.7%	NHES
New England	-0.5%	-0.3%	-0.9%	-4.6%	NHES/BLS
United States	0.5%	1.1%	-1.5%	-4.9%	NHES/BLS
Transportation and Utilities					
New Hampshire	0.0%	-1.3%	-1.9%	-4.0%	NHES
New England	0.6%	1.0%	-0.3%	-5.4%	NHES/BLS
United States	2.1%	1.5%	-0.5%	-5.3%	NHES/BLS
Information					
New Hampshire	-1.6%	-0.8%	1.6%	-0.8%	NHES
New England	-0.2%	0.9%	-0.3%	-5.6%	NHES/BLS
United States	-0.8%	-0.2%	-1.6%	-5.9%	NHES/BLS
Financial Activities					
New Hampshire	0.0%	-2.5%	-0.8%	-4.5%	NHES
New England	1.0%	-0.2%	-1.5%	-4.1%	NHES/BLS
United States	2.1%	-0.3%	-1.9%	-4.8%	NHES/BLS
Professional & Business Services					
New Hampshire	4.4%	6.0%	1.4%	-5.6%	NHES
New England	2.5%	2.1%	0.7%	-5.8%	NHES/BLS
United States	3.6%	2.1%	-1.2%	-6.5%	NHES/BLS
Educational & Health Services					
New Hampshire	2.6%	2.6%	2.1%	1.5%	NHES
New England	2.4%	2.9%	2.4%	1.6%	NHES/BLS
United States	2.6%	2.8%	2.8%	1.9%	NHES/BLS
Leisure & Hospitality					
New Hampshire	0.9%	0.2%	-0.3%	-2.5%	NHES
New England	1.4%	1.6%	0.7%	-2.6%	NHES/BLS
United States	2.3%	2.4%	0.1%	-2.5%	NHES/BLS
Other Services					
New Hampshire	0.9%	2.3%	0.0%	-2.3%	NHES
New England	0.6%	1.1%	-0.5%	-2.2%	NHES/BLS
United States	0.8%	1.0%	0.4%	-2.7%	NHES/BLS

How has the job outlook changed in light of the Great Recession? Has society changed? As we come out of the recession, companies are slowly rehiring. Many companies have been able to increase productivity of the existing workforce and/or rely on hiring through temp agencies. One area that has experienced strong growth over the past year is business investment in information technology-related improvements.

Technological advances in telecommunications have expanded the types of jobs that can be performed remotely, many by workers in other parts of the world. Examples of offshoring can be found in both low-skill occupations, such as jobs in call centers, as well as high-skill occupations, such as writing computer code. What makes these occupations similar is that the services do not necessarily require face-to-face

New Hampshire Long-Term Occupational Projections, 2008 - 2018

SOC Code	Occupation Title	2008 Employment	2018 Projected	2008 - 2018 Change	Average Annual		
					Openings from Growth	Openings from Replacements	Total Openings
00-0000	Total Employment	695,185	756,238	61,053	6,789	15,949	22,738
41-0000	Sales and Related Occupations	90,676	96,091	5,415	555	2,712	3,267
43-0000	Office and Administrative Support Occupations	110,519	116,872	6,353	872	2,303	3,175
35-0000	Food Preparation and Serving Related Occupations	55,051	61,111	6,060	607	1,965	2,572
25-0000	Education, Training, and Library Occupations	45,278	51,952	6,674	667	984	1,651
29-0000	Healthcare Practitioners and Technical Occupations	36,394	44,721	8,327	832	735	1,567
11-0000	Management Occupations	51,484	53,676	2,192	260	1,138	1,398
13-0000	Business and Financial Operations Occupations	31,201	35,254	4,053	409	641	1,050
51-0000	Production Occupations	50,663	48,621	-2,042	66	961	1,027
39-0000	Personal Care and Service Occupations	22,777	27,446	4,669	467	536	1,003
53-0000	Transportation and Material Moving Occupations	34,850	36,280	1,430	184	776	960
47-0000	Construction and Extraction Occupations	27,857	29,968	2,111	219	496	715
31-0000	Healthcare Support Occupations	18,336	23,254	4,918	494	209	703
49-0000	Installation, Maintenance, and Repair Occupations	25,695	27,337	1,642	179	507	686
15-0000	Computer and Mathematical Occupations	18,538	21,352	2,814	297	306	603
37-0000	Building and Grounds Cleaning and Maintenance Occupations	24,468	25,890	1,422	144	394	538
33-0000	Protective Service Occupations	11,338	12,528	1,190	118	350	468
21-0000	Community and Social Services Occupations	8,535	10,229	1,694	169	185	354
17-0000	Architecture and Engineering Occupations	12,318	12,849	531	73	264	337
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	8,578	9,177	599	74	225	299
19-0000	Life, Physical, and Social Science Occupations	4,858	5,598	740	74	151	225
23-0000	Legal Occupations	3,998	4,219	221	23	64	87
45-0000	Farming, Fishing, and Forestry Occupations	1,773	1,811	38	6	47	53

contact to be performed effectively and efficiently. As society embraces more and more new technology, these services jobs will continue to be in demand — but they may not create demand for workers in the U.S.

In a working paper from 2008, Alan Blinder at the Center for Economic Policy Studies, Princeton University, states that the mix of jobs in demand for U.S. workers will change with increasing technology. He distinguishes between services that are personally-delivered and those that are impersonally-delivered. Personally-delivered services are provided to individuals, or groups of individuals, where person-to-person contact is required, such as dental hygienists, retail clerks, or waitstaff. Impersonally-delivered services are those that can be delivered using any telecommunication device, such as call center operators, tax accountants, or radiologists.¹

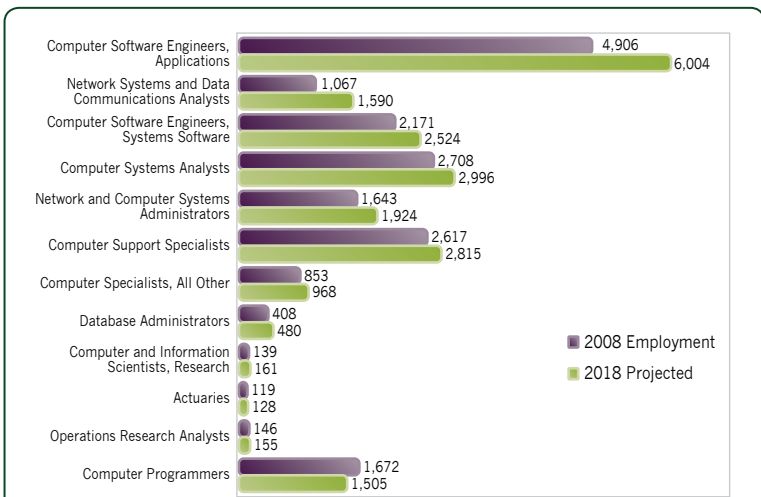
Many of the personally-delivered jobs are service-related occupations and are in industries dependent on household discretionary spending (going out to eat, going on vacation, going shopping, etc.). But currently many consumers are still cautious about spending, and it might take some time before demand for these services to return to previous levels. As the demand for these services increases, the employment demand will grow as well.

Occupational Employment Projections

New Hampshire’s long term employment projections anticipate an increase of 8.8 percent between 2008 and 2018, a slower growth rate in comparison to the 2006-2016

employment outlook of 13.9 percent. But otherwise, the 2008-2018 occupational outlook resembles the 2006-2016 projections in terms of the major occupational groups that are expected to have the most growth. *Healthcare support occupations* and *Healthcare practitioners and technical occupations* are at the top of the list, projected to grow by 26.8 percent and 22.9 percent, respectively. Combined, these two healthcare related groups are projected to add more than 13,000 jobs over the next ten years. In addition, *Sales and related occupations*, *Office and administrative support occupations*, and *Food preparation and serving related occupations* continue to be the major occupational groups projected to generate the most annual openings. These occupational groups tend to account for most of the annual openings as the groups hold a large share of all jobs. Also, many of these

Occupational Employment by Jobs Gains in Computer and Mathematical Science Occupations



Source: New Hampshire Employment Security, Economic & Labor Market Information Bureau

1. Blinder, Alan S. “CEPS Working Paper No. 163: Education for the Third Industrial Revolution.” Center for Economic Policy Studies. May 2008. Princeton University. Accessed 24 Nov. 2010. <www.princeton.edu/ccps/workingpapers/163blinder.pdf>.

occupations provide entry level jobs, requiring little to no training, allowing individuals to move up career ladders over time, which then contributes to high turnover rates. Each of these three major occupational groups is expected to generate at least 2,500 annual openings on average over the next ten years.

Over the last decade, consumers have become more reliant on the Internet for a vast number of daily tasks, such as shopping, paying bills, searching for information, entertainment and communication. This shift has increased demand for jobs such as web designers and computer software engineers, which will continue to experience strong growth.² As the demand for electronic services increases, the demand for “traditional” types of communication is disappearing. Employment for postal service and clerical workers is projected to decline.³ At the same time, the need for occupations in education and health care services are more dependent on the characteristics of the population, such as age distribution and size. The outlet for such services might change over time, such as taking classes online, and the location for service delivery might change, such as getting a flu shot in the supermarket, but the core functions of the occupation pretty much stay the same.

Green Jobs

Over the past couple of years, society has experienced a greening trend, which has helped create demand for new products and processes, such

as organic produce, energy efficient appliances, and environmentally friendly manufacturing processes. Elevated prices and environmental disasters have fed the country’s desire to reduce the use of fossil fuels and increase the use of renewable energy. Federal initiatives, through the American Recovery and Reinvestment Act, have attempted to promote green jobs as an avenue to both stimulate economic growth and support environmental sustainability. Many different institutions, both private and governmental, have attempted to define and measure the green economy. In general, there is a consensus that green industries are those related to business activities in renewable energy, energy efficiency, environmental protection, and mass transportation.

Top Ten Green Enhanced Skills Occupations in New Hampshire



Source: New Hampshire Employment Security, Economic and Labor Market Information Bureau

2. *Network Systems and Data Communications Analysts (SOC 15-1081) are projected to grow by more than 500 new openings over the next ten years, a 49.0 percent growth rate. Computer Software Engineers, Applications (SOC 15-1031) are projected to grow by more than 1,000, a 22.4 percent growth rate.*
3. *Postal Mail Sorters/Processors and Process Machine Operators (SOC 43-5053) are projected to decline by about 300 positions over the ten-year period, a 29.8 percent drop. Order Clerks (SOC 43-4151) are projected to decline by more than 200 positions, a 21.3 percent drop.*

But do all workers in a green industry have a green job? And are all workers in green jobs employed in a green industry? The answers are no. Defining green jobs is more complicated than that. Not all workers in a business that is engaged in a green industry have a green job. For example, an accountant at a biomass plant is a job in a green industry due to the nature of that business, but that does not make accountants a green occupation.

Further complicating the definition is the fact that some workers within a specific occupation may be green, but not every worker is. We may be able to say that all recyclable material collectors have green jobs, but for most other occupations only some of its workers are involved in green activities. Such is the case for carpenters, plumbers and electricians. For example, a carpenter providing weatherization services can be considered a green job, whereas the carpenter doing finish cabinetry is not; and many individuals perform both activities, depending on the customer.

The national Occupational Information Network, known as O*Net, has studied the impact of the green economy on occupational classifications.⁴ In order to better distinguish between the very different types of green jobs, O*Net has identified three separate categories:

- **Green Increased Demand**
Occupations: skills do not change, but demand for the occupation will increase;
- **Green Enhanced Skills**
Occupations: workers will need additional skills to perform the same job; and

- **Green New and Emerging Occupations:** jobs that will be created from the emergence of green technologies.

New Hampshire Green Jobs

Using the employment estimates from the New Hampshire Occupational Employment Statistics (OES) Program, in May 2009 there were around 103,750 jobs in occupations deemed a combination of green enhanced skills and green increased demand. Each of these two occupational categories contain roughly sixty O*Net occupations. New Hampshire has occupational employment data available for only three out of every four of those occupations.

Using O*Net to establish a green jobs count is not precise due to the fact that the OES Program estimates employment by Standard Occupational Classification (SOC) code. The O*NET classification utilizes the SOC code plus a two-digit extension to improve detail in identifying occupations. Green occupations identified by O*NET are defined using that two-digit extension, which is not part of the OES SOC-based data. Therefore, OES SOC-based data provides a more broad employment measurement. The advantage of using O*Net occupational coding is the availability of tasks, technology and tools, skills, knowledge, and ability information. The disadvantage is that O*Net is more precise than existing measures of occupational skills and tasks, and does not relate equally to job estimates classified by SOC. Using existing broadly defined SOC occupational data sets as the base for green job estimates can overstate the number of green jobs.

4. "The Green Economy." [O*Net Resource Center](http://www.onetcenter.org/green.html). The Occupational Information Network (O*NET). Accessed 24 Nov. 2010. <www.onetcenter.org/green.html>.

With the release of Standard Occupational Classification (SOC) code for 2010, only two new green occupations were established. These are Solar Photovoltaic Installers (SOC 47-2231) and Wind Turbine Service Technicians (SOC 49-9081). No occupational employment statistics are available yet using the 2010 SOC codes and definitions.

Coding systems are retro in nature because codes are assigned after the occupation has fully emerged. Additionally, an occupation needs to have a certain measurable quantity in order to be estimated separately. For these reasons, it can take years before data on new and emerging occupations are available via the Occupational Employment Statistics⁵ program, especially in states with relatively small employment counts. This time lag makes it difficult to track employment in emerging green occupations.

Measuring employment in an emerging occupation

An example of a green occupation that is starting to emerge is the energy auditor. At present, there is no way to count the number of energy auditors in New Hampshire. Since this occupation does not have a SOC code of its own, there is no separate employment count for this occupation. One way to find out about new and emerging occupations is through training programs. For example, Lakes Region Community College offers a course preparing students to become Certified Building Analysts, a

certification provided by the Building Performance Institute (BPI). The course offers training in energy auditing and efficiency, insulation, air sealing and building envelope diagnostic skills, and prepares attendees to pass the accompanying certifying tests. According to BPI's website, certified professionals are in demand and enjoy increased employment opportunities.⁶ Over 120 professionals took this course at the Lakes Region Community College between September 2009 and June 2010. Surveys were sent to 116 of those with usable email addresses and 70 responded (60% participation rate).⁷ Respondents stated a desire to learn new skills for a new job or business opportunity and that this course increased their ability to perform their existing job duties. An example includes a remodeler getting more work and incorporating building science and energy auditing into his work.

Tracking participation in programs such as the one offered by Lakes Region Community College, as well as monitoring the emergence of new similar programs, helps form an understanding of the emergence of a new occupation.

Labor Market Information Improvement Grant

The State of New Hampshire, in partnership with seven other Northeast states, is the recipient of a Labor Market Information Improvement grant from the Employment and Training Administration. The purpose of this

5. *Occupational Employment Statistics include occupational employment and wages estimates.*

6. Certified Professionals. Building Performance Institute. Accessed 4 Oct. 2010. <bpi.org/professionals.aspx>.

7. Duncan, Andy. "Lakes Region Community College Statewide Energy Alumni Survey." 10 Sep. 2010. Lakes Region Community College. Accessed 17 Sep. 2010. <www.lrcc.edu/news/September/20100910.html>. *Lakes Region Community College's Building Performance Institute Energy Analyst Training was funded in part by the NH Public Utilities Commission RGGI Greenhouse Gas Emissions Reduction Fund in partnership with the NH Division of Economic Development.*

grant is to research and identify new skills and knowledge needed in the current labor market. Green jobs are beginning to appear in connection with a wide variety of occupations, and those workers are gaining new or additional skills. To best assess the skill requirements that employers are looking for today, grant research is focused on studying the job descriptions and skill requirements posted in online job ads, to allow for identification of the skills currently in demand. The research will also attempt to compile skills related to green jobs. By identifying skills in demand, jobseekers can determine if training is needed, and students can better plan their academic path in preparation for joining the labor force.

Despite the aforementioned challenges to estimating green jobs based on occupational employment statistics in New Hampshire, there is a significant amount of “greening”

being applied to existing occupations. For example, the apprentice training program sponsored by IBEW Local 490 in Concord has incorporated solar panel installation into the curriculum, preparing future electricians to provide green business services.

While a large share of green occupations are related to energy, occupations unconnected to the energy industry have also been painted with a green brush. Cosmetologists provide their clients with organic hair products. Firefighters must now learn the difference between extinguishing car fires in a gasoline-fueled engine versus a hybrid. The expectation is that, like the demand for computer knowledge and use, the demand for green products and services will grow and many occupations will add green skills as green business processes and practices become commonly accepted.

Annette Nielsen

Consumer Confidence Survey

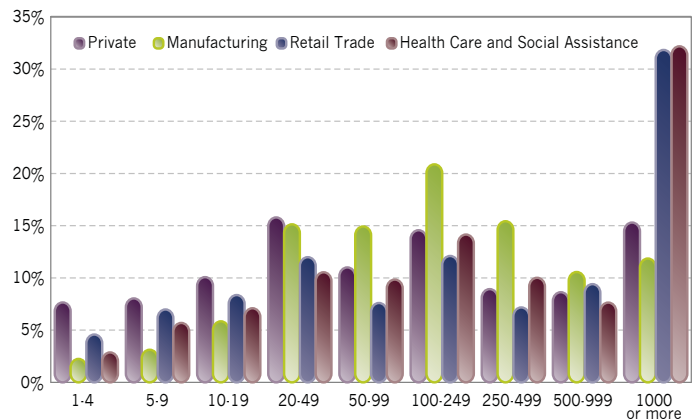
How much confidence do consumers have in the economy today? A recent report from the Conference Board indicated that nationally, consumer confidence slowly continues to improve. The Consumer Confidence Index increased from 49.9 in October to 54.1 in November (1985=100). The Index is a measure of consumer assessment of the current state of the economy and job market, as well as their expectations for the near future. The report accounts for consumer attitudes and buying purposes in our economy, with data by age, income, and region. The relevance of these results is that, in many cases, consumer confidence is used as a leading indicator for the economy.¹ Currently 70.5 percent of the economy is accounted for by consumer spending. If consumers are reluctant to spend a large segment of aggregate demand (the sum of all demand in an economy), then that can slow recovery and expansion.²

Firms by Size, First Quarter 2009

New Hampshire's private sector had 76.7 percent of firms with 9 or fewer employees, 58.7 percent were firms with 1-4 employees. There is generally a downward trend in the share of firms as the firm employee size group increased.

The largest share of private employment for first quarter 2009 was in firms with 20-49 employees, with 15.8 percent. Firms that had 1,000 or more employees held 15.3 percent of private employment. Firms with 100 to 249 employees held 14.6 percent

Firms by Size in New Hampshire for the Three Largest Employing Industries, 2009



Source: New Hampshire Employment Security Economic and Labor Market Information Bureau

of private employment. Firms with 1-4 employees held the smallest share, 7.7 percent, of private employment.

Share of Employment

What industries in New Hampshire had the largest private employment and how is their employment distributed among firm size groups? In first quarter 2009, New Hampshire's three largest employing industries were *Manufacturing*, *Retail trade*, and *Health care and social assistance*.

New Hampshire's *Manufacturing* industry had 34.6 percent of its firms with 1-4 employees in first quarter 2009, but only 2.3 percent of *Manufacturing's* employees worked in firms with 1-4 employees. *Manufacturing* firms with 100-249

1. Consumer Confidence Survey. The Conference Board Inc. Accessed 30 Nov. 2010. <www.conference-board.org/data/consumerconfidence.cfm>.

2. *Aggregate demand can be computed by adding the expenditure on consumer goods and services, investment, and net exports (total exports minus total imports).* "Definition of Aggregate Demand." About.com – Economics. Accessed 21 Dec. 2010. <economics.about.com/cs/economicsglossary/g/aggregate_d.htm>.

employees had the largest share of industry's employment with 20.9 percent. That share far exceeded that of private employment, which had just over than 15 percent in the same size group.

In first quarter 2009, the *Retail trade* industry had 44.4 percent of firms, (4,150) with 1-4 employees. Only 0.6 percent of employment for *Retail trade* worked for firms in this size group. *Retail trade* had 31.8 percent of employment in the size group of 1,000 employees or more.

Almost a third of employment in the *Health care and social assistance* industry is in firms with 1,000 or more employees. Almost another 15 percent of the industry's employment was in firms with 100-249 employees.

Share of Firms

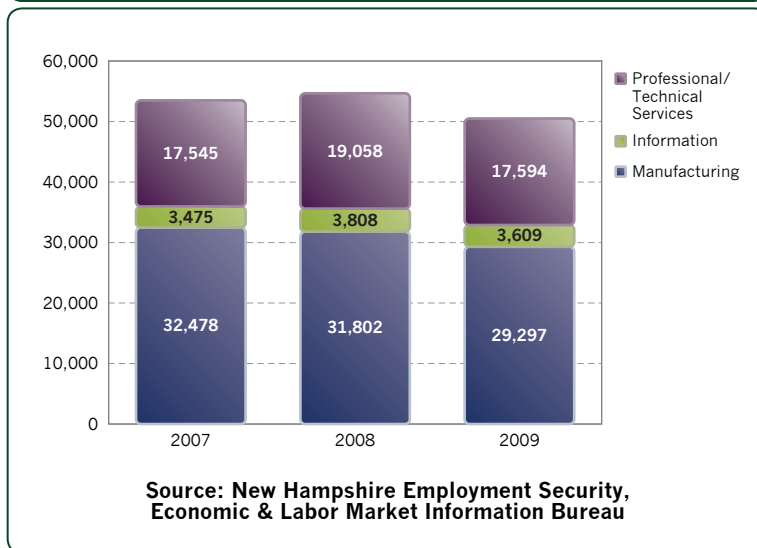
The average size of firms in the private sector is 14 employees per firm. Among the three largest industry sectors the average size in *Manufacturing* is 35 employees per firm, *Retail trade* had an average size of 22 employees per firm, and *Health care and social assistance* had an average of 30 employees per firm.

Manufacturing had 34 percent of firms in the 1-4 size group and only 31 percent in the five size groups between 20 and 999 employees.

High Tech Employment

In a definition provided by the Office of Technology Policy in 2002, high tech employment included employment from *Manufacturing*, *Information*, and *Professional and technical services*. The recession that started in December 2007 had a fairly large impact on high tech employment. High tech average annual employment in 2007 was 53,498 employees. This climbed in 2008 to 54,668 employees, but decreased to 50,501 employees in 2009.

Annual Employment in New Hampshire High Tech Sectors



Manufacturing provides the largest portion of high tech employment in New Hampshire. In 2007 high tech employment averaged 32,478 workers, but dropped to 31,802 in 2008, and further to 29,297 in 2009. This reduction of 3,181 positions translated into a 9.8 percent drop over two years.

The *Professional and technical services* section of high tech employment averaged 17,545 employees in 2007. This increased to 19,058 employees in 2008, but fell back to 17,594 employees in 2009.

The *Information* sector currently generates the smallest portion of high tech employment. In 2007 its average employment contribution was 3,475. In 2008 this increased to 3,808 employees, but declined to an annual average of 3,609 employees in 2009.

High Tech Wages

Businesses in the high tech field commonly pay higher wages than industry sectors as a whole. In 2009 high tech *Manufacturing* had an average weekly wage of \$1,387. In

comparison, *Manufacturing* as a whole had an average weekly wage of \$1,121 in 2009, a difference of \$266 more per week for high tech *Manufacturing*.

High tech *Professional and technical services* wages averaged \$1,570. In comparison, *Professional and technical services* as a whole had an average weekly wage of \$1,397 in 2009. Positions in high tech *Professional and technical services* earned \$172 more per week on average.

The high tech *Information* sector had an average weekly wage of \$2,011 in 2009. In comparison, the *Information* sector as a whole had an average weekly wage of \$1,342 in 2009. Positions in the high tech *Information* sector earned \$670 more per week on average.

Anthony Scott

High Tech by NAICS	2006	2007	2008	2009	Source
Average annual employment	53,048	53,498	54,668	50,501	NHES
Average annual number of employing units	3,852	3,865	4,065	4,043	NHES
Total wages (millions of dollars)	\$3,912.5	\$4,037.3	\$4,288.1	\$3,925.8	NHES
Average weekly wages	\$1,419	\$1,453	\$1,471	\$1,500	NHES

New Firms	2006	2007	2008	2009	Source
New incorporations in New Hampshire	1,507	1,264	2,081	2,471	SOS
Out-of-state incorporations new to New Hampshire	1,706	1,713	4,307	4,194	SOS
New Limited Liability companies (LLC) in the state	8,118	7,746	16,847	15,893	SOS
Out-of-State LLCs new to the state	883	982	2,535	2,452	SOS

Percent of Establishments with 100+ Workers (Ranked from highest among 50 states and D.C.)	2006	2007	2008	2009	Source
New Hampshire	2.2%	2.2%	2.3%	n/a	CB/NHES
United States rank	33	30	29	n/a	CB/NHES
Connecticut	2.5%	2.5%	2.7%	n/a	CB/NHES
United States rank	18	13	12	n/a	CB/NHES
Maine	1.7%	1.6%	1.8%	n/a	CB/NHES
United States rank	46	46	45	n/a	CB/NHES
Massachusetts	2.7%	2.7%	2.8%	n/a	CB/NHES
United States rank	9	6	4	n/a	CB/NHES
Rhode Island	2.2%	2.1%	2.2%	n/a	CB/NHES
United States rank	34	34	34	n/a	CB/NHES
Vermont	1.6%	1.5%	1.5%	n/a	CB/NHES
United States rank	48	47	47	n/a	CB/NHES

Firms by Size ^a	2006	2007	2008	2009	Source
Total Number of Firms with employment	35,066	35,294	35,065	34,367	NHES
1 - 4 employees	19,839	20,154	20,169	20,160	NHES
5 - 9 employees	6,544	6,637	6,438	6,207	NHES
10 - 19 employees	4,211	4,045	4,038	3,809	NHES
20 - 49 employees	2,801	2,790	2,779	2,656	NHES
50 - 99 employees	941	917	886	814	NHES
100 - 249 employees	492	511	509	491	NHES
250 - 499 employees	136	141	144	130	NHES
500 - 999 employees	66	64	67	66	NHES
1,000 & over employees	36	35	35	34	NHES
Net Annual Change in Number of Firms	588	315	-229	-698	NHES
Net Annual Change in Number of Employees	9,721	1,615	566	-20,809	NHES
1 - 4 employees	995	223	51	-305	NHES
5 - 9 employees	-645	544	-1,492	-1,235	NHES
10 - 19 employees	1,441	-2,138	-188	-3,054	NHES
20 - 49 employees	1,138	-329	211	-3,552	NHES
50 - 99 employees	2,183	-2,004	-2,245	-4,664	NHES
100 - 249 employees	-1,647	2,517	991	-2,471	NHES
250 - 499 employees	2,536	2,780	836	-4,788	NHES
500 - 999 employees	-1,470	35	629	-1,198	NHES
1,000 & over employees	5,190	-13	1,773	458	NHES
Percent of Total Employment (by size of firm)					
1 - 4 employees	7.5%	7.4%	7.4%	7.7%	NHES
5 - 9 employees	8.3%	8.2%	8.0%	8.0%	NHES
10 - 19 employees	10.9%	10.3%	10.3%	10.1%	NHES
20 - 49 employees	16.2%	15.8%	15.8%	15.8%	NHES
50 - 99 employees	12.5%	11.9%	11.5%	11.0%	NHES
100 - 249 employees	14.1%	14.3%	14.5%	14.6%	NHES
250 - 499 employees	9.0%	9.3%	9.5%	8.9%	NHES
500 - 999 employees	8.6%	8.4%	8.5%	8.6%	NHES
1,000 & over employees	14.6%	14.3%	14.6%	15.3%	NHES

^a Firms by size numbers are based on March covered employment data, in each calendar year.

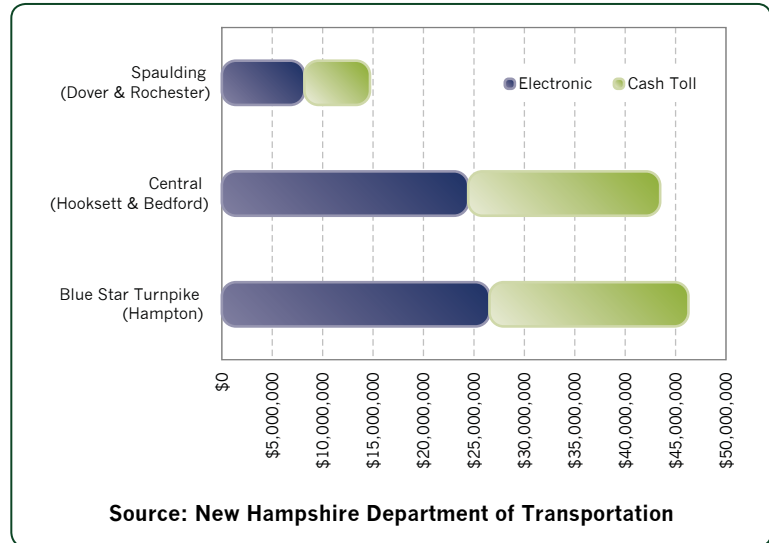
New & Terminated Firms Covered by Unemployment Compensation	2005	2006	2007	2008	Source
New firms	5,881	5,677	5,648	3,974	NHES
Terminated firms	5,481	5,523	5,515	5,534	NHES

The American Recovery and Reinvestment Act of 2009 (ARRA) provided nearly \$130 million in funding for New Hampshire's roads and bridges, effectively doubling the New Hampshire Department of Transportation's (NHDOT) construction budget. The NHDOT was second in the nation in obligating ARRA funds and getting projects out to contractors and their workers. These extra funds made it possible to complete 500 additional miles of pavement rehabilitation work, providing extra cash resources for the rebuilding of Interstate 93 from Salem to Manchester, accelerating construction of the Manchester Airport Access Road, and enabling the state to fund 100 percent of the construction cost of 35 municipal road and bridge projects. The Highway Design Bureau advertised 12 projects valued at \$93,000,000 using ARRA funds. ARRA funds made possible, either directly or indirectly, work on 78 bridges as part of roadway resurfacing projects. ARRA monies have also provided an additional \$13.5 million to Transit projects and new buses, and \$4.9 million for improvements at airports in Manchester, Keene, Nashua and Gilford.

Traffic Volume and Tolls

New Hampshire's highways were busier in 2009 with an increase of 4.9 percent in traffic volume, leading in turn to an increase in toll revenues of \$4 million. Traffic counts of vehicles crossing the border between Massachusetts and New Hampshire showed an increase of 2,093,000 between 2008 and 2009. While the 2009 count of 70,106,000 is below the 2007 figure of 72,220,000, the volume is still working back to its pre-recession level. Rural traffic counters have also shown an increase, with a 1.4 percent boost in volume.

New Hampshire Road Toll Revenues Fiscal Year 2009



The total amount collected in cash tolls and E-Z pass receipts in 2009 was \$104.4 million, with the largest share coming from the Hampton Toll Plaza at \$46.3 million. While this \$2.9 million increase in revenue from FY 2008 to FY 2009 at the Hampton Toll Plaza can be partially explained by the toll rate increase that went into effect July 1, 2009, there was also an increase of 135,636 vehicles passing through that toll plaza in FY 2009. The Hooksett and Bedford tolls brought in \$43.4 million and the Spaulding Turnpike tolls (Dover and Rochester) contributed \$14.7 million to the total.

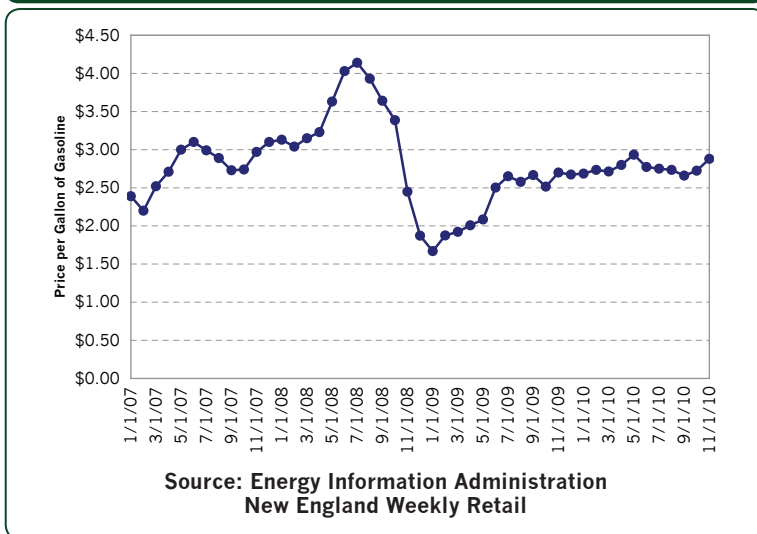
Construction of new toll booths across the F.E. Everett Turnpike in Nashua is just one of the tolling scenarios state transportation planners are considering to try to recapture potential lost revenue due to the opening of the Manchester Airport Access Road, slated for 2012. New Hampshire could lose an estimated 31 percent, or \$5.2 million, in toll revenues if nothing else is done when the access road opens, because

airport traffic and other commuters will be able to bypass the Bedford toll plaza.¹ Public information meetings were held in Manchester, Bedford, Nashua, and Merrimack to present citizens and public officials with information about the proposed projects.²

Gasoline Prices

According to information released by the U.S. Energy Information Administration, the average price for a gallon of regular gasoline in New England as of November 15, 2010 was \$2.98 a gallon, thirty cents higher than the same period a year earlier. Despite the predictions by some analysts that gas prices might rise above \$3.00 a gallon during summer 2010, it never happened. Overall, gas prices remained near summer 2009 levels. It does appear, however, that

Average Retail Gas Price per Gallon



the predicted rise did occur in fall 2010, partly driven by the increase in oil prices.

1. "F.E. Everett Turnpike Tolling Study: Part II." Bureau of Turnpikes. 30 Nov. 2010. New Hampshire Department of Transportation. Accessed 16 Dec. 2010. <www.nh.gov/dot/org/operations/turnpikes/documents/finalreportpart2feeverettturnpiketollingstudy1.pdf>.
2. "Everett Turnpike Tolling Public Informational Meetings." News Release. 1 Nov. 2010. New Hampshire Department of Transportation. Accessed 16 Dec. 2010. <www.nh.gov/dot/media/nr2010/nr110110everett.htm>.

Registrations, Licenses, & Fuel Consumption	2006	2007	2008	2009	Source
Vehicle Registrations					
Passenger Vehicles	1,228,869	1,220,360	1,218,775	1,222,083	ISDS/NHES
Annual percent change	11.0%	-0.7%	-0.1%	0.3%	ISDS/NHES
Commercial Vehicles	204,606	204,467	202,352	203,617	ISDS/NHES
Annual percent change	8.1%	-0.1%	-1.0%	0.6%	ISDS/NHES
Persons per passenger car (population/# of vehicles) ^a	1.1	1.1	1.1	1.1	ISDS
Total driver licenses on issue	1,028,670	1,029,415	1,031,795	1,033,973	ISDS
Annual percent change	1.2%	0.1%	0.2%	0.2%	ISDS/NHES
Boat Registrations	101,117	100,485	95,463	95,569	ISDS
Annual percent change	-1.3%	-0.6%	-5.0%	0.1%	ISDS/NHES
Motor Fuel Consumption (fiscal year)					
Millions of gallons of gasoline and diesel fuel	841	857	831	823	RTDS
Annual percent change	-2.4%	1.9%	-3.0%	-1.0%	RTDS/NHES

^a Based on 2006 OEP Total Population Estimate of 1,315,000

Export Activity

Despite the fact that information from the Army Corps Of Engineers Navigation Data Center on New Hampshire export activity out of Portsmouth Harbor for 2008 shows a continued decline (35 percent), the latest information available shows strong growth in total New Hampshire exports. This would include not only harbor activity, but all methods of exporting goods. Data for the first seven months of 2010 shows 45 percent growth in New Hampshire exports. This places the state third in the United States in terms of export growth. Exports of manufactured goods accounted for 54 percent of all New Hampshire exports.³

Motor Vehicle Registrations

Information from the New Hampshire Department of Safety shows that the total number of passenger vehicle registrations, at 1,222,083 in 2009, was up three-tenths of one percent over the 2008 level of 1,218,775. Registrations of commercial vehicles in 2009 were up six-tenths of one percent from the previous year, at 203,617. The total number of driver licenses issued in 2009 was 1,033,973, up two-tenths of one percent from the 2008 level of 1,031,795. After dropping by five percent from 2007 to 2008, the total number of boat registrations, commercial and private, in 2009 rose

slightly, one-tenth of one percent, from the 2008 level, a positive economic sign. Since the majority of the boat registrations are for private owners, this tends to indicate a willingness to begin spending on leisure activities again.

Airports and Airline Travel

The numbers from Manchester-Boston Regional Airport were weaker in 2009 than in 2008, with both enplanements, and deplanements decreasing, total passengers dropped 14.5 percent. The decrease in all three of these figures averaged 4.4 percent from 2007 to 2008. Air cargo activity decreased by just over 9 percent in 2009 from 2008. This comes after falling 8 percent from 2007 to the 2008 level.

On September 27, 2010, Southwest Airlines announced an agreement to purchase AirTran Airlines. While the direct impact of the transaction on Manchester-Boston Regional Airport is not yet known, it has the potential to benefit the airport. Southwest is the largest airline in the state and carries more than half of the passengers at Manchester Airport. AirTran does not have service out of the airport at this point, but if Southwest decided to add flights as a result of the purchase of AirTran, it is possible that the airport could pick up AirTran's service to Atlanta, Georgia. Manchester has been

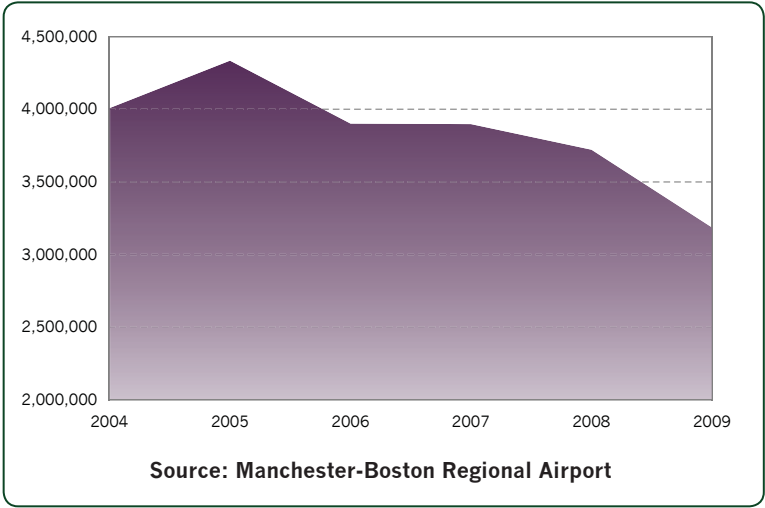
3. "NH export growth ranks 3rd in U.S." *New Hampshire Business Review*. 8 Oct. 2010.

Highway Traffic - Annual totals	2006	2007	2008	2009	Source
Interstates, NH - Mass. State line (thousands, from traffic counters, Salem & Seabrook)	71,856	72,220	68,013	70,106	DT
Annual percent change	0.1%	0.5%	-5.8%	3.1%	DT/NHES
Rural traffic, annual percent change	0.6%	-0.8%	-3.5%	1.4%	DT
Annual vehicle miles (millions of miles)	17,078	17,311	16,786	17,119	RTDS
Annual percent change	16.6%	1.4%	-3.0%	2.0%	RTDS/NHES

interested in adding service to Atlanta for some time. It is hoped that if AirTran were to provide Atlanta service out of Manchester, then Delta, who has already been involved in discussions with Manchester about adding Atlanta service to their flight itinerary, would follow suit.⁴

Portsmouth International Airport had 10,326 people boarding flights in 2010. In order to qualify for \$1 million in Federal Aviation Administration (FAA) discretionary funds, airports must have at least 10,000 enplanements per calendar year. If the 10,000 enplanement goal had not met by December 31, 2010, the FAA grant would be reduced to \$150,000. These funds go toward facility improvements and equipment identified in the airport's capital improvement plan. The Pease Development Authority (PDA) Board of Directors implemented a program to attract more flights to the Portsmouth International Airport at Pease through fee-waiving for military flights. The board marketed the airport to other airlines in an effort to attract them to Pease. The incentive plan involved waiving all costs for an airline coming into the Portsmouth International Airport,

Passenger traffic at Manchester-Boston Regional Airport declined significantly in 2009



except for fueling charges, for up to three years. If the PDA had done nothing the airport would have probably only reached approximately 7,900 enplanements for the year. A similar marketing program was in place in 2009 and enabled Pease to reach the 10,000 enplanement goal.⁵

Keene is one of 19 communities nationwide to receive a grant through the US Department of Transportation's Small Community Air Service Development Program.

4. Brooks, David. "Up, down potential in Southwest move". *Nashua Telegraph*. Accessed 28 Sep. 2010. <www.nashuatelegraph.com/print/?sid=2549410>.
 5. Eisenstadter, David. "Airport gets funds to look at bringing commercial service back to Keene." 27 Oct. 2010. *The Keene Sentinel*. Accessed 28 Oct. 2010. <www.sentinalksource.com/articles/2010/10/27/news/local/free/id_416949.prt>.

Aircraft Travel	2006	2007	2008	2009	Source
Manchester-Boston Regional Airport					
Total Passengers	3,896,532	3,892,630	3,716,393	3,181,249	MA
Annual Percent Change	-10.0%	-0.1%	-4.5%	-14.4%	MA/NHES
Enplanements	1,952,277	1,948,313	1,861,695	1,595,477	MA
Annual Percent Change	-9.9%	-0.2%	-4.4%	-14.3%	MA/NHES
Deplanements	1,944,255	1,944,317	1,854,698	1,585,772	MA
Annual Percent Change	-10.1%	0.0%	-4.6%	-14.5%	MA/NHES
Air Cargo (Tons) ^a	88,191	96,744	89,078	80,836	MA
Annual Percent Change	13.3%	9.7%	-7.9%	-9.3%	MA/NHES

^a Does not include air mail

This \$30,000 grant will be used to study the possibility of commercial air service into and out of Keene's Dillant-Hopkins Airport. Community organizations are also contributing \$5,000 toward the program. There has been no commercial service at Dillant-Hopkins since 1998 when Colgan Air discontinued service there.

Rail Service

The six New England states received just under \$200 million in rail grants, or about two percent of the total \$8 billion of the federal stimulus funds set aside for high-speed rail projects. Most of the funds for the region went toward upgrading the tracks in the Connecticut River Valley in Connecticut, Massachusetts, and Vermont. Elsewhere in New England, Maine received \$35 million to extend Amtrak's Downeaster, which runs from Portland, Maine to Boston, Massachusetts, northward to Brunswick, Maine. However, Maine's request for funds to upgrade the tracks between Portland and Boston was not approved.⁶

The region received less funding than other parts of the country while states like California, Illinois, and Florida received the bulk of the funds. In order to qualify for the federal stimulus dollars, projects had to be "shovel-ready," and the larger states such as those mentioned above have existing rail systems needing upgrades and/or expansions which enabled their projects to qualify.

New Hampshire will receive a \$2.24 million grant from the Federal

Railroad Administration's High-Speed Intercity Passenger Rail funding program. This program is funded by a transportation appropriations bill passed in 2009 and is not funded by the federal Recovery Act spending, but was authorized by it. The funds will be used to proceed with planning work for the Capitol Corridor project, including the required impact studies, which would establish passenger rail service from Boston to Concord, with stops in Lowell, Massachusetts, Nashua, and Manchester.⁷

Bus Service

Three transit companies have submitted proposals for East-West bus transportation service in the state. According to the request for proposals (RFP), the proposals needed to include at least one stop in Portsmouth at the Portsmouth Transportation Center, and at least two stops in Manchester — one at Manchester-Boston Regional Airport and one at the Canal Street Bus Terminal. It also needed to include a stop at the Epping Park and Ride. Additional stops could be proposed by the bus carrier, and were encouraged by the Rail and Transit Bureau, the organization charged with the task of reviewing the proposals. Potential additional stops could be at downtown Portsmouth and the Exeter railroad station. The East-West bus route is slated to begin on July 1, 2011. The Rail and Transit Bureau of the Department of Transportation is reviewing the proposals.⁸

6. Wirzbicki, Alan. "New England outgunned on US rail funds." 29 Jan. 2010. Boston Globe. Accessed 29 Jan. 2010. <www.boston.com/news/nation/washington/articles/2010/01/29/new_england_outgunned_on_us_rail_funds/>.
7. Schoenberg, Shira. "State secures \$2.24 million rail grant." 26 Oct. 2010. Concord Monitor. Accessed 26 Oct. 2010. <www.concordmonitor.com/article/221998/state-secures-224-million-rail-grant>.
8. McMahon, Charles. "State to announce Portsmouth-Manchester bus service carrier." 30 Sep. 2010. Seacoast Online.com. Accessed 30 Sep. 2010. <www.seacoastonline.com/articles/20100930-NEWS-9300400>.

C&J discontinued its round-trip bus service from the Exeter, Dover, and Durham passenger rail stations to Boston’s North Station effective December 3, 2010, due to the expiration of supplemental federal funds to support the operation of the route. It had been funded since its inception in November 2007 by the Congestion Mitigation and Air Quality Program. This program provides federal funds for projects that reduce air pollution. C&J stated that the discontinuation of this route will not affect its other service routes throughout the state.⁹

Initial plans were that by spring 2011 there will be a fixed bus route serving commuters between Derry and Salem. Employers and employees alike expressed a need to have public transportation available for those without reliable transportation to and from their jobs, and for those to whom the bus would provide a lower-cost commuting option.¹⁰

Roads and Bridges

The American Recovery and Reinvestment Act of 2009 provided funding that allowed for a record year of transportation construction

activity in the state. Paving work on state roads tripled and projects, like rebuilding Interstate 93 and the Manchester-Boston Airport Access Road, are being expedited by the additional monies supplied by the Act, as well as 100 percent funding of 35 municipal projects. At the end of FY 2009 work was underway on 98 contracts totaling approximately \$470 million.

On September 22, 2010, the Federal Highway Administration, released the Supplemental Record of Decision, giving approval to continue the widening of Interstate 93 between Salem and Manchester. This approval supports a 2005 decision that determined the widening of this area of Interstate 93 to four lanes in each direction is the environmentally preferred method of addressing the volume of traffic. That decision resulted from a lawsuit filed by the Conservation Law Foundation, which claimed that New Hampshire and federal officials had failed to address air quality and congestion issues in their ruling. In 2007, a federal judge had ordered that the State Department of Transportation and the Federal Highway Administration needed to address these issues. After

9. Clark, Joshua. “C&J will drop bus service to Boston’s North Station”. Seacoastonline.com. 12 Nov. 2010. Portsmouth Herald. Accessed 12 Dec. 2010. <www.seacoastonline.com/articles/20101112-NEWS-11120421>.

10. [Greater Derry Greater Salem Regional Transit Plan](http://www.rpc-nh.org/PDFs/projects/gdgs/GDGS%20Transit%20Plan.pdf). Rockingham Planning Commission. Accessed 04 Feb. 2011. <www.rpc-nh.org/PDFs/projects/gdgs/GDGS%20Transit%20Plan.pdf>.

Portsmouth Harbor Freight Traffic	2006	2007	2008	2009	Source
Total (thousands of short tons)	4,823	4,026	3,833	n/a	USACE
Annual percent change	-8.2%	-16.5%	-4.8%	n/a	USACE/NHES
Domestic	806	760	702	n/a	USACE
Annual percent change	6.6%	-5.7%	-7.6%	n/a	USACE/NHES
Foreign Imports	3,706	3,069	3,002	n/a	USACE
Annual percent change	-13.5%	-17.2%	-2.2%	n/a	USACE/NHES
Foreign Exports	311	197	128	n/a	USACE
Annual percent change	46.1%	-36.7%	-35.1%	n/a	USACE/NHES
Canadian percent of Foreign Imports	44.1%	47.6%	44.7%	n/a	USACE/NHES

review of the environmental impact report compiled by these agencies, the project was given the go-ahead to continue.

The project covers a 19.8 mile stretch of highway and will take another ten years to complete. The supplemental decision upheld a previous decision to construct the footprint of all eight lanes. However, until an agreement is reached with the New Hampshire Department of Environmental Services on the issue of chloride loading to four impaired water bodies, only six lanes will be paved, three in each direction.¹¹ The four water bodies with chloride levels that do not meet water quality standards are Beaver Brook, Dinsmore Brook, an unnamed north tributary to Canobie Lake, and Policy Brook.¹²

On October 6, 2010 the governors of New Hampshire and Maine signed an executive order establishing the Bi-State Bridge Funding Task Force, indicating the commitment on the part of both states to the rebuilding of the Memorial Bridge, the Sarah Mildred Long Bridge, and the Interstate 95 high-level bridge, all of which connect Portsmouth, NH to Kittery, Maine. The job of the task force is to formulate a financial plan for funding the work needed on the bridges, for both immediate and future needs. It was announced to officials on October 15, 2010 that a New Hampshire Department of Transportation application for TIGER II funds to help finance the Memorial Bridge replacement had been approved. The funds will be shared by New Hampshire and Maine and work on the bridge could begin as early as fall of 2011.

According to the New Hampshire Department of Transportation Annual Report for FY2009, major roadway improvement projects completed include:

- I-93 pavement rehabilitation in Northfield (Exit 18 to 19), Manchester (Exit 6 area), and Thornton-Woodstock (Exit 29 to 30)
- Pavement rehabilitation on I-293 and NH 101 in Bedford
- Reconstruction and widening of US 3/NH 11 in Belmont, NH 11/103 in Claremont and Newport, NH 101 in Bedford, NH 63 in Hinsdale, and NH 125 in Plaistow
- Reconstruction and partial relocation of two sections of NH 123 in Alstead
- Reconstruction and partial relocation of NH 25 in Warren and US 302 in Bartlett
- Paving rehabilitation and/or resurfacing on NH 9/US 202 in Henniker and Hopkinton, NH 12 in Keene and Surry, NH 16 in Wakefield, and on 235 miles of other state roads and the Turnpike system.
- Emergency flood repairs on Waukegan Road and Winona Road in Meredith and New Hampton
- Opening of three new Park and Ride/Bus Terminal facilities, near Exit 9 of the Spaulding Turnpike in Dover, Exit 2 of I-93 in Salem, and Exit 5 of I-93 in Londonderry

11. "Supplemental Record of Decision." Project Overview. Rebuilding I93 Project. New Hampshire Department of Transportation. Accessed 20 Sep. 2010. <www.rebuildingi93.com/content/overview>.

12. Water Quality Study. Rebuilding I93 Project. New Hampshire Department of Transportation. Accessed 20 Sep. 2010. <www.rebuildingi93.com/content/environmental/waterquality>.

- Rehabilitation and/or replacement of underground fuel storage tanks at several NHDOT facilities across the state.

Bridge construction work completed in FY 2009 included:

- Replacement of the Cross Street Bridge over I-93 in Salem
- Replacement of the NH 1A bridge over Seavey Creek with a new timber deck bridge in Rye
- Replacement of two NH 123 bridges over the Cold River in Alstead and Walpole that were damaged during the October 2005 flooding
- Rehabilitation of the Newbury Road Bridge over the Connecticut River in Haverhill
- Painting and partial rehabilitation of the US 3 bridge over the Pemigewasset River in Ashland and Bridgewater.

Projects that were in progress include:

- Interstate 93 in Salem (Exit 1 bridges replacement), Windham (Exit 3 reconstruction), and Londonderry (Exit 5 ramp and bridge replacement)
- Resurfacing and pavement rehabilitation along several sections of I-89, I-93, and I-95

- Reconstruction of the Hampton Toll Plaza on I-95 (Blue Star Turnpike) to accommodate Open Road tolling (ORT)
- Continued construction of the I-93 median concrete safety barrier in Bow
- Reconstruction and widening of the Spaulding Turnpike in Rochester from Exit 11 to Exit 16
- Construction of the Boston-Manchester Regional Airport Access Road in Bedford, Manchester and Londonderry
- Reconstruction and widening of NH 28 in Derry, NH 11/US 4 intersection in Andover, and the NH 11/NH 114 intersection in New London
- Reconstruction of US 2 in Randolph, US 3 in Whitefield, and the NH 128/Stonehenge Road intersection in Londonderry
- Replacement of the Island Pond Road bridges over I-93 in Manchester
- Rehabilitation of the NH 1A bridge over the Hampton River in Hampton
- Widening and rehabilitation of the F.E. Everett Turnpike (Merrill's Marauders) bridge over the Souhegan River in Merrimack.

Eleanor Goodbread

Transmission issues – who pays?

New Hampshire's North Country has abundant resources that can be used to produce electricity. Renewable resources such as wind and biomass would help limit greenhouse gases and reduce the state's dependency on fossil fuels.

One problem is that small companies, who would most likely be providers of electricity produced by renewable resources, do not have the financial resources to get the power from where it is produced to where it is needed in the southern part of the state. Current capacity could handle power produced by one wind farm and a biomass plant. Moving power on a larger scale would require an extensive upgrade of existing transmission lines in the Coös Loop, the name for the electric grid in the area, which would cost an estimated \$150 million.¹

Getting an agreement on cost allocation could be the tipping point in making those resources an energy reality in the North Country. Utilities generally cannot recover costs of construction until the project is complete. It would be highly unlikely for a utility to commit to large projects such as a transmission upgrade unless it would be assured of recovering its investment. For that reason, it is possible that projects such as wind farms and biomass plants have been sitting in the wings waiting for a ruling before proceeding with construction of power-producing facilities.

Since the power would be sold to various parties, some in other states, federal regulatory jurisdiction would

apply. Federal Energy Regulatory Commission (FERC) rule changes may allow spreading the cost of the Coös Loop upgrade among all New England customers subject to the rules of the Independent Systems Operator (ISO) New England, the organization that manages the electrical grid in the region. It was expected that a ruling by FERC would be made by the end of 2010.²

Earlier in the year, the New Hampshire Office of Energy and Planning selected a Dutch firm through a competitive bidding process to study the issue and develop a cost allocation methodology. The study will consider the addition of 400 megawatts of generation, roughly equivalent to the capacity of Merrimack Station, a coal-burning plant in Bow.³

Small-scale energy projects can add up

Several small-scale energy projects were either in the proposal stage or under way in 2010, all with the goal of producing greener energy. These projects have a capacity of a few megawatts up to a hundred, compared to a large power plant such as Merrimack Station in Bow with a maximum capacity of 450 megawatts. While each project may be small in scale, the total produced by all is a good start in helping meet the federal Renewable Portfolio Standards (RPS).

One of the smaller-scale projects envisioned include a 70-megawatt biomass plant in Berlin to be built by Laidlaw Berlin Power LCC, an affiliate of Laidlaw Energy Group, Inc. The plant would burn wood chips from

1. Jensen, Chris. "New Possibilities for Coös Loop." *New Hampshire Public Radio*. 1 Jul. 2010. Accessed 2 Jul. 2010. <www.nhpr.org/node/33142>.

2. Ibid.

3. "Action Plan Contracted for Coös Loop Transmission Lines." *American Recovery and Reinvestment Act of 2009, News and Press Releases*. 29 Apr. 2010. New Hampshire Office of Energy and Planning. Accessed 2 Jul. 2010. <www.nh.gov/oep/recovery/news/documents/042910.pdf>.

the local forest product industries in a boiler on the site of the former Fraser Paper mill. In September 2010, the New Hampshire Site Evaluation Committee unanimously approved the application to begin construction. A few weeks later, the project suffered a setback when a document was released by the New Hampshire Public Utilities Commission with details on pricing of energy between Public Service Company of New Hampshire and Laidlaw.

The project is opposed by the Office of Consumer Advocate, an independent state agency that represents residential customers of utilities regulated by the New Hampshire Public Utilities Commission, which argued against the project in testimony before the Commission in December. The Office is concerned about the potential cost to electric ratepayers.⁴

Another biomass project for Berlin is being planned by Clean Power Development, in partnership with a Spanish firm Gestamp Biomass.

The company plans to open a facility projected to generate 29 megawatts.⁵ The plant will also use wood to produce heat and electricity. As of August 2010, the company was still seeking an electric provider to commit to buying the power.

Currently, 24 states plus the District of Columbia have an RPS plan in place.⁶ Each state defines its own standards; New Hampshire currently targets the year 2025 to have 25 percent of its energy produced by renewable resources.

On an even smaller scale, three public buildings in Canterbury were connected to a solar array in November 2009. Solar energy is expected to provide nearly 50 percent of the energy needs for the Elkins Library, town offices, and the municipal building, which houses the police, fire, and highway departments.⁷ Solar panels are mounted on poles, then cables in underground trenches connect the array to the buildings. The project's

4. Traum, Kenneth, Assistant Consumer Advocate. Telephone interview. 23 Dec. 2010.
5. Langley, Karen. "PUC considers power purchase." *Concord Monitor*. 3 Aug. 2010. Accessed 24 Sep. 2010. <www.concordmonitor.com/article/puc-considers-power-purchase>.
6. "States with Renewable Portfolio Standards." *Information Resources*. May 2009. Energy Efficiency and Renewable Energy, U.S. Department of Energy. Accessed 24 Sep. 2010. <apps1.eere.energy.gov/states/maps/renewable_portfolio_states.cfm#chart>.
7. "Canterbury Solar Array Well Underway." *News and Announcements*. 27 Oct. 2010. Town of Canterbury, New Hampshire. Accessed 1 Dec. 2010. <www.canterbury-nh.org/Pages/CanterburyNH_News/>.

Energy Expenditures and Prices	2006	2007	2008	2009	Source
Energy Expenditures Per Capita	\$3,817	\$4,065	\$4,603	n/a	EIA
United States rank (including DC)	29	30	28	n/a	EIA/NHES
Energy Prices (\$ per million BTU)	\$21.89	\$23.25	\$26.64	n/a	EIA
United States rank (including DC)	6	5	6	n/a	EIA/NHES
Petroleum Prices (\$ per million BTU)	\$18.60	\$20.26	\$24.58	n/a	EIA
United States rank (including DC)	25	27	33	n/a	EIA/NHES
Electric Prices (\$ per million BTU)	\$40.56	\$40.98	\$42.94	n/a	EIA
United States rank (including DC)	6	6	7	n/a	EIA/NHES

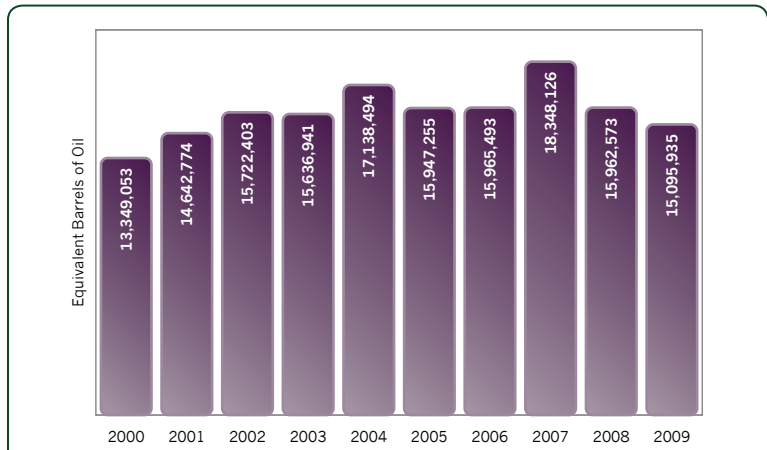
total cost was \$241,500, and was funded by three Energy Efficiency and Conservation Block Grants, part of the federal stimulus program and administered through the New Hampshire Office of Energy and Planning.⁸

Seabrook Station and Vermont Yankee

Seabrook Station celebrated 20 years of electric power production in 2010. The nuclear plant came online in 1990 when it was granted a 40-year operating license by the U.S. Nuclear Regulatory Commission (NRC). The plant's current operator, NextEra Energy Seabrook, applied to the NRC in July 2010 for an extension of the license to continue operating until 2050.

Seabrook is a major producer of electricity in New England. In 2009, the 8.8 million megawatts produced was the equivalent of 15 million barrels of oil.

Seabrook Nuclear Station produces the energy equivalent of 15 to 18 million barrels of oil each year



Source: U.S. Department of Energy, Energy Information Administration

Another nuclear power producer in the area may be winding down. Vermont's legislature voted to close the Vermont Yankee nuclear reactor instead of extending the plant's operating license by 20 years. The plant is located in the town of Vernon, Vermont, directly across the

8. O'Donnell, Katy. "Town buildings upgrading to solar." *Concord Monitor*. 27 Aug. 2010. Accessed 24 Sep. 2010. <www.concordmonitor.com/article/town-buildings-upgrading-to-solar>.

Energy and Fuel Consumption	2006	2007	2008	2009	Source
Energy Consumption					
Total consumption (trillion BTU)	312.0	314.2	311.3	n/a	EIA
Annual percent change	-6.7%	0.7%	-0.9%	n/a	EIA/NHES
United States rank	46	46	46	n/a	EIA/NHES
Types of energy consumption (percent of total)					
Residential	29.0%	29.3%	28.9%	n/a	EIA/NHES
Commercial	22.3%	22.4%	22.8%	n/a	EIA/NHES
Industrial	15.1%	14.2%	14.2%	n/a	EIA/NHES
Transportation	33.5%	34.1%	34.1%	n/a	EIA/NHES
Fuel Consumed to Generate Electricity (In equivalent barrels of oil)					
New Hampshire total (thousand barrels)	29,202	30,877	29,185	25,704	EIA/NHES
Oil	783	654	258	320	EIA
Coal	5,302	5,260	4,768	3,866	EIA/NHES
Gas	7,152	6,615	8,197	6,422	EIA/NHES
Nuclear	15,966	18,348	15,962	15,096	EIA/NHES

Connecticut River from southwestern New Hampshire. The plant's close proximity means New Hampshire is concerned about the actions taken by Vermont's legislature.

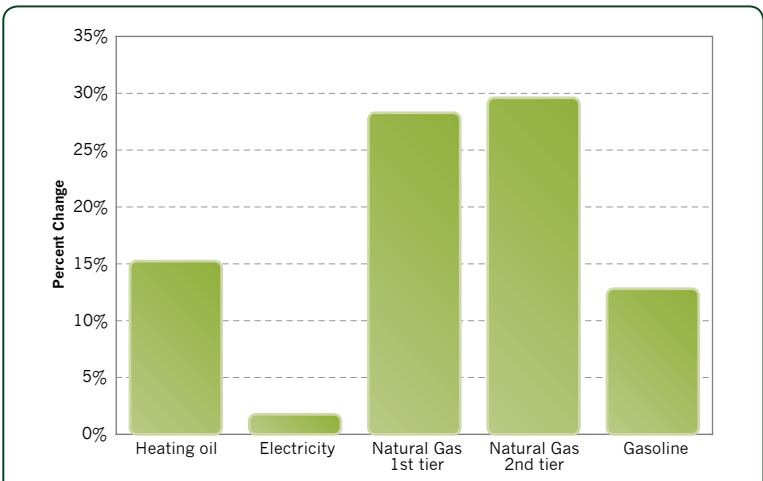
The plant had mishaps in the past. In 2008, radioactive contaminants were detected during refueling, which necessitated a brief evacuation of plant personnel.⁹ More recently, groundwater leaks from the facility prompted the need to test for tritium, a radioactive isotope.

Loss of Vermont Yankee would cause a void in the area's generating capacity that would have to be filled by other sources.

Energy prices

New Hampshire consumers paid more for energy in 2010 as prices for electricity, gasoline, home heating oil, and natural gas were all higher than the year before.

Energy prices increased between October 2009 and October 2010



Source: U.S. Department of Energy, Energy Information Administration

Energy prices are determined largely by supply and demand, which can be affected by factors such as the national and world economies, weather, and political events.

9. "25 Vermont Yankee workers evacuated because of radiation." *VPR News*, 23 Oct. 2008. Vermont Public Radio. Accessed 24 Sep. 2010. <www.vpr.net/news_detail/82566>.

Electrical Energy Generated	2006	2007	2008	2009	Source
Net Electrical Energy Generated, New Hampshire (million kWh)	22,064	23,277	22,877	19,986	EIA
As percentage of energy purchased	198.9%	207.2%	208.4%	188.7%	EIA/NHES
Energy by type (million kWh)					
Coal	3,885	3,927	3,451	2,886	EIA
Hydro	1,529	1,265	1,633	1,581	EIA
Natural Gas	6,008	5,754	7,073	5,353	EIA
Nuclear	9,398	10,764	9,350	8,817	EIA
Petroleum	438	385	136	172	EIA
Renewables	746	1,123	1,175	1,118	EIA
As percentage of total generated by type: ^a					
Coal	17.6%	16.9%	15.1%	14.4%	EIA/NHES
Hydro	6.9%	5.4%	7.1%	7.9%	EIA/NHES
Natural Gas	27.2%	24.7%	30.9%	26.8%	EIA/NHES
Nuclear	42.6%	46.2%	40.9%	44.1%	EIA/NHES
Petroleum	2.0%	1.7%	0.6%	0.9%	EIA/NHES
Renewables	3.4%	4.8%	5.1%	5.6%	EIA/NHES

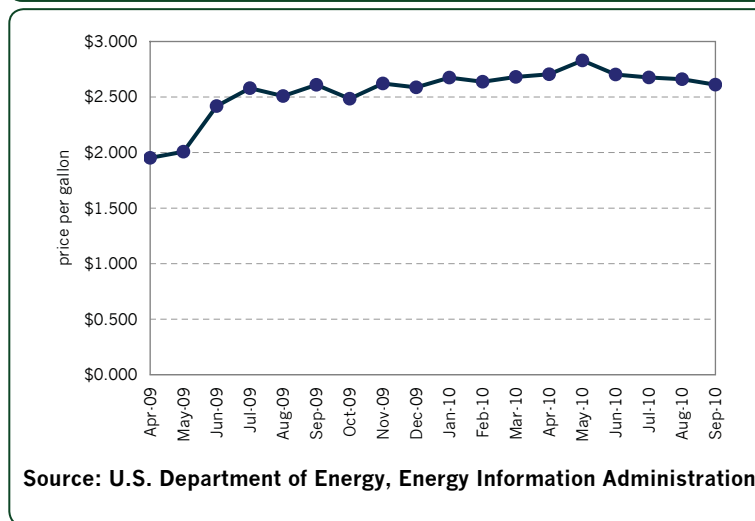
^a "Other energy sources", accounting for less than one percent of generation, include Municipal, solid waste, purchased steam, and miscellaneous technologies.

Proposed Northern Pass Hydro Project

A potential source of 1,200 megawatts of electricity produced by renewable resources could be provided by hydroelectric facilities in Canada. Public Service Company of New Hampshire, the state's largest electric utility, has partnered with Hydro-Québec, a billion-dollar corporation owned by the Canadian government, to construct a converter station in Franklin.

Transmission lines would also need to be built to convey the power the approximately 140 miles from the Canadian border to a converter station in Franklin. When the power gets to the station, it will be converted from Direct Current (DC) to Alternating Current (AC) where it will be distributed to the New England

Gasoline prices stayed between \$2.00 and \$3.00



electric grid to be used by customers in New Hampshire and other New England states.¹⁰

Michael Argiropolis

¹⁰. "Northern Pass Project Selects Franklin As Site Of Converter Terminal." *Northern Pass*. 13 Oct. 2010. City of Franklin, New Hampshire. Accessed 1 Dec. 2010. <www.franklinnh.org/northern_pass.htm>.

Retail Sales of Electricity	2006	2007	2008	2009	Source
Sales to Ultimate Customers (million kWh)					
New Hampshire:					
Total	11,094	11,236	10,977	10,591	EIA
Percent change	-1.3%	1.3%	-2.3%	-3.5%	EIA/NHES
Residential	4,401	4,493	4,394	4,335	EIA
Percent change	-2.1%	2.1%	-2.2%	-1.3%	EIA/NHES
Commercial	4,563	4,570	4,518	4,391	EIA
Percent change	-0.3%	0.2%	-1.1%	-2.8%	EIA/NHES
Industrial	2,131	2,173	2,065	1,865	EIA
Percent change	-2.0%	2.0%	-5.0%	-9.7%	EIA/NHES
New England:					
Total	124,501	128,241	123,051	119,711	EIA
Percent change	-2.6%	3.0%	-4.0%	-2.7%	EIA/NHES
Residential	46,490	47,717	46,290	45,910	EIA
Percent change	-4.5%	2.6%	-3.0%	-0.8%	EIA/NHES
Commercial	54,171	56,808	54,657	45,124	EIA
Percent change	-1.1%	4.9%	-3.8%	-17.4%	EIA/NHES
Industrial	23,276	23,115	21,583	28,130	EIA
Percent change	-2.2%	-0.7%	-6.6%	30.3%	EIA/NHES

The *Manufacturing* sector has been the heart of New Hampshire's economy for over a century. At the beginning of the twentieth century, New Hampshire was a leading producer of textiles, machinery, wood products, and paper. By the end of the century the state's manufacturing output had become highly technical.

Over the past twenty-five years the *Manufacturing* share of employment in New Hampshire has shifted. Instead of comprising over a quarter of all jobs, as it did in 1984, *Manufacturing* is now responsible for about one in every six jobs. That's still a goodly percentage, but nowhere close to what it has been historically. One constant between 1984 and 2009 is that *Machinery manufacturing* and *Electrical products manufacturing* (now consisting of *Computer and electronic product manufacturing* and *Electrical equipment/appliances manufacturing*) make up 41 percent of total *Manufacturing* employment.

Gross Domestic Product (GDP) ¹

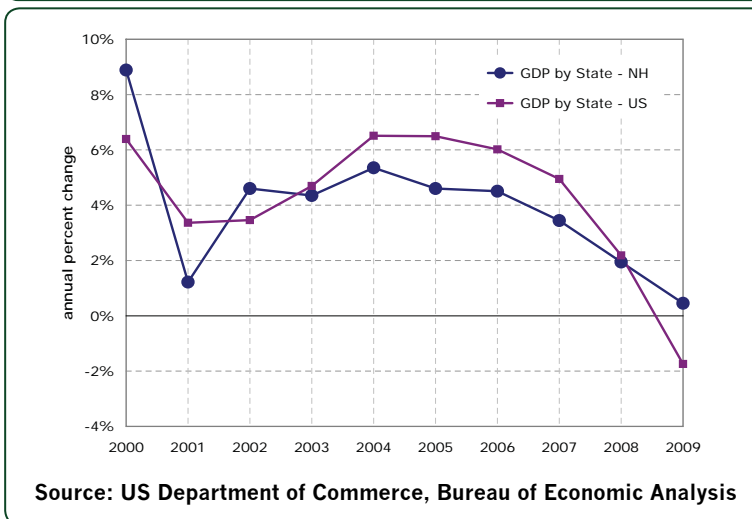
The current dollar total Gross Domestic Product (GDP) fell in the U.S. in 2009 by 1.7 percent to \$14.12 trillion. This was the first over-the-year downturn in that number since 1949 and the largest skid since the depression era of the 1930s. Chained dollars GDP, adjusted to inflation and linked to a specific year (in this case 2005), showed a 2009 decrease of 2.6 percent. Historically, using this adjusted number makes negative growth a more common occurrence. There was barely a negative change in 2008 (a 0.00078 percent slip), which was the first since a 0.2 percent

decline in 1991. The 2.6 percent slide of 2009, however, was the largest percentage drop since falling 10.9 percent in 1946, following the end of World War II.

The GDP by state series allows for the comparison of the national and state level gross domestic product estimates. The GDP by state series does not include the compensation of federal civilian and military personnel stationed abroad; it also does not include government consumption of fixed capital for military structures located abroad and military equipment, except office equipment. The national current dollars GDP by state also experienced a decline over-the-year of 1.3 percent, reaching \$14.15 trillion.

Current dollar GDP by state for New Hampshire fared better than the nation, growing 0.5 percentage

Over-the-year Percent Change in Gross Domestic Product by State (Current Dollars)



¹. National GDP estimates are available from both the GDP by state and the total GDP series. There are slight differences between GDP by state and total GDP. According to the Bureau of Economic Analysis, GDP by state for the nation differs from GDP for the following reasons: GDP by state excludes and GDP includes the compensation of federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment, except office equipment; and GDP by state and GDP have different revision schedules. State GDP estimates from the GDP by state series are comparable to the national GDP estimates from the GDP by state series. Source: <www.bea.gov>.

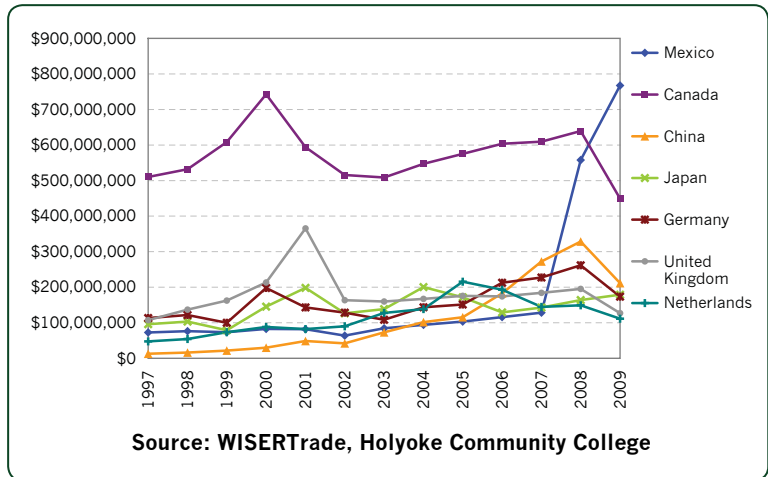
points in 2009. Nonetheless, this was the most anemic growth experienced by the Granite State since the beginning of this time series in 1997. When adjusting for inflation, New Hampshire saw its GDP by state decline by 1.2 percentage points. The two years of small growth seen in 2007 and 2008 were eradicated and the 2009 figure was virtually unchanged from the 2006 value. The loss of 2009 was the first since the 0.1 percent decline in 2001 when New Hampshire was in the midst of another economic downturn.

Exports

New Hampshire exports to the world increased by \$838 million in 2008 over 2007, lifting total exports to \$3.75 billion. Much of that gain, \$690 million, disappeared in 2009 as exports dropped to \$3.06 billion. Nearly half the 2009 decrease came in *Machinery, except electrical*, which experienced a \$310 million downturn. The positive surprise in the 2009 numbers was the extent of exports to Mexico. Traditionally, Canada has been the state's biggest trading partner, usually by a factor of two or three. In 2009, exports to Mexico outpaced those to Canada by over \$320 million dollars as Mexico purchased over \$750 million dollars worth of goods from the state. Over \$560 million of that trade was for *Computer and electronic products manufacturing*. Just two years before, Mexico bought \$128 million in goods from New Hampshire, ranking it as the state's 7th largest trading partner.

Mexico's increased purchasing couldn't offset lagging demand from nearly every other trading partner. Of the 51 countries buying over \$5 million of New Hampshire's products, 43 purchased less in 2009 than in 2008. Exports to Canada alone fell by \$190 million from the previous year. Over \$100

New Hampshire Exports by Country 1997 - 2009



million of that decrease was in two manufacturing industries: *Machinery, except electrical*; and *Computer and electronic products*.

There is reason for optimism for 2010. Through the first half of the year, exports were up nearly \$600 million from the same period in 2009. The surprise country was Oman, which had purchased over \$93 million in the first half of 2010. In three previous years Oman's total purchases were about \$2.3 million. Likewise, Portugal is running about \$93 million ahead of last year. Almost the entire increase for both countries has been in two industries: *Computer and electronic products*; and *Electrical equipment, appliances, and components*.

New Hampshire Exports to Countries in Excess of \$100 Million, 2009

Total all Countries	\$3,060,715,994
Mexico	\$767,437,976
Canada	\$449,303,331
China	\$211,501,939
Japan	\$179,082,027
Germany	\$173,422,672
United Kingdom	\$126,903,442
Netherlands	\$111,536,652

Source: WISERTrade, Holyoke Community College

Since the North American Industry Classification System (NAICS) was introduced around the turn of the 21st century, *Computer and electronic products manufacturing* has been the leading industry share of New Hampshire exports. Typically, the share has been between a quarter and a third. In 2009 it went to 40.1 percent. Two of every five export dollars are for these types of products.

Value Added

Manufacture of a product starts with raw materials. The manufacture of a garment, for example, may start with cotton, which is spun into thread, woven into fabric, cut into pattern pieces, and stitched together into a finished product. Value added by manufacture is the market value of manufactured output less the value of the inputs purchased from another entity.

In New Hampshire, in 2009, total shipments were valued at \$17.065 billion. The total cost of materials was \$8.130 billion, making the value added of total shipments \$8.944 billion. The annual payroll for New Hampshire manufacturers in 2009 was \$3.799 billion. Value added per payroll dollar, the result of dividing shipments by annual payroll, equaled \$2.35 for New Hampshire in 2009.

By determining these same values for each manufacturing industry, value added per payroll dollar can be calculated for each. *Food manufacturing* has the largest value added for its payroll dollar at \$5.50. *Chemical manufacturing* at \$3.72 and *Nonmetallic mineral products manufacturing* at \$3.45 are the only other industries to exceed \$3. At the other end of the scale are the three largest manufacturing industries: *Computer and electronic*

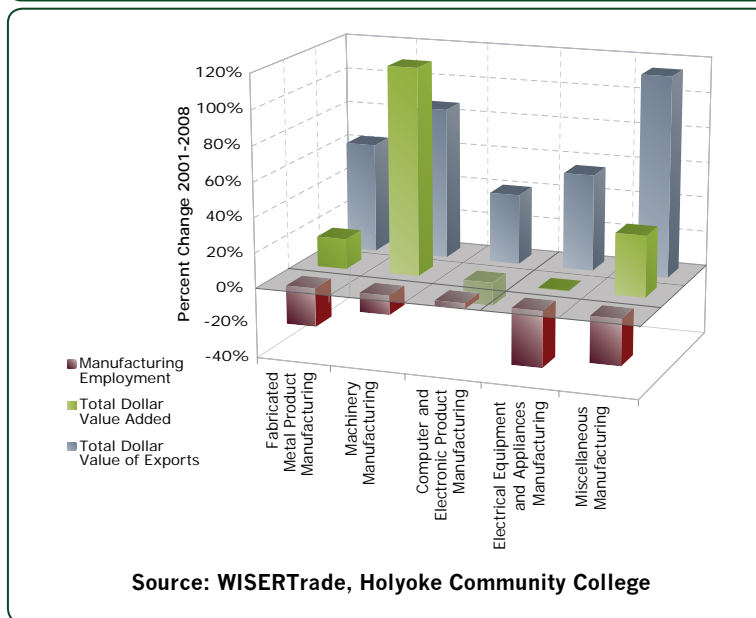
New Hampshire Exports by NAICS Code, 2009

Total all Industries	\$3,060,715,994
Computer And Electronic Products	\$1,225,597,914
Machinery, Except Electrical	\$559,057,995
Electrical Equipment, Appliances, and Component	\$221,354,084
Miscellaneous Manufactured Commodities	\$147,569,642
Fabricated Metal Products, Neso	\$120,562,115
Plastics And Rubber Products	\$113,444,773
Transportation Equipment	\$112,622,773
Waste And Scrap	\$82,352,303
Chemicals	\$75,262,675
Primary Metal Manufacturing	\$57,598,633
Paper	\$56,633,185
Nonmetallic Mineral Products	\$47,278,379
Textiles And Fabrics	\$45,309,999

Source: WISERTrade, Holyoke Community College

products manufacturing (\$1.71), *Primary metal manufacturing* (\$1.84) and *Machinery manufacturing* (\$1.97). The costs of the raw products for food and readily available ores are considerably less than those metals used to manufacture the more technologically advanced products.

Value Added Comparison by Industry Employment Percent Change 2001-2008



Source: WISERTrade, Holyoke Community College

Defense Contracts

The value of defense contracting has expanded considerably in New Hampshire. Total contracts exceeded a billion dollars for the first time in 2006. Three years later that figure is now over \$1.6 billion. A major recipient of defense contracting awards in New Hampshire is BAE Systems. The company is part of an international organization with 107,000 employees worldwide, and claims about 4,700 employees in its New Hampshire facilities. According to a BAE Systems news release, “BAE Systems generated an economic impact of more than \$638 million in New Hampshire during 2009.”² There are numerous companies

in New Hampshire that contract with the Department of Defense, including Ezenia! Inc. in Nashua, Optics 1 in Manchester, and Insight Technology and Vibro-Meter Inc., both based in Londonderry. Ezenia! has recently announced a \$1 million contract with the Air Force to expand support for Air Force Warfighters.³ Optics 1 designs, develops, produces, and supports integrated systems and subsystems for U.S. defense customers.⁴ Insight Technology develops and manufactures Night Vision and Electro-Optical Systems for the U.S. Military.⁵ Vibro-Meter, Inc. designs and manufactures aircraft sensor systems.⁶ In addition to the support functions of these firms, other New Hampshire

2. “BAE Systems Boosted New Hampshire Economy By \$638 Million in 2009.” [News Release](#). 3 Mar. 2010. BAE Systems.
3. “Ezenia! Inc. Secures Multi-Year Contract with United States Air Force.” [Press Releases](#). 20 Jul. 2010. Enzia! Inc. Accessed 15 Nov. 2010. <www.ezenia.com/news/ezenia-inc-secures-multi-year-contract-with-united-states-air-force/>.
4. [About the Company](#). Optics1, Inc. Accessed 15 Nov. 2010. <www.optics1.com/about.php>.
5. [Products](#). Insight Technology, Inc. Accessed 15 Nov. 2010. <www.insighttechnology.com/InsightProducts.html>.
6. [Vibro-Meter: The Company](#). Vibro-Meter, Inc. Accessed 15 Nov. 2010. <www.vibro-meter.com/general/>.

Export Sales to the World	2006	2007	2008	2009	Source
Total (\$ millions)	\$2,817	\$2,914	\$3,752	\$3,062	WISER
Annual percent change	10.2%	3.4%	28.8%	-18.4%	WISER/NHES
Industry Share of Total Exports					
Computer And Electronic Product Manufacturing	26.8%	27.2%	33.0%	40.1%	WISER/NHES
Machinery Manufacturing	23.5%	25.0%	23.2%	18.3%	WISER/NHES
Electrical Equipment, Appliances, & Components Mfg	5.9%	5.9%	8.5%	7.2%	WISER/NHES
Miscellaneous Manufactured Commodities	4.3%	5.3%	3.8%	4.8%	WISER/NHES
Fabricated Metal Product Manufacturing	4.1%	4.5%	4.2%	3.9%	WISER/NHES
Plastics And Rubber Product Manufacturing	4.0%	3.7%	3.0%	3.7%	WISER/NHES
Transportation Equipment Manufacturing	3.5%	4.7%	4.1%	3.7%	WISER/NHES
Waste and Scrap	n/a	3.5%	3.4%	2.7%	WISER/NHES
Chemicals Manufacturing	3.0%	3.1%	2.4%	2.5%	WISER/NHES
Nonmetallic Mineral Product Manufacturing	2.5%	2.6%	1.8%	1.5%	WISER/NHES
Printing, Publishing & Related Support Activities	3.3%	1.5%	1.3%	1.1%	WISER/NHES

companies are supplying weapons. SIG SAUER, Inc. holds a multi-year contract to provide pistols to the U.S. Army's Materiel Command. Their

potential value for all quantities and the related customer support package is \$306 million.⁷

Martin Capodice

7. "SIG SAUER® Secures a \$306 Million Pistol Contract by the U.S. Army's Materiel Command." *News and Events*. 28 Apr. 2009. SIG SAUER, Inc. Accessed 15 Nov. 2010. <www.sigsauer.com/AboutUs/NewsDetails.aspx?NewsId=37>.

Gross Domestic Product by State - New Hampshire					
	2006	2007	2008	2009	Source
Current Dollars (\$ millions)	\$56,071	\$58,003	\$59,131	\$59,400	BEA
Annual percent change	4.5%	3.4%	1.9%	0.5%	BEA/NHES
Real chained 2005 dollars (\$ millions)	\$54,454	\$54,975	\$55,099	\$54,454	BEA
Annual percent change	1.5%	1.0%	0.2%	-1.2%	BEA/NHES

Gross Domestic Product by State - United States					
	2006	2007	2008	2009	Source
Current Dollars (\$ billions)	\$13,311	\$13,985	\$14,344	\$14,151	BEA
Annual percent change	5.3%	5.1%	2.6%	-1.3%	BEA/NHES
Real chained 2005 dollars (\$ billions)	\$12,896	\$13,163	\$13,182	\$12,904	BEA
Annual percent change	2.0%	2.1%	0.1%	-2.1%	BEA/NHES

New Capital Expenditures					
	2006	2007	2008	2009	Source
Total (\$ millions)	\$614	\$651	\$634	n/a	CB
As a Percent of Payroll					
United States	22.9%	27.4%	27.7%	n/a	CB/NHES
New Hampshire	16.0%	15.5%	14.9%	n/a	CB/NHES
Connecticut	13.4%	15.8%	14.3%	n/a	CB/NHES
Maine	20.6%	25.7%	28.5%	n/a	CB/NHES
Massachusetts	16.6%	16.6%	20.3%	n/a	CB/NHES
Rhode Island	19.7%	16.1%	16.0%	n/a	CB/NHES
Vermont	17.5%	19.0%	18.9%	n/a	CB/NHES

Defense Contracts (\$ millions)					
	2006	2007	2008	2009	Source
Total	\$1,178.9	\$1,385.1	\$1,601.6	\$1,648.2	CB

Value Added	2006	2007	2008	2009	Source
Value Added by Manufacture					
Total (\$ millions)	\$9,203	\$9,792	\$9,677	\$8,944	CB
Value Added per Payroll Dollar					
United States	\$3.89	\$3.88	\$3.74	\$3.70	CB/NHES
New Hampshire	\$2.39	\$2.33	\$2.29	\$2.35	CB/NHES
United States rank ^a	51	51	51	50	CB/NHES
Connecticut	\$3.42	\$3.38	\$3.39	\$2.96	CB/NHES
United States rank ^a	37	43	39	46	CB/NHES
Maine	\$3.36	\$3.44	\$3.39	\$3.50	CB/NHES
United States rank ^a	41	40	38	31	CB/NHES
Massachusetts	\$3.23	\$3.12	\$3.15	\$2.87	CB/NHES
United States rank ^a	46	47	45	47	CB/NHES
Rhode Island	\$3.24	\$2.66	\$2.78	\$2.34	CB/NHES
United States rank ^a	45	48	49	51	CB/NHES
Vermont	\$3.17	\$2.45	\$2.79	\$2.60	CB/NHES
United States rank ^a	47	50	48	48	CB/NHES
Industry Share of Total Value Added					
Computer and Electronic Product Manufacturing	21.2%	20.9%	18.9%	21.3%	CB/NHES
Machinery Manufacturing	11.9%	16.7%	17.4%	13.7%	CB/NHES
Fabricated Metal Product Manufacturing	12.9%	12.8%	14.8%	13.7%	CB/NHES
Miscellaneous Manufacturing	10.7%	7.8%	7.8%	8.4%	CB/NHES
Electrical Equipment, Appliance, and Component Manufacturing	6.7%	6.5%	6.7%	6.4%	CB/NHES
Plastics and Rubber Products Manufacturing	4.3%	5.1%	5.2%	5.3%	CB/NHES
Food Manufacturing	4.1%	4.1%	4.0%	6.2%	CB/NHES
Chemical Manufacturing	2.7%	3.3%	4.3%	4.8%	CB/NHES
Printing and Related Support Activities	4.0%	3.7%	3.0%	2.9%	CB/NHES
Nonmetallic Mineral Product Manufacturing	5.1%	3.3%	2.8%	3.0%	CB/NHES
Transportation Equipment Manufacturing	2.9%	3.1%	2.8%	2.8%	CB/NHES
Wood Product Manufacturing	3.1%	2.3%	1.7%	2.1%	CB/NHES
Total Manufacturers' Shipments (\$ millions)	\$16,992	\$18,592	\$18,600	\$17,065	CB
Annual percent change	0.4%	9.4%	0.0%	-8.2%	CB

^a Including D.C.

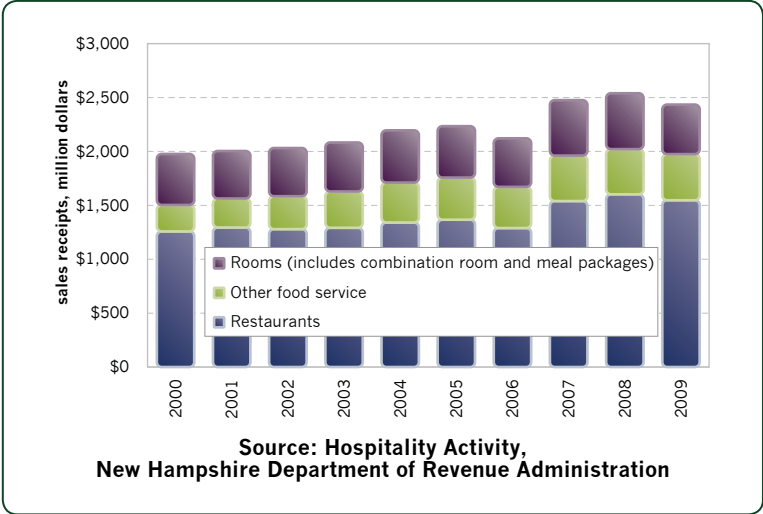
After the abundance of rainy days New Hampshire experienced during summer 2009, the hot and sunny days of 2010 were appreciated by New Hampshire business owners in tourism-related industries. The impact of the warm weather through summer and fall 2010 might have helped boost the state's jobs count along with the economy beginning to see a glimmer of improvement. New Hampshire nonfarm employment for October 2010 showed that employment in the two main industries related to trade, recreation and hospitality bounced back from the depth of the Great Recession. *Retail trade* was up by 1,500 jobs over the year and *Leisure and hospitality* was up by 900 jobs over the year.

Another indicator of how tourism in New Hampshire fared from 2009 to 2010 is to gauge revenues collected from New Hampshire's Meals and Rental Taxes. By the end of fiscal year 2010 (ended June 2010), Meals and Rentals Taxes were below the revenue plan but above the prior fiscal year by about ten percent. Part of the change over the year was attributed to a rate increase in the Meals and Rentals tax from 8 to 9 percent, beginning with the 2010 fiscal year in July 2009. Included in the legislation increasing the Meals and Rentals taxes was an expansion in the broad definition of a hotel to include state and private campsites. This expansion stirred a lot of protest from campground owners. Opponents of the campsite tax argued that the tax was burdensome for campground owners and made it harder to promote tourism in the state. As a result, the campsite tax was repealed, effective May 3, 2010. But campsites were still subject to the Meals and Rentals tax during the period July 1, 2009 through May 2, 2010.

Tourism Related Employment in New Hampshire

The National Bureau of Economic Research announced that the Great Recession ended in June 2009, meaning that the economy had stopped contracting. A comparison of over-the-year changes from 2008 to 2009 in average annual employment gives an indication of how New Hampshire's tourism related employment was impacted by the Great Recession. Overall, from 2008 to 2009 New Hampshire's total private employment dropped 4.7 percent. In comparison, New Hampshire's 2009 annual average employment in *Retail trade* experienced a decrease of 4.0 percent over-the-year. Annual average *Retail trade* employment dropped from 98,785 in 2008 to 92,908 in 2009. Nationally, *Retail trade* employment slid by 5.0 percent from 2008 to 2009.

Total sales receipts in both Restaurants and Other food services has grown since 2000, supporting that more consumers are finding it convenient to eat out. But the Great Recession might have shifted some consumers habit toward more inexpensive dining



Even prior to the Great Recession, *Retail trade* in New Hampshire had experienced a slight decline in employment. Over a two-year period from 2006 to 2008, *Retail trade* employment in New Hampshire dropped 1.6 percent.

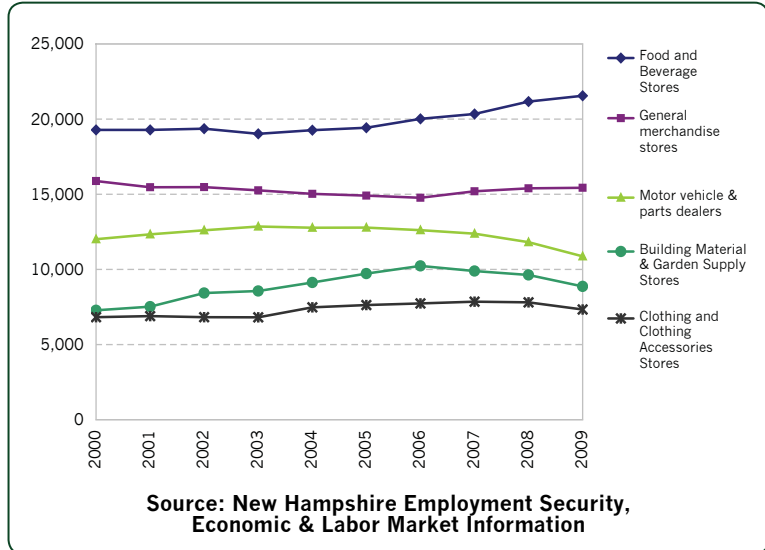
Only two industry subsectors within New Hampshire's *Retail trade* sector experienced employment growth from 2008 to 2009. *Food and beverage stores* experienced a 1.8 percent annual increase from 2008, adding 385 employees for a total of 21,556 workers in 2009. *General merchandise stores* had an increase of 0.2 percent annual employment, resulting in 32 more positions for a total of 15,431 workers.

Food and beverage stores may be benefitting from recession-related changes in consumer habits. At the same time as New Hampshire *Food and beverage stores* saw a slight increase in employment, *Food services and drinking places* lost employment, dropping by 2.5 percent from 2008 to 2009. Average annual employment in *Food services and drinking places* for 2009 was 42,374.

The annual average employment in *Accommodation* dropped 7.8 percent from 2008 to 2009, from 9,312 to 8,590. This large drop in employment reflects that hotels and inns hired fewer seasonal workers and/or had to reduce staff as management responded to customers that either shortened vacations from a week to a couple of days or simply did not plan on overnight stays.

At the sector level, employment in *Accommodation and food services* declined by 3.4 percent, which was more pronounced than the regional and national employment drop for this sector at 2.3 percent for New England and 3.0 percent for the United States.

The employment trend in New Hampshire's retail trade sector reflects the downturn in the housing and credit markets. Employment in Food and beverage stores has been resilient so far.



On the other hand, employment in *Arts, entertainment, and recreation* barely experienced a decline (-0.4 percent) from 2008 to 2009. In comparison, regionally and nationally *Arts, entertainment, and recreation* declined by approximately three percent. The reason why this sector fared relatively well in New Hampshire might suggest that many people were able to take day-trips to different local venues.

Games of Chance

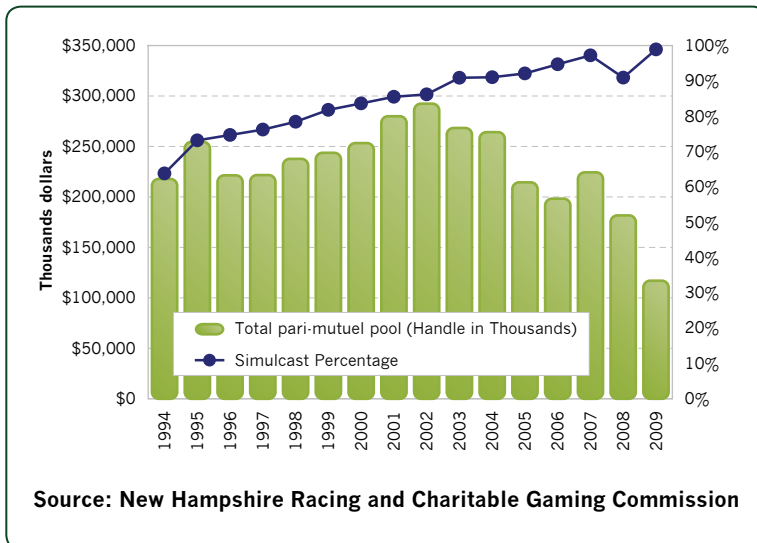
The final report of the Gaming Study Commission created by Executive Order in July 2009 was submitted in May 2010. The Commission had been charged with providing the public with a comprehensive review of various models for expanded gaming, and their potential to generate revenues for New Hampshire. In addition, the Commission was to provide an assessment of the social, economic, and public safety impacts of gaming options on the quality of

life in New Hampshire. The main findings of the commission were:

- Expanded gaming would generate additional revenues and economic activity, but it would also generate additional societal and economic costs.
- The social cost will be greatest in communities within relatively short drives of gaming facilities.
- Proliferation of gaming is a concern, but one with no clear solution.
- New Hampshire needs to review its regulation of gaming, with or without an expansion of legalized gaming.
- Data on the impact of expanded legalized gaming on the state's image and brand was not available and would be needed to determine risks and opportunities.¹

Gaming already occurs in the state through the New Hampshire Lottery, simulcast horse and greyhound racing, as well as different sorts of charitable gaming, such as bingo, Lucky 7, and other games of chance. There has been a significant decline in both live and simulcast horse and greyhound wagering over the last decade, according to data from the Racing and Charitable Gaming Commission. The highest amount of racetrack pari-mutuel wagering in the last ten years was \$292.4 million in 2002. By 2009, the amount had dropped to \$117.0 million, and 2010 was on pace to be even lower, with \$85.2 million in racetrack pari-mutuel wagering through November 22, 2010.

Total amount wagered in New Hampshire in 2009 declined by 60 percent since it peaked in 2002. Close to 100 percent of the pari-mutuel pool was wagered through simulcast.



Much of the decline in racetrack pari-mutuel wagering is the result of racetrack closures. Calendar year 2010 was the first time since 1933 there was no live pari-mutuel racing in the state of New Hampshire. No live greyhound racing has occurred in New Hampshire since 2009, and early in 2010 the Governor signed a bill prohibiting live dog racing in the state, effective as of January 1, 2011. There was no live harness racing in New Hampshire during the 2010 season, either; live thoroughbred racing ended back in 2002. There were three remaining simulcast racing facilities in New Hampshire in 2010 which were Rockingham Park in Salem, Seabrook Park, and The Lodge of Belmont. But in November 2010, The Lodge of Belmont announced that simulcast horse and

1. "NH Gaming Study Commission Final Report." 20 May 2010. [News and Events](http://www.nh.gov/gsc/news/). New Hampshire Gaming Study Commission. <www.nh.gov/gsc/news/>.

dog racing was suspended while evaluating whether it would still be offered on a seasonal basis.²

In spring 2010 the New Hampshire Senate passed a bill that would have legalized up to 10,000 video slot machines at four locations, but the bill did not pass the House. Neighboring states have also explored bringing more gaming to the region. In August, a deal to introduce casino gambling in Massachusetts fell apart in the Massachusetts Legislature. And in

November, Maine voters narrowly approved a referendum to allow a four-season casino and resort in Oxford, Maine.³ In the opinion of gaming industry experts, the regional market for casino gaming (slot machines and table games) has not yet been saturated, so the debate over expanded gaming in New Hampshire will likely continue in the future.

The New Hampshire Lottery Commission developed an online lottery ticket game this summer, but the game never went live.

2. "The Lodge of Belmont Closes Simulcast Operations at Least Temporarily – Poker and Casino Table Games To Continue." *Press Releases*. The Lodge of Belmont. Accessed 29 Nov. 2010. <www.thelodgeatbelmont.com/index.php?option=com_content&view=article&id=131:the-lodge-at-belmont-closes-simulcast-operations-at-least-temporarily-poker-and-casino-table-games-to-continue&catid=26&Itemid=76>.
3. "Question 1 Recount Confirms Majority Approval of the Oxford County Casino Initiative All Requested Recounts Have Now Been Completed." *2010 News*. 13 Dec. 2010. State of Maine, Secretary of State. Accessed 5 Jan. 2011. <www.maine.gov/sos/news/2010/question1recountcomplete.htm>.

Retail Employment	2006	2007	2008	2009	Source
New Hampshire total	98,320	97,697	96,785	92,908	NHES
Annual percent change	0.8%	-0.6%	-0.9%	-4.0%	NHES
Food and beverage stores	20,021	20,340	21,171	21,556	NHES
Annual percent change	3.0%	1.6%	4.1%	1.8%	NHES
General merchandise stores	14,769	15,199	15,399	15,431	NHES
Annual percent change	-1.0%	2.9%	1.3%	0.2%	NHES
Furniture and home furnishings stores	3,254	2,969	2,728	2,298	NHES
Annual percent change	-4.4%	-8.8%	-8.1%	-15.8%	NHES
Electronics and appliance stores	3,731	3,726	3,595	3,026	NHES
Annual percent change	1.7%	-0.1%	-3.5%	-15.8%	NHES
Building material & garden supply stores	10,236	9,889	9,635	8,872	NHES
Annual percent change	5.3%	-3.4%	-2.6%	-7.9%	NHES
Health and personal care stores	4,267	4,492	4,282	4,082	NHES
Annual percent change	3.2%	5.3%	-4.7%	-4.7%	NHES
Motor vehicle & parts dealers	12,614	12,377	11,813	10,873	NHES
Annual percent change	-1.3%	-1.9%	-4.6%	-8.0%	NHES
Gasoline stations	5,241	5,121	4,936	4,676	NHES
Annual percent change	1.0%	-2.3%	-3.6%	-5.3%	NHES
Clothing and clothing accessories stores	7,734	7,854	7,807	7,334	NHES
Annual percent change	1.3%	1.6%	-0.6%	-6.1%	NHES
Nonstore retailers	5,644	5,564	5,560	5,257	NHES
Annual percent change	0.3%	-1.4%	-0.1%	-5.4%	NHES
New England total	819,806	817,485	808,003	772,968	BLS/NHES
Annual percent change	-0.7%	-0.3%	-1.2%	-4.3%	BLS/NHES
United States total	15,370,040	15,509,017	15,307,933	14,544,111	BLS
Annual percent change	0.7%	0.9%	-1.3%	-5.0%	BLS/NHES

New Hampshire House members expressed concern, saying they had not been advised on the matter, and the Commission decided that this was not the right time for the venture.⁴ Meanwhile, lurking in the background is a continuing federal debate over legalizing Internet gambling.

New Hampshire State Parks

In January 2010, the state Division of Parks and Recreation released its Ten Year Strategic Development and Capital Improvement Plan. In 2007, the Division of Parks and Recreation was directed by the New Hampshire General Court to develop such a

ten-year plan. At the same time the legislature established the Bureau of Historic Sites and the State Park System Advisory Council.

Some of the issues addressed by the plan are:

- Changing the current self-funded model to provide adequate financial resources.
- Improving management and operation, including accountability and performance measurement.
- Immediate funding to replace worn-out equipment, stabilize facilities, and tend to deferred maintenance needs.

4. "NH Lottery Drops Online Game Proposal," *New Hampshire*, 18 Aug. 2010. Eagle-Tribune. Accessed 29 Oct. 2010. <www.eagletribune.com/newhampshire/x1836251067/NH-lottery-drops-online-game-proposal>.

Accommodation and Food Services Employment	2006	2007	2008	2009	Source
New Hampshire total	52,939	53,124	52,774	50,965	NHES
Annual percent change	0.9%	0.3%	-0.7%	-3.4%	NHES
Accommodation	9,136	9,257	9,312	8,590	NHES
Annual percent change	-1.7%	1.3%	0.6%	-7.8%	NHES
Food services	43,803	43,867	43,463	42,374	NHES
Annual percent change	1.5%	0.1%	-0.9%	-2.5%	NHES
New England	534,856	543,318	546,158	533,707	BLS/NHES
Annual percent change	1.5%	1.6%	0.5%	-2.3%	BLS/NHES
United States total	11,123,421	11,373,660	11,417,016	11,079,375	BLS/NHES
Annual percent change	2.3%	2.2%	0.4%	-3.0%	BLS/NHES

Arts, Entertainment, and Recreation Employment	2006	2007	2008	2009	Source
New Hampshire total	11,038	10,774	10,939	10,897	BLS/NHES
Annual percent change	1.7%	-2.4%	1.5%	-0.4%	BLS/NHES
Performing arts, spectator sports, and related	1,852	1,769	1,642	1,510	BLS/NHES
Annual percent change	5.6%	-4.5%	-7.2%	-8.0%	BLS/NHES
Museums, historical sites, and similar institutions	534	537	558	540	BLS/NHES
Annual percent change	-4.6%	0.6%	3.9%	-3.2%	BLS/NHES
Amusement, gambling, and recreation	8,651	8,469	8,739	8,847	BLS/NHES
Annual percent change	1.3%	-2.1%	3.2%	1.2%	BLS/NHES
New England	101,202	103,323	104,671	101,400	BLS/NHES
Annual percent change	0.8%	2.1%	1.3%	-3.1%	BLS/NHES
United States total	1,901,194	1,953,899	1,978,461	1,921,653	BLS/NHES
Annual percent change	1.8%	2.8%	1.3%	-2.9%	BLS/NHES

The strategic plan outlines several goals to meet the changing needs of future recreational demand, including Stewardship, Funding, Statutory Framework/Legislation, Management and Operations, and Marketing/Programming and Products.

The New Hampshire Division of Parks and Recreation is responsible for 92 properties of various size and function. These properties host an estimated six million visitors each year. Acknowledging that the parks are of a varied nature, the Division proposes a new management culture by dividing parks in groupings

with similar attributes. The park groupings proposed are Enterprise Parks, Classic Parks, and Natural Parks.⁵

New Hampshire Motor Speedway

There were concerns over the summer that the New Hampshire Motor Speedway, acquired by Speedway Motorsports, Inc. (SMI) in January 2008, was about to lose one of its NASCAR Races for the 2011 season. A conflict between the track owner and the town of Loudon over the cost of police and fire coverage fueled the rumor that SMI would

5. "Ten Year Strategic Development and Capitol Improvement Plan." *Reports*. Jan. 2010. Division of Parks and Recreation, New Hampshire Department of Resources and Economic Development. Accessed 23 Nov. 2010. <www.nhstateparks.org/who-we-are/division/reports.aspx>.

Hospitality: Hotel, Restaurant Sales (millions) ^a					
	2006	2007	2008	2009	Source
Restaurants	\$1,288.8	\$1,539.9	\$1,601.4	\$1,546.4	RA/NHES
Annual percent change	-5.7%	19.5%	4.0%	-3.4%	RA/NHES
Other food service	\$382.6	\$420.8	\$420.1	\$429.0	RA/NHES
Annual percent change	-2.2%	10.0%	-0.2%	2.1%	RA/NHES
Rental of accommodations – short term (includes combinations) ^b	\$450.4	\$515.3	\$517.8	\$458.6	RA/NHES
Annual percent change	-5.5%	14.4%	0.5%	-11.4%	RA/NHES
Motor vehicle rentals (millions)	\$83.0	\$96.3	\$83.5	\$70.7	RA/NHES
Annual percent change	-8.2%	16.0%	-13.3%	-15.3%	RA/NHES

^a Calculated using meals and rentals tax receipt data.

^b Combinations are lodging packages that include meals where the room and the meal(s) are not priced separately.

Liquor Sales (state fiscal year – July 1 to June 30)					
	2005-06	2006-07	2007-08	2008-09	Source
Retail and wholesale (millions)	\$422.3	\$443.7	\$466.1	\$493.5	LC
Fiscal percent change	5.2%	5.1%	5.0%	5.9%	LC/NHES
Percent retail	69.5%	69.3%	70.0%	70.1%	LC/NHES

Recreation/Tourism (fiscal year – July 1 to June 30)					
	2005-06	2006-07	2007-08	2008-09	Source
Skiing, state owned Cannon Mountain					
Number of skiers	81,533	94,250	103,885	102,582	P&R
Lift sales, including season passes	\$1,943,044	\$2,063,929	\$3,048,047	\$3,135,265	P&R
Snowmobile Registrations, non-resident					
	13,567	15,945	18,986	18,758	F&G

pull a Sprint Cup event from the track. In June 2010, SMI submitted a request to NASCAR asking for permission to realign races at its eight tracks around the country.

But with the announcement of the 2011 NASCAR schedule in mid-August, fears of losing one of the NASCAR races faded. For 2011, there

are two NASCAR Sprint Cup Races scheduled in New Hampshire, the 15th straight year in which the state will host these prestigious races twice in a year.⁶ Hosting the two NASCAR races has a large economic impact on New Hampshire's Capitol Region as each race brings more than 100,000 spectators to the area.⁷

Annette Nielsen

6. D'Onofrio, Dave. "Speedway Keeps Two Cup Races." Concord Monitor. 12 Aug. 2010. Accessed 23 Nov. 2010. <www.concordmonitor.com>.
7. "Traffic Control Plans For September 19 NASCAR Race At New Hampshire Motor Speedway In Loudon." 2010 News Releases. 10 Sep. 2010. New Hampshire Department of Transportation. Accessed 30 Nov. 2010. <www.nh.gov/dot/media/nr2010/nr091010nascar.htm>.

Recreation/Tourism	2006	2007	2008	2009	Source
Division of Travel & Tourism web site visits	1,010,266	1,872,871	2,080,844	1,735,145	DTTD
Fish and Game licenses, non-resident – hunting, fishing, and combination	64,055	67,184	64,994	66,123	F&G
Racing, pari-mutuel pool (handle) (\$ thousands)					
Live					
Thoroughbred	no races	no races	no races	no races	RCGC
Harness	\$2,541.9	\$2,142.0	\$1,420.5	\$1,288.9	RCGC
Greyhound	\$7,958.3	\$4,377.1	\$1,727.2	no races	RCGC
Total live	\$10,500.2	\$6,219.1	\$3,147.7	\$1,288.9	RCGC/NHES
Simulcast					
Thoroughbred	\$136,586.8	\$161,917.6	\$127,560.5	\$79,680.5	RCGC
Harness	\$19,236.6	\$20,529.9	\$22,552.0	\$15,095.0	RCGC
Greyhound	\$31,924.0	\$35,608.3	\$28,401.1	\$20,904.9	RCGC
Total simulcast	\$187,747.4	\$218,055.8	\$178,513.6	\$115,680.5	RCGC/NHES
Total pari-mutuel pool	\$198,247.6	\$224,275.0	\$181,661.4	\$116,969.4	RCGC/NHES

Over the summer of 2010, concerns grew over the continued dismal conditions of the housing market nationally as well as in New Hampshire. After nine months of increases in home sales and price, both the median price and number of sales fell following the expiration of the first-time homebuyer tax credit in July 2010. Due to the intervention of the tax credit, housing experts were not surprised about the slower pace of the housing market in July and August and they believed that it could take time before a “true picture” of the housing market is apparent.

There were four different phases of the First-Time Homebuyer Credit enacted by Congress:

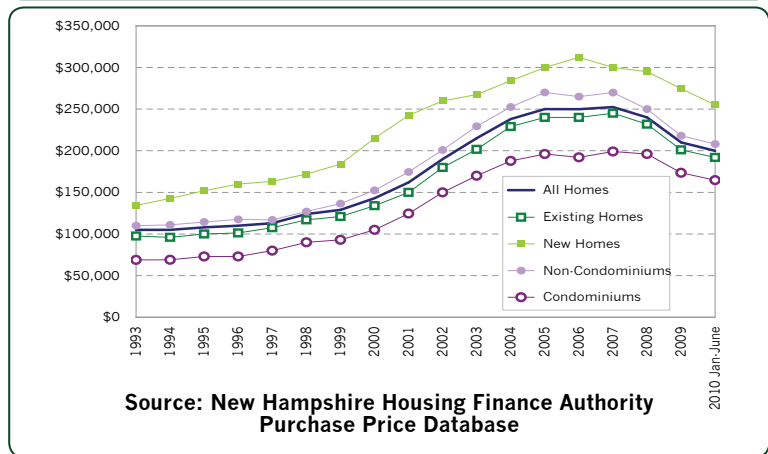
1. The Housing and Economic Recovery Act of 2008 gave taxpayers a refundable tax credit of up to ten percent of the purchase price, to a maximum of \$7,500. This credit was available from April 9, 2008 through July 1, 2009.
2. The American Recovery and Reinvestment Act gave first-time homebuyers the same refundable tax credit but increased the maximum to \$8,000. This credit was applicable to purchases made January 1, 2009 through November 20, 2009.
3. The Worker, Homeownership and Business Assistance Act of 2009 extended the Recovery Act deadline to May 1, 2010, with closing dates before July 1, 2010. The Assistance Act also allowed some long-term homeowners to claim a tax credit of up to \$6,500 when purchasing a new home.¹

4. And in July 2010, the Homebuyer Assistance and Improvement Act of 2010 was enacted, extending the closing deadline of the Assistance Act from June 30 to September 30, 2010.²

New Hampshire residents did take advantage of the tax credits offered by these Acts. According to a U.S. Government Accountability Office report, through July 3, 2010, there were 4,087 claims made in New Hampshire under the Housing Act, totaling \$27,411,633 in tax credits, or an average of \$6,707 per claim.³ Combined data for the Recovery Act and the Assistance Act showed there were 9,109 claims made by New Hampshire residents through July 3, 2010, for a total amount claimed of \$65,508,209, or an average of \$7,192 per claim.⁴

What did these first-time homebuyer tax credits do for the New Hampshire housing market? The tax credit might

Median Purchase Price of Primary Homes in New Hampshire



1. “Tax Administration: Usage and Selected Analyses of the First-Time Homebuyer Credit.” *Reports and Testimonies*. 2 Sep. 2010. U.S. Government Accountability Office. Accessed 29 Nov. 2010. <www.gao.gov/products/GAO-10-1025R>.
2. “Closing Deadline Extended to Sept. 30 for Eligible Homebuyer Credit Purchases.” *News Releases for July 2010*. 2 Jul. 2010. Internal Revenue Service. Accessed 29 Nov. 2010. <www.irs.gov/newsroom/content/0,,id=226285,00.html>.
3. “Tax Administration: Usage and Selected Analyses of the First-Time Homebuyer Credit.” Op. Cit.
4. *Data for First-Time Home Buyer Credits through the Recovery Act and the Assistance Act were combined because of overlapping qualifying time periods.*

have helped boost the number of homes sold in New Hampshire in the first six months of 2010. According to Northern New Hampshire Real Estate Network, from January to June 2010 the number of sold residential listings was 8,018, an increase of 20.55 percent over the same six months of 2009.

But would these tax credits be sufficient to get the real estate market back on track, or just give a temporary boost? There are a number of other factors to consider.

- In New Hampshire, the median purchase price of primary homes has declined by about a fifth from its peak. According to housing purchase price data from New Hampshire Housing and Finance Authority, the median purchase price hovered around \$250,000 from 2005 to 2007 and then declined to \$199,900 for the first six months of 2010.⁵

- In September 2010, the New Hampshire Housing Authority announced a new mortgage rate of 3.5 percent under its Single Family Mortgage Program. This was the lowest rate in the agency’s history, and was made possible in partnership with the U.S. Treasury’s New Issue Bond Program (NIBP). NIBP established these low interest mortgage rates in order to stimulate home sales.
- Over time, household movement from one location to another due to job transfers, relocations, or life changes (such as household formations, separations and expansions) would, under normal circumstances, lead to real estate transactions. With more homes being added to the *For Sale* market and fewer buyers, the inventory of unsold homes has become remarkably high.

5. “NHHFA Purchase Price Database.” [Housing & Demographic Data](http://www.nhhfa.org/rl_demographic.cfm). New Hampshire Housing Finance Authority. Accessed 7 Dec. 2010. <www.nhhfa.org/rl_demographic.cfm>.

Housing Permits Authorized (not seasonally adjusted)	2006	2007	2008	2009	Source
Total New Hampshire	5,677	4,561	3,234	2,287	CB
Annual percent change:					
New Hampshire	-25.2%	-19.7%	-29.1%	-29.3%	CB/NHES
New England	-20.4%	-19.8%	-34.8%	-20.4%	CB/NHES
United States	-14.7%	-24.0%	-35.3%	-35.6%	CB/NHES
Single units	4,826	3,772	2,333	1,662	CB
Annual percent change:					
New Hampshire	-25.0%	-21.8%	-38.1%	-28.8%	CB/NHES
New England	-20.6%	-21.5%	-39.1%	-14.3%	CB/NHES
United States	-18.1%	-28.9%	-41.3%	-23.4%	CB/NHES

New Hampshire Housing Stock	2006	2007	2008	2009	Source
From residential building permit data					
Net change in units (permitted units less demolitions)	5,728	4,383	2,988	2,160	OEP
Total Hillsborough and Rockingham Counties	2,302	1,781	1,307	918	OEP
Total multifamily	1,626	1,138	1,082	719	OEP

Home prices are down, there is plenty of supply to choose from, and interest rates are historically low. So what might be holding buyers back?

The sheer length of the decline in the housing market has caused the current housing market to stagnate. According to the American Community Survey 2009 estimates for New Hampshire, 73 percent of occupied housing units are owner-occupied. And out of these owner-occupied housing units, 70 percent have a mortgage. This indicates that a majority of people with the potential to buy property already have a mortgage and possible equity in a property. The ability to buy a new property is most likely contingent upon the sale of that existing property. Even though market conditions seem right to fuel the flagging market, an inability to sell hinders the ability to purchase.

A lack of consumer confidence is still contributing to a hesitation to buy,

spurred by continued high national unemployment rates and fear of more layoffs. In addition, experience in the recent deep recession has left many without enough financial resources to qualify for a home mortgage loan, regardless of the excellent buyers' market.

Rental Market

New Hampshire Housing Authority conducts an annual Residential Rental Cost Survey based on over 30,000 market rate rental housing units across the state. The 2010 annual rental survey showed that in New Hampshire there was an increase in median monthly rent for a two-bedroom apartment, including utilities, of less than two percent over the previous year. This increase is in line with year-over-year increases in three of the last five years, but in contrast to a decrease in rent from 2008 to 2009. The median statewide monthly rent was \$1,056, masking the large differences among the

Contract Value Indices (base = 1980)	2006	2007	2008	2009	Source
Total construction:					
New Hampshire	474.5	509.8	389.6	411.3	FR/NHES
New England	405.6	429.6	358.1	293.5	FR/NHES
United States	465.2	433.0	374.9	284.2	FR/NHES
Non-building construction					
New Hampshire	361.9	465.9	301.7	969.8	FR/NHES
New England	284.7	337.2	419.7	443.1	FR/NHES
United States	404.7	435.9	474.3	440.8	FR/NHES
Nonresidential construction					
New Hampshire	556.9	734.3	658.4	364.6	FR/NHES
New England	484.6	508.0	474.7	347.0	FR/NHES
United States	413.4	455.6	460.8	319.3	FR/NHES
Residential construction					
New Hampshire	476.8	401.8	275.7	195.3	FR/NHES
New England	402.9	379.2	227.0	169.1	FR/NHES
United States	538.7	412.9	253.5	176.1	FR/NHES
Residential construction (seasonally adjusted)					
New Hampshire	473.2	395.4	272.4	192.5	FR/NHES
New England	407.9	376.4	230.5	164.1	FR/NHES
United States	532.1	407.0	249.5	174.4	FR/NHES

ten counties, which ranged from \$1,205 in Rockingham County to \$687 in Coös County. According to the American Community Survey 2009 estimates, there were 139,026 renter-occupied housing units in New Hampshire, representing 27.5 percent of the state’s total occupied housing units.

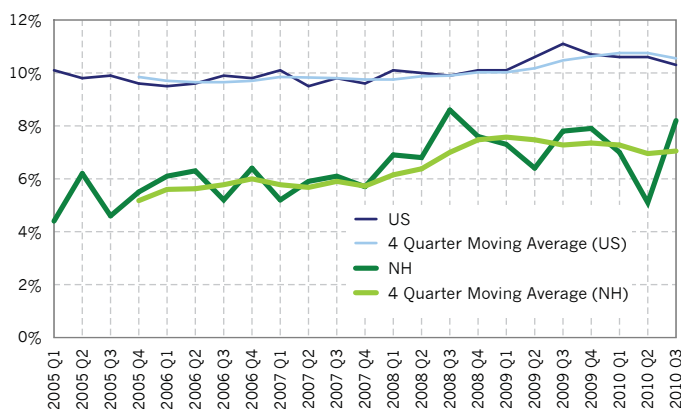
In the survey report, New Hampshire Housing states two main reasons for the relative strength in the New Hampshire rental market. “First, the flow of households out of rental housing and into ownership has slowed. This is due to wage and job loss, tighter mortgage lending practices, and a lack of confidence in the job and real estate market on the part of potential buyer households. Second, home foreclosures (roughly 7,000 over the past two years) have forced some former owners back into the rental market.”⁶

Vacancy Rates

At the beginning of the Great Recession, there was an increase in rental vacancies, partly caused by a decrease in household formations. Examples of the decrease in household formation include college graduates moving back in with parents instead of renting or buying, and households doubling up, meaning adults moving into living quarters with other relatives.

According to the U.S. Census Bureau, the vacancy rate for all rental units in the third quarter of 2010 was 8.2 percent in New Hampshire, and 10.3 percent in the U.S. The U.S. Census Bureau’s Housing Vacancy Survey estimates vacancy rates on a quarterly basis through

Quarterly Rental Vacancy Rates in New Hampshire



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey, Series H-111

the Current Population Survey. The rental vacancy rate is defined as the proportion of the rental inventory available for rent.⁷

The Foreclosure Problem

In October 2010, for the first time in the calendar year, the number of foreclosure deeds recorded in New Hampshire was lower than the same month in 2009. The first nine months of the year had foreclosures well above the same month of the previous year. The 10-month, year-to-date total of 3,523 fell just shy of the 12-month total for 2008, which had the highest number of foreclosures over the last five years. In November 2010, there were 227 foreclosures, and in December 2010 there were 203, bringing the 2010 year-to-date total to 3,953 foreclosure deeds.

One contributor to the decrease is the temporary halt to foreclosure sales and proceedings due to

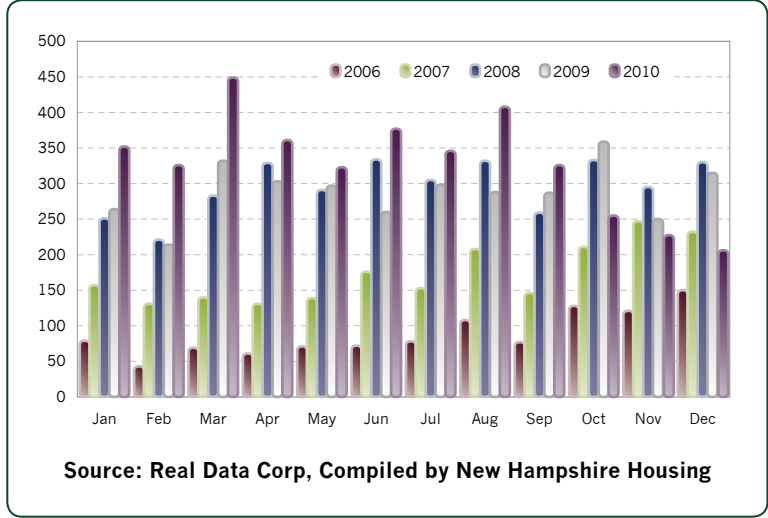
6. “New Hampshire Housing Costs Hold Steady — Affordability Suffers.” 2010 Press Releases. 25 Jun. 2010. New Hampshire Housing Finance Authority. Accessed 6 Dec. 2010. <www.nhhfa.org/news_docs/news/release100625.htm>.

7. Quarterly Vacancy and Homeownership Rates by State and MSA. Housing Vacancies and Homeownership (CPS/HVS). U.S. Census Bureau. Accessed 29 Nov. 2010. <www.census.gov/hhes/www/housing/hvs/hvs.html>.

inconsistencies in foreclosure practices. Lenders were accused of using “robo-signing” to process mortgage documents, which is the practice of signing documents without proper verification and documentation. In October 2010, the New Hampshire Attorney General joined a 50-state mortgage foreclosure working group to investigate the practice. The group’s objectives include putting a stop to improper practices, reviewing practices currently in place, evaluating remedies for past practices, and establishing effective monitoring of future practices.⁸

The trend of mortgage holders behind in their payments is an advance measure of the trend in foreclosures. In New Hampshire the mortgage loan delinquency rate for third quarter 2010 was 4.22 percent, compared to the U.S. rate of 6.44 percent. Nationally, delinquency rates have declined each quarter in 2010, with third quarter 2010 having the largest decline since fourth quarter 2006. But rates were still above those for the same quarter of the previous year. Delinquency rates,

Foreclosure Deeds in New Hampshire



the ratio of borrowers who were 60 or more days past due, are estimated by the credit information company TransUnion on a quarterly basis.⁹

In an effort to assist New Hampshire residents facing foreclosure, the Governor’s office established a web site, accessible at www.homehelpnh.org. The site offers valuable information on exploring alternatives to foreclosure and other

8. “Attorney General Michael A. Delaney Joins 50 State Mortgage Foreclosure Group.” *Archival News Releases*. 13 Oct. 2010. New Hampshire Department of Justice. Accessed 6 Dec. 2010 <www.doj.nh.gov/publications/nreleases2010/101310.html>.
 9. “National Mortgage Loan Delinquencies Experience Largest Quarterly Decline Since Fourth Quarter of 2006.” *News Releases*. Accessed 29 Nov. 2010. TransUnion. <newsroom.transunion.com/easyir/customrel.do?easyirid=DC2167C025A9EA04&version=live&prid=688994&releasejsp=custom_144>.

Assisted Rental Housing Funded	2006	2007	2008	2009	Source
Total units (NHHFA only)	409	388	274	281	HFA
For elderly and special needs tenants	102	260	87	102	HFA

Homes Financed by NH Housing Finance Authority	2006	2007	2008	2009	Source
Total	1,228	1,380	759	421	HFA
Percent new	5.4%	5.6%	6.5%	5.7%	HFA
Percent condo	29.5%	28.3%	23.6%	17.8%	HFA
NHHFA Bond Issues (\$ millions)	\$210.0	\$210.0	\$126.5	\$85.0	HFA

resources aimed at homeowners facing difficulties with paying their mortgages, including free seminars offered around the state to discuss alternatives to foreclosure. One alternative option to foreclosure is mediation. The New Hampshire Judicial Branch Office of Mediation and Arbitration has launched a voluntary foreclosure mediation program to bring borrowers and lenders together for a facilitated discussion about the possibility of restructuring a loan in order to avoid foreclosure. A restructuring plan might include more affordable loan terms for the borrower or a more reliable payment stream for the lender. The goal of a restructuring agreement is not to absolve the borrower from repaying the loan, but

to establish terms agreeable to both borrower and lender that will prevent foreclosure.

Building Activity: Lackluster residential activity but non-building activity stimulated

As home sales have been on the decline for at least three years and as the inventory of existing homes for sale continues to climb, it is no surprise that residential construction activity in New Hampshire is down. According to U.S. Census Bureau data, there were 2,287 total new residential permits issued for all of 2009; 1,662 of those, or 73 percent, were for single-unit structures. The number of permits issued has not been this low in New Hampshire since

Home Sales	2006	2007	2008	2009	Source
Conventional Mortgage Home Price Index (1987=100), NSA ^a					
New Hampshire	223.58	218.13	206.00	195.10	FR;FM/NHES
New England	257.69	252.92	240.67	232.29	FR;FM/NHES
United States	295.61	294.61	278.14	266.82	FR;FM/NHES
New Hampshire Multiple Listing Service data on Sales of Existing Homes					
Total Sales Volume (millions)	n/a	\$5,125.4	\$3,812.2	\$3,444.1	NNEREN
Annual percent change	n/a	n/a	-25.6%	-9.7%	NNEREN/NHES
Median sale price (thousands)	n/a	\$225	\$208	\$185	NNEREN
Annual percent change	n/a	n/a	-7.6%	-11.1%	NNEREN/NHES
Total existing home sales seasonally adjusted					
	19,420	17,218	13,771	14,349	NHAR
Annual percent change	-17.3%	-11.3%	-20.0%	4.2%	NHAR/NHES
Single family, apt. condos. and coops	18,230	16,165	12,958	13,581	NHAR
Mobile/manufactured	1,190	1,053	813	768	NHAR

^a Data for fourth quarter as published by Federal Reserve Bank Boston from Freddie Mac.

Mortgage Rates and Housing Rentals	2006	2007	2008	2009	Source
30-Year Fixed Mortgage Rates (annual average)	6.41%	6.34%	6.03%	5.04%	FM/NHES
Housing Unit Rentals					
Median monthly rent (including utilities)	\$928	\$946	\$969	\$980	HFA
Annual percent change	3.0%	1.9%	2.4%	1.1%	HFA/NHES

the first available permit estimates from the early 1960s. This was the fifth consecutive year that total new residential permits declined.¹⁰

But as the residential housing market in New Hampshire ground to a halt in 2009, the American Recovery and Reinvestment Act (ARRA) did stimulate non-building construction activities in the state. According to the McGraw-Hill Construction index, both residential and non-residential construction contract value indices fell from 2008 and 2009, but those declines were offset by a 221 percent increase in the non-building construction contract value index for projects such as highways, bridges,

utility systems and airports. As a result, the value of total construction contracts awarded in New Hampshire increased by 5.6 percent from 2008 to 2009. New Hampshire and Vermont were the only two states in New England to experience an increase in the total construction contracts value index.¹¹

Data on total stimulus funds as reported by recipients for the period February 17, 2009 to September 30, 2010 show that the New Hampshire Department of Transportation was awarded \$132.4 million of the \$971.7 million awarded to the state of New Hampshire.¹²

Annette Nielsen

10. "New Residential Construction Building Permits." Building Permits. U.S. Census Bureau. Accessed 6 Dec. 2010. <www.census.gov/const/www/permitsindex.html>.
11. "New England Economic Indicators, Third Quarter 2010." Indicators. 3 Nov. 2010. Federal Reserve Bank of Boston. Accessed 6 Dec. 2010. <www.bos.frb.org/economic/neci/current/neci.pdf>.
12. "State/Territory Summaries." Track the Money. Recovery.gov. Accessed 8 Dec. 2010. <www.recovery.gov/Transparency/RecipientReportedData/Pages/Landing.aspx>.

Bankruptcies

According to the Administrative Office of the United States Courts, New Hampshire ranked 30th highest for all bankruptcy filings per 1,000 population for fiscal year ending June 30, 2010. The ranking included District of Columbia, Puerto Rico, and the Virgin Islands. New Hampshire had 4.28 filings per 1,000 population for all chapter filings. Broken down, the Granite State had 3.50 filings per 1,000 population under chapter 7 (in which any unsecured property is sold to pay debts) and 0.74 filings per 1,000 population under chapter 13, under which any property can be retained and a court supervised repayment plan is established to repay debts.

New Hampshire's number of filings (4.28 per 1,000 population) in 2009 was significantly higher than the previous year. In 2008, the state had 2.79 filings per 1,000 population. Of those, 2.13 were chapter 7 filings and 0.66 were chapter 13.

In New Hampshire, bankruptcy filings peaked in 2005 as applicants hurried to beat the deadline of a federally legislated change under the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 which introduced stricter rules to qualify for bankruptcy discharge of debts.

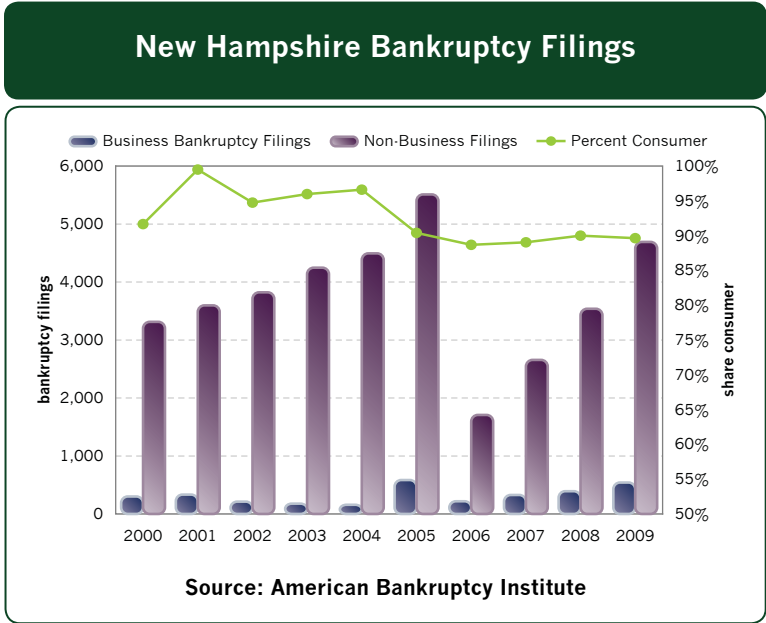
New Hampshire had 586 business bankruptcy filings in 2005, more than three times the number of filings the previous year. As might have been expected, the number fell to more normal levels the following year. The severity of the Great Recession through 2008 and 2009 contributed to a rising number of business bankruptcy filings, which increased to within striking distance of the 2005 peak. There were 542 business filings in 2009, only 44 fewer than in 2005.

The peak for non-business filings was 5,511 in 2005, also a result of the law change. As with business filings, non-business filings dramatically reduced during the next two years. However, as the economic slowdown progressed, the number of non-business filings grew to levels similar to those prior to the law change. In 2009 there were 4,691 non-business bankruptcy filings.

The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 imposed income restrictions and repayment guidelines, including stricter limitations on total discharges of debt obligations. Before the law change, the share of filings, combined business and non-business, had varying high percents of consumer filings, as high as 99.5 percent in 2001. Since the law went into effect, that has leveled off and has remained around 90 percent.

Consumer Confidence in New Hampshire

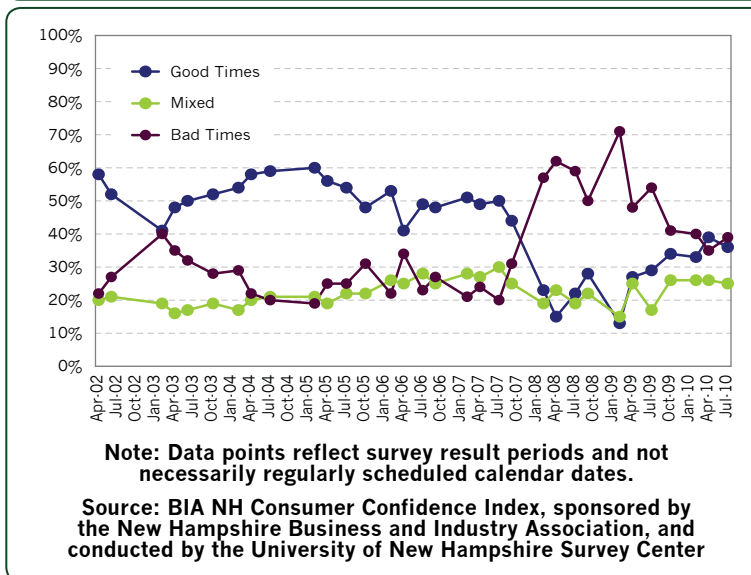
The latest findings of the Business Industry Association (BIA)



New Hampshire Consumer Confidence Index indicated adults surveyed had split opinions about New Hampshire's short-term economic future. The survey, conducted by the University of New Hampshire Survey Center, polled over 500 residents of the state on their thoughts about what the next twelve months would bring economically.¹

With the July 2010 results, when asked specifically about business conditions in New Hampshire during the next twelve months, 36 percent stated they were expecting good times financially, 39 percent expected bad times and the remaining 25 percent were mixed. Although the current results are a mixed bag, it was an improvement from the results a year earlier. In July 2009, only 29 percent of the adults surveyed expected to see good times in the following twelve months, over half — 54 percent — expected bad times, and the remaining 17 percent were mixed. Comparatively speaking, July 2004 results (after the 2001 recession and before the 2007-2009 recession) showed 59 percent looked forward to good financial times in the following twelve months, and the remainder were split between mixed and expecting bad times.

**New Hampshire Household Financial Conditions
12 Months from Now**



As for personal finances, respondents were asked in July 2010 about their expectations about their own situation. The results were not quite as optimistic as those for businesses.

The share of respondents stating they expected to be better off financially in the following twelve months shrank to 20 percent in July 2010, down from 26 percent in July 2009. The share that felt they would be about the same in the next twelve months

1. Smith Ph.D, Andrew E. "The BIA New Hampshire Consumer Confidence Index." *The Survey Center*. 8 Aug. 2010. University of New Hampshire. Accessed 22 Nov. 2010. <www.unh.edu/survey-center/news/pdf/gsp2010_summer_ccon080810.pdf>.

Bankruptcy Filings	2006	2007	2008	2009	Source
Total New Hampshire Filings	1,874	2,928	3,875	5,122	BKRNH
Percent change from previous year					
New Hampshire	-69.1%	56.2%	31.8%	32.2%	ABI/NHES
Connecticut	-67.1%	17.2%	39.7%	25.6%	ABI/NHES
Maine	-80.0%	74.1%	31.6%	27.6%	ABI/NHES
Massachusetts	-68.6%	63.2%	20.7%	26.8%	ABI/NHES
Rhode Island	-72.2%	73.8%	52.6%	18.5%	ABI/NHES
Vermont	-75.0%	36.6%	42.5%	22.3%	ABI/NHES
New England	-70.0%	50.9%	30.5%	26.1%	ABI/NHES
United States	-70.3%	37.8%	31.4%	31.8%	ABI/NHES

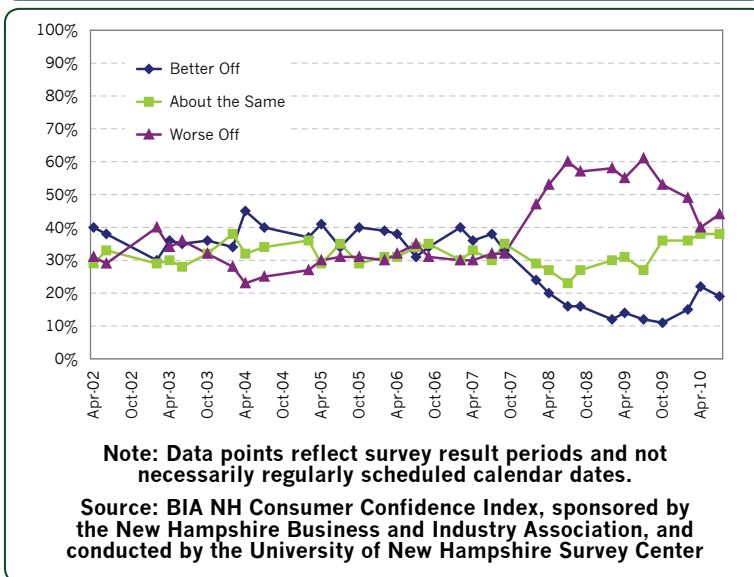
grew to 59 percent, up from the 51 percent in July 2009. The share expecting their personal finances to be worse in the next twelve months registered 22 percent in 2010, compared to 23 percent in 2009.

Using the same time period benchmark as for business confidence, July 2004 can give a real indication of how confidence has suffered through this recession period. In 2004, while over half of the respondents still felt they would be about the same financially in the next twelve months, fewer than 10 percent considered they would be worse off. The larger cohort who now feels at risk in their short-term financial future may be what is influencing the slowness of the economic recovery. Uncertain finances affect purchasing behaviors.

Business Financing Options - Recovery Zone Facility Bonds

New Hampshire Business Finance Authority (NHBFA) is temporarily offering a new financing option to businesses, known as Recovery Zone Facility Bonds (RZFBs). This is a new type of tax-exempt bond that was created by the American Recovery and Reinvestment Act. These bonds are similar to existing Industrial Revenue Bonds in that they provide for-profit businesses with lower cost financing, but are different by not restricting eligibility based on capital expenditure or type of business.²

New Hampshire Household Financial Conditions Compared to 12 Months Ago



The primary restriction of Recovery Zone Facility Bonds is that these bonds can only be used to finance investment in designated recovery zones. Areas of significant economic distress, using measures of poverty, unemployment, and foreclosures, are considered recovery zones. In New Hampshire, maps of three different designations of economic distress were overlaid to establish which areas would be eligible for the revitalization bonds. These areas included neighborhood revitalization - tier I communities, state economic revitalization zones, and federal new market tax credit zones. Closed military bases also fall under the definition, so Pease Air Force Base is also considered an economically distressed area.

² [Recovery Zone Facility Bonds](http://www.nhbfa.com/BFA_BondFinancing_Recovery.html). New Hampshire Business Finance Authority. Accessed 19 Nov. 2010. <www.nhbfa.com/BFA_BondFinancing_Recovery.html>.

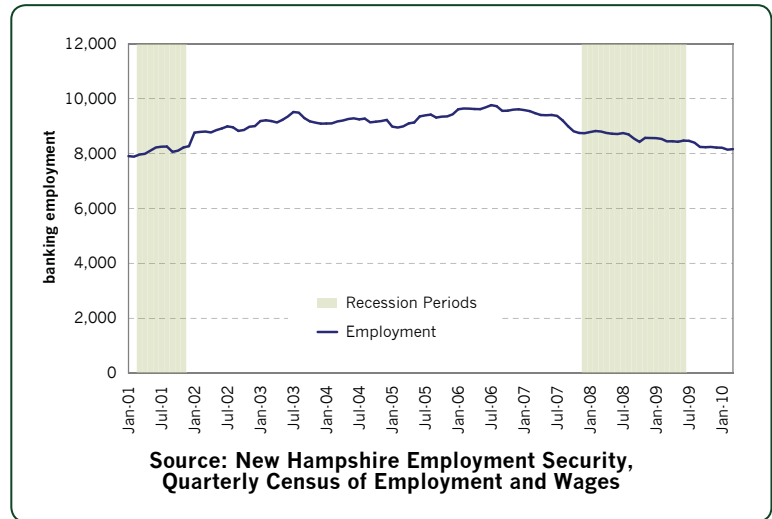
Delinquency Rates (FDIC Insured Institutions)	2006	2007	2008	2009	Source
Mortgage delinquency rate (1-4 family residential)	0.77%	1.53%	1.75%	2.15%	FDIC/NHES
Consumer loan delinquency rate	1.53%	1.91%	2.46%	2.42%	FDIC/NHES
Credit card delinquency rate	1.72%	4.56%	5.57%	0.00%	FDIC

New Hampshire had a total of \$135 million in Recovery Zone Facility Bond funds available. As of mid-November \$126 million had been committed to eight projects. The Authority had closed on \$55 million and was working on projects involving another \$51 million.³ The program was scheduled to sunset by the end of the 2010 calendar year, unless extended by Congress.

New Hampshire Employment in Banking Services

The industry designation for banking employment in the North American Industry Classification System is *Credit intermediation and related activities*. This includes savings institutions, credit unions, and credit card issuing companies, among other credit establishments. Employment had grown from less than 8,000 in January 2001 to a peak of 9,761 in July 2006. Employment started to slip in July 2007, prior to the official beginning of the Great Recession. By December 2007 industry employment was at 8,739 jobs, 1,000 below its peak. At the height of the

Banking Employment in New Hampshire



financial crisis in October 2008, employment in New Hampshire's *Credit intermediation and related activities* industry hit a low of 8,422. It rebounded slightly only to slip again to 8,469 by the announced official end of the recession in June 2009. By the end of the first quarter 2010, employment was at 8,158.

Anita Josten

³. Donovan, Jack. (<JackD@nhbfa.com>). New Hampshire Business Finance Authority. E-mail sent 18 Nov. 2010.

Banking Data - FDIC Insured Banks	2006	2007	2008	2009	Source
Bank Assets - Total All Banks (millions)	\$19,661	\$9,870	\$10,896	\$9,388	FDIC
Annual percent change	1.4%	-49.8%	10.4%	-13.8%	FDIC/NHES
Commercial Banks and Trust Companies	\$3,943	\$3,947	\$2,391	\$2,666	FDIC
Annual percent change	-7.6%	0.1%	-39.4%	11.5%	FDIC/NHES
Savings Institutions	\$15,718	\$5,923	\$8,506	\$6,722	FDIC
Annual percent change	3.9%	-62.3%	43.6%	-21.0%	FDIC/NHES
Bank Deposits - Total All Banks (millions)	\$13,411	\$7,446	\$7,935	\$7,190	FDIC
Annual percent change	0.5%	-44.5%	6.6%	-9.4%	FDIC/NHES
Commercial Banks and Trust Companies	\$3,108	\$3,034	\$1,824	\$2,174	FDIC
Annual percent change	-9.2%	-2.4%	-39.9%	19.2%	FDIC/NHES
Savings Institutions	\$10,302	\$4,412	\$6,111	\$5,016	FDIC
Annual percent change	3.8%	-57.2%	38.5%	-17.9%	FDIC/NHES
Equity Capital (millions)					
Total	\$2,036	\$1,307	\$1,672	\$1,009	FDIC
Commercial Banks and Trust Companies	\$546	\$632	\$291	\$278	FDIC
Savings Institutions	\$1,490	\$675	\$1,381	\$731	FDIC
Equity Capital to Asset Ratio					
Total	10.35%	13.24%	15.35%	10.75%	FDIC/NHES
Commercial Banks and Trusts	13.84%	16.02%	12.18%	10.44%	FDIC/NHES
Savings Institutions	9.48%	11.39%	16.24%	10.87%	FDIC/NHES
Number of Banking Institutions					
Total	26	24	25	24	FDIC
Commercial Banks and Trusts	10	9	9	9	FDIC
Savings Institutions	16	15	16	15	FDIC
Number of Banking Offices (Incl. branches)					
Total	301	381	341	347	FDIC
Commercial Banks and Trusts	232	313	272	273	FDIC
State Chartered Savings Institutions	69	68	69	74	NHBC

Industrial Financing (\$ millions)	2006	2007	2008	2009	Source
Total bond issues (millions)	\$42.9	\$123.2	\$62.4	\$173.0	BFA
Industrial revenue bonds, initial issues (millions)	\$2.0	\$5.8	\$3.4	\$0.0 ^a	BFA

^aThe New Hampshire Business Finance Authority closed on no industrial revenue bonds in 2009 and 2010. Those entities with eligible projects opted to finance under the Recovery Zone Bond program. No Recovery Zone Bonds were completed in 2009 but seven, totaling \$86.6 million, were closed in 2010.

Credit Unions	2006	2007	2008	2009	Source
Assets (millions)	\$3,571	\$3,785	\$4,227	\$4,679	NCUA
Annual percent change	3.9%	6.0%	11.7%	10.7%	NCUA/NHES
Shares and Deposits (millions)	\$2,900	\$3,046	\$3,325	\$3,762	NCUA
Annual percent change	5.6%	5.0%	9.2%	13.1%	NCUA/NHES
Number of Credit Unions	25	24	23	23	NCUA

Non-Current Loans and Leases	2006	2007	2008	2009	Source
FDIC commercial banks, Dec. 31st totals (millions)	\$39.7	\$53.0	\$96.2	\$91.7	FDIC
Percent change from previous year	64.3%	33.4%	81.6%	-4.7%	FDIC
State rank by non-current/net loans and leases (50th = smallest ratio) ^a	45	41	47	50	FDIC

^a Includes the fifty states and the District of Columbia.

The Governor began taking steps to reduce expenditures in New Hampshire State budget appropriations as early as February 2010. He signed an executive order directing that expenditures of the Executive Branch be curtailed by another \$25 million before the end of the state fiscal year, June 30, 2010. Administrative Services, Health and Human Services and Corrections were the departments most affected. They were required to reduce their budgets by \$3.8 million, \$3.1 million, and \$2.4 million, respectively.¹

The Great Recession had a dramatic effect on State revenues as the 2010 fiscal year progressed. Actual cash based receipts (unaudited) ended fiscal year 2010 at 2.5 percent below the estimated budget plan for the year, a shortfall of \$56.7 million. Of that, \$52.8 million was in the general fund and the remaining \$3.9 million was in the education fund.²

The two business taxes, Business Profits tax and Business Enterprise tax, together fell \$30.7 million below their planned collection. This was a 6.1 percent shortfall. Among the hardest hit line items after the business taxes was revenue from Interest and Dividends tax. The plan had estimated revenues to be \$117 million. Actual receipts were \$84 million, 28.2 percent less than the original budget plan, a \$33 million shortfall.

Included in the original 2009 budget bill was an amendment redefining distributions from Limited Liability Corporations (LLC) as a dividend,

New Hampshire General & Educational Funds Cash Basis, Unaudited

General Fund (\$ millions)	FY10 Actual	Adjusted Plan	Actual vs. Plan
Business Profits Tax	\$292.9	\$313.1	-\$20.2
Business Enterprise Tax	\$179.2	\$189.7	-\$10.5
Subtotal Business Taxes	\$472.1	\$502.8	-\$30.7
Meals & Rooms	\$229.8	\$251.1	-\$21.3
Tobacco Tax	\$239.8	\$217.2	\$22.6
Transfer from Liquor Commission	\$120.2	\$117.3	\$2.9
Interest & Dividends Tax	\$84.0	\$117.0	-\$33.0
Insurance Tax	\$84.4	\$85.8	-\$1.4
Communications Tax	\$78.6	\$82.0	-\$3.4
Real Estate Transfer Tax	\$84.5	\$84.7	-\$0.2
Court Fines & Fees	\$13.4	\$13.9	-\$0.5
Securities Revenue	\$34.2	\$34.0	\$0.2
Utility Consumption Tax	\$6.0	\$6.0	\$0.0
Board & Care Revenue	\$22.3	\$19.9	\$2.4
Beer Tax	\$12.9	\$12.8	\$0.1
Racing and Games of Chance	\$2.7	\$3.7	-\$1.0
Other	\$62.8	\$67.0	-\$4.2
Gambling Winnings Tax	\$2.9	\$5.9	-\$3.0
Transfer from Lottery Commission	\$66.0	\$74.7	-\$8.7
Transfer from Racing & Charitable Gaming	\$1.4	\$1.3	\$0.1
Tobacco Settlement	\$44.2	\$49.4	-\$5.2
Utility Property Tax	\$29.9	\$28.0	\$1.9
State Property Tax	\$363.2	\$363.0	\$0.2
Subtotal Traditional Taxes & Transfers	\$2,055.3	\$2,137.5	-\$82.2
Net Medicaid Enhancement Rev	\$98.2	\$99.3	-\$1.1
Recoveries	\$20.8	\$22.3	-\$1.5
Total Receipts	\$2,174.3	\$2,259.1	-\$84.8
Ch 143:17 CCSNH	\$1.0	—	\$1.0
SS HB 1:105 CCSNH	\$0.4	—	\$0.4
SS HB 1:104 LCHIP	\$1.5	—	\$1.5
SS HB 1:67 Safety	\$0.2	—	\$0.2
FIS 10 206 USNH	\$25.0	—	\$25.0
Total Receipts	\$2,202.4	\$2,259.1	-\$56.7

Source: State of New Hampshire Monthly Revenue Focus, Department of Administrative Services, June 2010, Cash Basis - Unaudited

1. "Executive Order 2010-02: An Order directing a reduction in Executive Branch expenditures." [Executive Orders](#). 12 Apr. 2010. Office of the Governor, State of New Hampshire. Accessed 20 Sep. 2010. <www.governor.nh.gov/media/orders/documents/2010-02.pdf>.
2. "NH Revenue Focus – June FY 2010." [Bureau of Financial Reporting](#). Division Of Accounting Services, New Hampshire Department of Administrative Services. Accessed 20 Sep. 2010. <admin.state.nh.us/accounting/reports.asp>.

therefore making those distributions subject to the 5 percent Interest and Dividends tax. For years investors in corporations have had to pay taxes on any dividends they received.

Investors or passive owners in LLCs, a designation which came into existence in the 90's, were exempted from this tax. The tax became effective on January 1, 2009, but was repealed in June 2010, retroactive to January 1, 2010.

The weak economy also had a strong impact on the Meals and Rentals tax. The budgeted plan of \$251.1 million came up \$21.3 million short. Revenues from this source are designated not only for the general fund but also for the education fund, and actual collections for the education fund were left \$3.3 million shy of the \$7.8 million budget plan. In the 2009 budget bill, campground sites had been added to the definition of a hotel, making campground owners responsible for collecting a 9 percent rental tax from customers. This amendment to the law, expected to generate from \$2.5 to \$3 million a year in revenue, was repealed in May 2010.

Nine of the 18 remaining traditional taxes and transfers line items also fell short as revenues failed to reach the budget plan level. One line item broke even. For the most part, the strongest revenue producers were the sin taxes, liquor, tobacco, and beer. Transfers from the Liquor Commission were \$2.9 million above estimates from the budget plan. Effective July 1, 2009 the tobacco tax increased from \$1.33 to \$1.78 per 20-cigarette pack. The tax rate for all other tobacco products, except premium cigars, increased from 19 percent to 48.59 percent of the wholesale sales price. Tobacco tax increases could have the potential to

decrease sales or depress out-of-state purchases. This did not seem to be the case, as tobacco taxes brought in \$239.8 million, \$22.6 million above plan.

The state and the University System of New Hampshire came to an arrangement whereby the University returned \$25 million to the state to help balance the budget. In similar fashion, the Community College System of New Hampshire, the Department of Safety and the Land Conservation and Historic Preservation Program combined to return an additional \$3.1 million.

New Hampshire Medical Malpractice Joint Underwriting Association

The 2009/2010 budget included \$110 million from a state-created insurance fund known as the New Hampshire Medical Malpractice Joint Underwriting Association (JUA). The New Hampshire Insurance Commissioner established this program in 1975. It was created in order to assure that health care providers in the state would have a source of medical malpractice coverage even though they may have been rejected for coverage by commercial carriers. Nobody could be turned down. Typically, the JUA encompasses one-fourth to one-fifth of those needing medical malpractice insurance. Participants are anyone who is licensed or certified as a health practitioner. These include a hospital, doctors and technicians who are unaffiliated or in specialty practices, nursing homes, ambulance drivers, nurses and nurse practitioners.

The State Supreme Court ruled that the budget provision transferring \$110 million in JUA fund excess surplus was unconstitutional

because it impaired a “beneficial interest” of JUA policyholders who could potentially be subjected to assessments in the future if the transfer were to cause a shortfall in the fund.

One side effect of the litigation is that a lower court ruling put in question the JUA’s longstanding federal tax

exempt status. In 1975, the IRS determined that the JUA was tax exempt because it was “an integral part of the state.” The lower court found that the JUA was not a part of the state, and the Supreme Court’s ruling did not address this question. This has left the JUA’s tax status in question and created a potential tax liability to the federal government

State Government General Revenue (FY ending 6/30)	2005-06	2006-07	2007-08	2008-09	Source
As reported by Administrative Services (millions) (Modified Accrual Basis of Accounting)	\$4,169.6	\$4,229.6	\$4,427.0	\$4,475.3	AS
Grants from Federal Government (millions)	\$1,414.1	\$1,409.3	\$1,497.6	\$1,680.9	AS
As reported by Census Bureau (millions)	\$5,186.2	\$5,471.7	\$5,707.2	n/a	CB
From Taxes (millions)	\$2,080.6	\$2,175.1	\$2,251.2	n/a	CB
General Revenue per \$1,000 Personal Income:					
New Hampshire	\$96.5	\$97.1	\$99.1	n/a	CB;BEA/NHES
United States	\$123.1	\$122.5	\$122.3	n/a	CB;BEA/NHES
United States rank	48	46	45	n/a	CB;BEA/NHES
Rank in General revenue from taxes	45	45	45	n/a	CB;BEA/NHES
General Revenue per Capita					
New Hampshire	\$3,953.2	\$4,153.6	\$4,308.7	n/a	CB
United States	\$4,639.7	\$4,833.8	\$4,973.8	n/a	CB
United States rank	41	40	40	n/a	CB/NHES

State Government General Expenditures (FY ending 6/30)	2005-06	2006-07	2007-08	2008-09	Source
As reported by Administrative Services (millions) (Modified Accrual Basis of Accounting)	\$4,433.5	\$4,502.1	\$4,760.7	\$4,930.5	AS
As reported by Census Bureau (millions)	\$5,212.2	\$5,381.9	\$5,672.4	n/a	CB
General Expenditures per \$1,000 Personal Income:					
New Hampshire	\$96.9	\$95.5	\$98.5	n/a	CB;BEA/NHES
United States	\$119.7	\$119.7	\$121.3	n/a	CB;BEA/NHES
United States rank	45	45	45	n/a	CB;BEA/NHES
For Education	45	45	44	n/a	CB;BEA/NHES
For Public welfare	43	43	39	n/a	CB;BEA/NHES
For Highways	39	41	38	n/a	CB;BEA/NHES
General Expenditures per Capita					
New Hampshire	\$3,973.0	\$4,085.5	\$4,282.5	n/a	CB
United States	\$4,511.6	\$4,722.6	\$4,933.9	n/a	CB
United States rank	39	41	40	n/a	CB/NHES

of over \$100 million with follow-on tax liability to the state for unpaid business taxes of over \$30 million. This would mean that there is no excess surplus in the JUA to be distributed to any party.

The resolution of this matter will likely carry on well into the next legislative session as the state awaits a response from the IRS on the tax question.³

Martin Capodice

3. Feldvebel, Alexander K., New Hampshire Insurance Department, and James Vaccarino, The Hays Companies. "New Hampshire Medical Malpractice Joint Underwriting Association (JUA)." Personal Interview. December 13, 2010.

Property Valuations, Equalized including Utilities and Railroad (Equalization Year – October 1 to September 30)	2005-06	2006-07	2007-08	2008-09	Source
State total equalized valuation (millions)	\$169,322	\$170,101	\$166,025	\$156,181	RA
Annual percent change	2.5%	0.5%	-2.4%	-5.9%	RA/NHES
% in Hillsborough & Rockingham Counties	52.3%	51.4%	51.3%	52.4%	RA
Equalization ratio	92.1	94.7	99.6	104.2	RA
Full value tax rate per \$1,000	\$15.32	\$15.94	\$17.36	\$18.67	RA

State & Local Government General Revenue Per \$1,000 Personal Income (FY ending 6/30)	2005-06	2006-07	2007-08	2008-09	Source
Total general revenue	\$150.79	\$152.12	\$155.04	n/a	CB/BEA
United States rank	50	50	50	n/a	CB/BEA
Total taxes	\$84.18	\$84.38	\$86.13	n/a	CB/BEA
United States rank	50	49	50	n/a	CB/BEA
Property tax	\$51.82	\$51.80	\$53.06	n/a	CB/BEA
United States rank	1	1	1	n/a	CB/BEA
Percent of total taxes	61.6%	61.4%	61.6%	n/a	CB/BEA
Percent of general revenue	34.4%	34.1%	34.2%	n/a	CB/BEA
United States rank	1	1	1	n/a	CB/BEA

Unemployment Insurance Tax (Calendar Year)	2006	2007	2008	2009	Source
Average tax (federal + state) per worker in covered employment	\$159	\$141	\$135	\$201	NHES

Unrestricted Revenue to State General and Education Funds (State Fiscal Year, ending Jun 30)					
	2005-06	2006-07	2007-08	2008-09	Source
Total unrestricted revenue					
General and Education Funds (millions)	\$2,182.3	\$2,291.3	\$2,366.7	\$2,217.5	AS
Total General Fund Revenue	\$1,329.5	\$1,421.6	\$1,483.9	\$1,375.4	AS
Total Education Fund Revenue	\$852.8	\$869.6	\$882.8	\$842.2	AS
Selected unrestricted general and education funds revenues					
Business profits tax	\$320.6	\$345.2	\$385.4	\$305.8	AS
<i>Education Fund Portion</i>	\$56.6	\$57.8	\$68.0	\$53.9	AS
Business enterprise tax	\$225.6	\$253.5	\$232.7	\$185.3	AS
<i>Education Fund Portion</i>	\$150.4	\$174.2	\$155.0	\$123.4	AS
Meals/rooms & rental tax	\$200.9	\$209.8	\$214.3	\$209.7	AS
<i>Education Fund Portion</i>	\$7.1	\$7.2	\$7.6	\$6.1	AS
Liquor sales and distribution tax	\$120.6	\$124.7	\$133.1	\$146.0	AS
Sweepstakes transfers	\$82.0	\$80.5	\$77.0	\$69.6	AS
<i>Education Fund Portion</i>	\$82.0	\$80.5	\$77.0	\$69.6	AS
Insurance tax	\$90.5	\$97.9	\$95.9	\$94.2	AS
Tobacco tax	\$150.8	\$143.6	\$166.4	\$188.1	AS
<i>Education Fund Portion</i>	\$80.9	\$78.3	\$109.3	\$128.8	AS
Tobacco settlement	\$39.0	\$40.8	\$48.4	\$52.8	AS
<i>Education Fund Portion</i>	\$39.0	\$40.8	\$40.0	\$40.0	AS
Interest and dividends tax	\$80.5	\$108.1	\$118.7	\$97.1	AS
Estate and legacy tax	\$3.2	\$0.6	\$0.2	\$0.0	AS
Telephone/communication tax	\$70.5	\$73.0	\$80.9	\$80.3	AS
Real estate transfer tax	\$158.7	\$137.4	\$116.3	\$81.2	AS
<i>Education Fund Portion</i>	\$52.5	\$45.7	\$38.6	\$27.7	AS
Utilities property tax	\$20.9	\$21.8	\$24.2	\$29.0	AS
<i>Education Fund Portion</i>	\$20.9	\$21.8	\$24.2	\$29.0	AS
Statewide property tax (retained locally)	\$363.4	\$363.3	\$363.1	\$363.7	AS
<i>Education Fund Portion</i>	\$363.4	\$363.3	\$363.1	\$363.7	AS

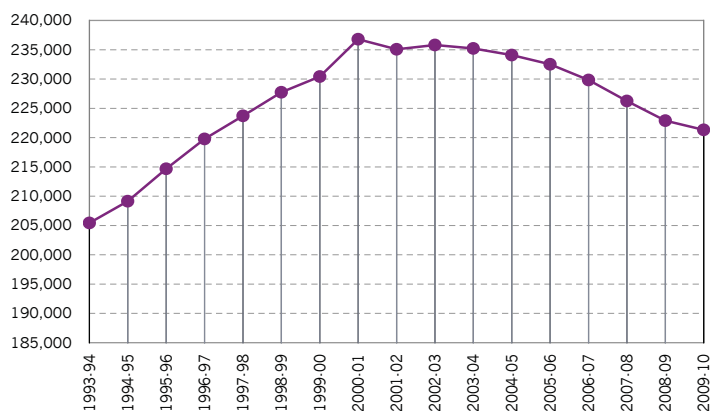
In 2010, the primary educational topic in New Hampshire was the reduction in the high school dropout rate. Other important topics included increases in educational accountability, college tuition increases and students' ability to pay, and projects to increase access to and the quality of education for New Hampshire's students.

New Hampshire Schools Measure Up

New Hampshire's school districts continue to work on reducing the dropout rate. The four-year cumulative dropout rate in New Hampshire decreased by 30 percent from school years 2007-08 to 2008-09. Four high schools had no dropouts, and another 24 reduced the number of dropouts by at least 50 percent. The New Hampshire Department of Education annual dropout reports define dropouts as those who exit early from school and who, as of the report date, have not completed a GED or enrolled in college. In 2007, legislation was signed into law raising the age for compulsory school attendance from 16 to 18, effective July 1, 2009. The Governor has stated a goal of "zero dropouts by 2012."¹

In 2010, New Hampshire was awarded a \$50,000 grant from the National Governors' Association Center for Best Practices to develop an early warning system to identify at-risk students in middle school.² In addition to the development of at-risk indicators, strategies are

Total New Hampshire Enrollment Public, Private and Homeschooled Students



Source: New Hampshire Department of Education

being developed to assist school administrators in targeting students with appropriate interventions.³

In July 2009, the Governor signed the Education Funding Accountability Law to help ensure that quality education is equally provided among New Hampshire's schools. The law requires schools to provide proof of achieving key academic standards. Beginning in 2012, ten percent of New Hampshire schools will be audited for performance levels, including instruction in languages, arts, math, and science. Schools that fail to meet the standards will receive technical assistance, and may be directed how to spend their state aid. This accountability law is the last piece in addressing an 18-year court case that charged New Hampshire's local property tax funding for education as unconstitutional because

1. "Governor Lynch, Commissioner Barry Announce 30 Percent Drop in High School Dropout Rate." [Press Release](#). 25 Jan. 2010. Office of the Governor of New Hampshire. Accessed 25 Jan. 2010. <www.governor.nh.gov/media/news/2010/012510-dropout.htm>.
2. [Early Warning Systems](#). New Hampshire Department of Education. Accessed 25 Jan. 2010. <www.education.nh.gov/innovations/early.htm>.
3. "American Reinvestment And Recovery Act (ARRA)." [Messages from New Hampshire Department of Education](#). January 2010. New Hampshire Department of Education. Accessed 25 Jan. 2010. <www.education.nh.gov/key/2010/documents/jan2010.pdf>.

there was inadequate education funding for schools in less affluent communities.⁴

The Adequate Yearly Progress (AYP) report is another measure used in New Hampshire to gauge education quality. The AYP, based on the 2009 New England Common Assessment Program results for Grades 3-8 and Grade 11, together with the 2008-2009 New Hampshire Alternate Assessment results for Grade 10, targets nineteen key areas, including graduation, attendance, mathematics, and reading. Failure in one of the report areas will lead to a school not meeting AYP standards and the risk of being designated as a school in need of improvement (SINI).⁵ Of the 473 New Hampshire schools reported, 133 or 28.1 percent passed all measures of the AYP— a decrease from 205 of 477 or 43.9 percent of schools in 2009. Thirty-four schools that did not make AYP in 2009 failed again and were designated as a School in Need of Improvement (SINI). Six schools that had previously been designated SINI made AYP for two consecutive years and have had their SINI standing removed.⁶ School districts can also be designated as a district in need of improvement (DINI) if they fail to make AYP for two consecutive years.⁷

Common Core Standards

In addition to the laws and initiatives mentioned above, the New Hampshire State Board of Education has agreed to adopt the Common Core State Standards and will begin a five-year project to align current state standards to the Common Core State Standards.⁸ Coordinated by the National Governors Association Center for Best Practices (NGA Center) and the Council of Chief State School Officers (CCSSO), the Common Core State Standards Initiative is a state-led effort to ensure consistent high quality education across schools and states, providing students with the knowledge and skills to succeed in both entry level college courses and in workforce training programs by measuring their achievement against common college and career ready standards. Two sets of Common Core State standards were created, college/work readiness and K-12. The college/work readiness standards were reviewed and approved first, laying a foundation for the creation of the K-12 standards. The standards are not a curriculum; they are a series of specific competencies that must be achieved for students to navigate college level courses or work training programs and to compete internationally. In adopting the Common Core State Standards, no state was asked to lower existing standards.⁹

4. "Governor Lynch Signs Education Funding Accountability Law." *Press Releases - 2009*. 14 Jul. 2009. Office of the Governor, State of New Hampshire. Accessed 14 Dec. 2010 <www.governor.nh.gov/media/news/2009/>. And Love, Norma. "Lynch signs school bill". 15 Jul. 2009. *Concord Monitor*. Accessed 14 Dec. 2010. <www.concordmonitor.com/article/lynch-signs-school-bill>.
5. "Release of the 2010 Adequate Yearly Progress (AYP) and Follow The Child Growth Reports." *2010 News Releases*. 7 Apr. 2010. New Hampshire Department of Education. Accessed 14 Dec. 2010. <www.education.nh.gov/news/2010/>.
6. "Release of the 2009 Adequate Yearly Progress (AYP) and Follow The Child Growth Reports." *2009 News Releases*. 6 Apr. 2009. New Hampshire Department of Education. Accessed 14 Dec. 2010. <www.education.nh.gov/news/2009/>.
7. "Release of the 2010 Adequate Yearly Progress (AYP) and Follow The Child Growth Reports." Op. cit.
8. "NH State Board of Education Adopts Common Core State Standards". *2010 News Releases*. 13 Jul. 2010. New Hampshire Department of Education. Accessed 14 Dec. 2010. <www.education.nh.gov/news/2010/>.
9. *About the Standards*. Common Core State Standards Initiative. Accessed 14 Dec. 2010. <www.corestandards.org/about-the-standards>.

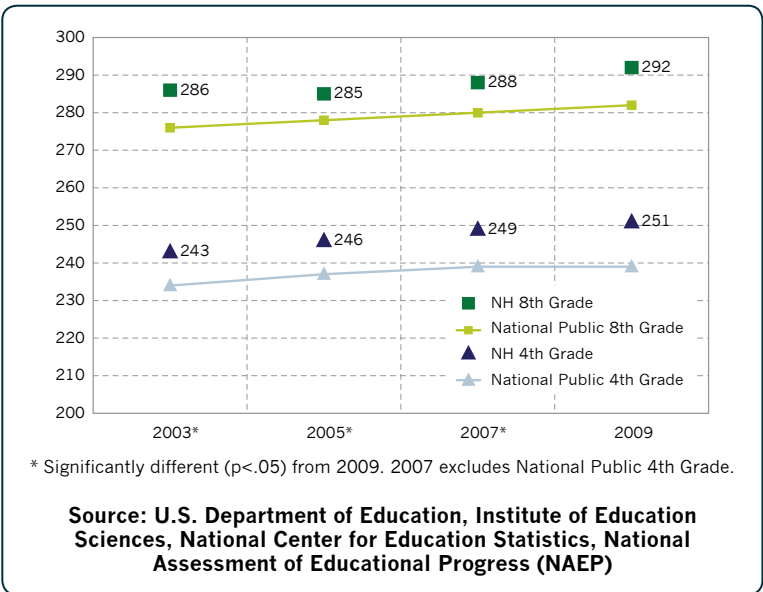
Testing

In 2009, New Hampshire received positive results from the National Assessment of Educational Progress (NAEP) also known as ‘the Nation’s Report Card.’ Math scores for both for 4th and 8th grade students were above the national average; widening the gap between state and national public school math scores further.

The 2009 New Hampshire reading scores were above the national average both for 4th and 8th grade students; with the gap between New Hampshire schools and the national average for public schools closing over time.¹⁰

Seventy-seven percent of New Hampshire’s 2010 high school seniors took the Scholastic Aptitude Test (SAT) which measures high school level subject matter and critical thinking skills. These test results are used by colleges to make admission decisions. New Hampshire students scored higher than the national average in critical reasoning, mathematics, and writing.¹¹ New Hampshire had 5,987 students participate in the College Board Advanced Placement (AP) program which offers academically challenging college-level courses to high school students. A higher number of students took more exams in 2010 than in 2009, with the number of students taking exams up by 1.4 percent and the number of exams taken up by 1.5 percent. The number of underrepresented students by ethnic group taking exams increased

Fourth and Eighth Grade NAEP Math Scores New Hampshire and National



(except for Blacks) in every category. Seventy-five percent of students scored at college level mastery, up 3 percent from 2009.¹²

Working Together

Articulation agreements between New Hampshire community colleges and four-year institutions, often referred to as a ‘two plus two’ program, are the foundation of a partnership allowing students to complete the first two years of a four-year degree at the community college at substantial cost savings before transferring on to a four-year institution. This type of partnership can also be seen in programs that provide access to career training at the high school level, such as Project

10. “New Hampshire, Common Core of Data, 2008-2009 school year (non-adjudicated).” State Profiles. IES National Center for Education Statistics. Accessed 14 Dec. 2010. <nces.ed.gov/nationsreportcard/states/>.

11. “2009 NH SAT Reasoning Test Scores and Advanced Placement (AP) Exam Results Announced”. 2009 News Releases. 25 Aug. 2009. New Hampshire Department of Education. Accessed 14 Dec. 2010. <www.education.nh.gov/news/2009/>.

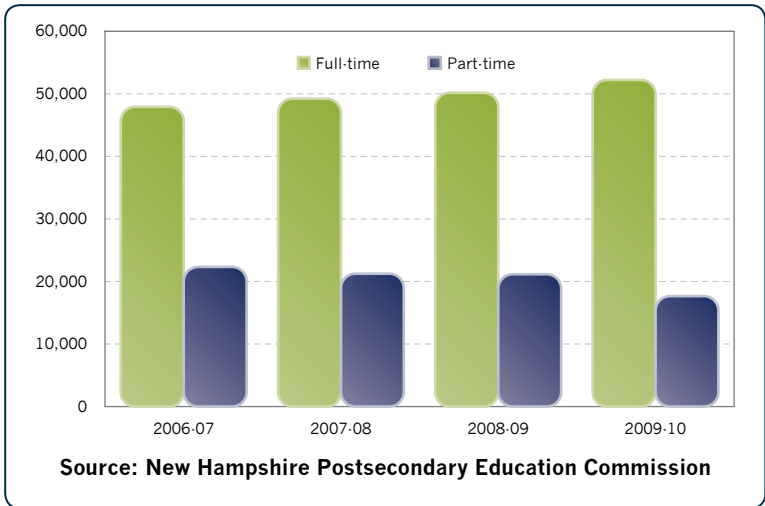
12. “2010 NH Scholastic Aptitude Test (SAT) Scores And Advanced Placement (AP) Exam Results Announced”. 2010 News Releases. 13 Sep. 2010. New Hampshire Department of Education. Accessed 14 Dec. 2010. <www.education.nh.gov/news/2010/>.

Lead the Way that provides first level technical training for professional careers such as pre-engineering. Two other programs, Project Running Start and Project e-Start, allow high school students to take college level courses in their high school and receive both college and high school credit, at a significant reduction in cost. And in April 2010, an agreement between the Department of Education, the New Hampshire Community College System, and Granite State College was signed, paving the way for adult learners to reach college by extending Project Running Start to adult learning centers in the state using funding provided by Nellie Mae Education Foundation.¹³

College Bound

Increases in aptitude scores, creative partnerships that expose high school students and adult learners to college and professional careers, and a substantial decrease in the dropout rate prepares more New Hampshire graduates to pursue postsecondary education than ever before. Building on the Governor’s goal of 100 percent graduation, the Governor’s P-16 Working Group – established in 2006 by executive order – has focused on four additional goals to increase the number of New Hampshire graduates who enroll in postsecondary education within 12 months of graduation and who complete technical and four-year programs as well as increasing the overall completion

College and University Fall Enrollment in New Hampshire (two & four year institutions)



rate of postsecondary students in New Hampshire and encouraging graduates to remain in the state following graduation.¹⁴

Half of New Hampshire residents attending postsecondary institutions are enrolled at in-state schools and another 30 percent are enrolled at schools in other New England states.¹⁵ Of first-time freshman attending school in New Hampshire in 2008, 55 percent are residents and 24 percent are from the surrounding New England states.¹⁶

In 2008, 73.6 percent of New Hampshire high school graduates continued on to higher education, a slight decline from the previous year’s 74.5 percent. Non-traditional students, students over the age of 25, are more likely to be part-

¹³. Benway, Kate. “CCSNH & Dept. of Education join forces to support adult Ed.” 19 Apr. 2010. Community College System of New Hampshire. Accessed 14 Dec. 2010. <www.ccsnh.edu/news/adult-ed.html>.

¹⁴. “The Status of Postsecondary Education in New Hampshire.” Pg. 5. *Research & Studies*. Feb. 2010. New Hampshire Postsecondary Education Commission. Accessed 23 Sep. 2010. <www.nh.gov/postsecondary/news/research_studies.html>. and P-16 Goals (DRAFT). New Hampshire Postsecondary Education Commission. Accessed 23 Sep. 2010. <www.nh.gov/postsecondary/p16/goals.html>.

¹⁵. “The Status of Postsecondary Education in New Hampshire.” Op. cit. Pg. 10

¹⁶. “The Status of Postsecondary Education in New Hampshire.” Op. cit. Pg. 12

time students whereas traditional students attend full time.

Since 2006, the number of full-time enrollments in New Hampshire institutions has been increasing steadily while part-time enrollments have declined. In 2009-10, the number of full-time enrollments increased by 4 percent while the number of part-time enrollments decreased by 16.5 percent from the previous year.¹⁷

The proportion of students choosing to enroll in less than four-year schools is increasing while the proportion of students going to four-year schools or choosing not to continue is declining.¹⁸ An additional 1.5 percent of students enrolled in shorter two- or three-year programs rather than four-year programs than in the previous year.¹⁹

There have been two major changes affecting colleges in New Hampshire within the last year. The number of colleges in the state decreased with the closing of MacIntosh College, leaving room in the market for more private career schools.²⁰ And, Franklin Pierce Law Center and the University of New Hampshire signed an affiliation agreement on March 16, 2010, changing the name of the law center to the University of New Hampshire's School of Law.

The Law Center's world-renowned intellectual property program will be housed in the new Franklin Pierce Center for Intellectual Property.²¹ In November 2010 the University of New Hampshire's School of Law named former Chief Justice John T. Broderick, Jr., who served fifteen years on the New Hampshire Supreme Court, as the new Dean and President.²² To emphasize the school's investment in the New Hampshire community, a new tuition waiver of \$4,000 was created for both qualified New Hampshire residents and currently enrolled, full-time UNH students. New Hampshire residents who also currently attend UNH are eligible for an \$8,000 tuition waiver.²³

Paying the Bill

The cost of higher education at both public and private New Hampshire postsecondary institutions is high compared with other states. While increases in tuition and fees were modest over the last year, public postsecondary tuition in New Hampshire remains more costly than almost anywhere else in the United States. New Hampshire ranked highest in in-state tuition and fees in 2007-2008 at two-year public institutions at \$5,972, nearly three times the national average, despite a less than one percent increase,

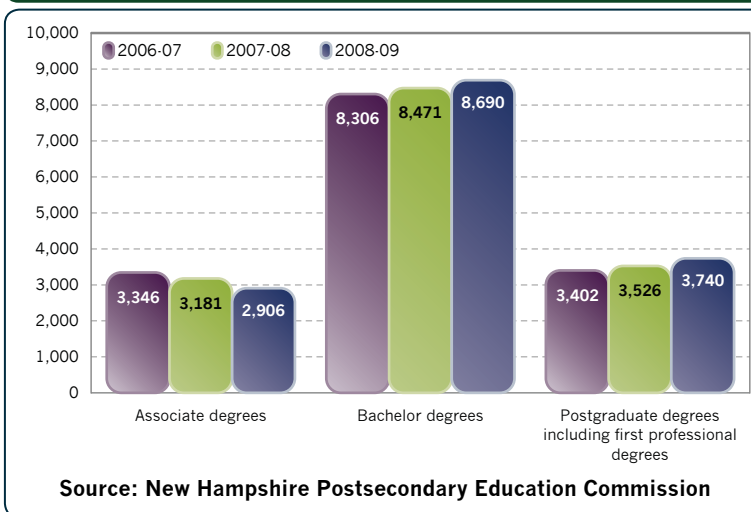
17. "The Status of Postsecondary Education in New Hampshire." Op. cit. Pg. 12
18. "Fall Enrollment 2009 (Headcount)." July 2010. New Hampshire Postsecondary Education Commission. Accessed 25 Jan. 2011. <www.nh.gov/postsecondary/research/documents/enrollment_fall_2009.pdf>.
19. "The Status of Postsecondary Education in New Hampshire." Op. cit. Pg. 8
20. "McIntosh College To Shut Down In 2009 Company That Owns College Says It Couldn't Locate Buyer." 15 Feb. 2008. WMUR-TV. Accessed 15 Dec. 2010. <www.wmur.com/education/15313059/detail.html>.
21. "UNH and Franklin Pierce Law Center Agree to Affiliate, Take Next Step Toward Merger." UNH Media Relations. 16 Mar. 2010. University of New Hampshire. Accessed 15 Dec. 2010. <www.unh.edu/news/cj_nr/2010/mar/cm16law.cfm>.
22. "UNH School of Law Announces Chief Justice John T. Broderick Jr. as New Dean." News and Events. November 9, 2010. University of New Hampshire School of Law. Accessed December 15, 2010. <law.unh.edu/news/posts/2010-11-9-new-dean-announcement.php>.
23. "UNH School of Law Announces Tuition Discount Program for N.H. Residents and UNH Students." Campus Journal. December 1, 2010. University of New Hampshire. Accessed December 15, 2010. <unh.edu/news/campusjournal/2010/Dec/01tuition.cfm>.

compared to a national increase of 4.5 percent. New Hampshire also ranked third highest at four-year public institutions (\$9,610) and seventh highest at four-year private institutions (\$25,281).²⁴

New Hampshire ranked lowest in the nation in state appropriations for higher education operating expenses per \$1,000 personal income (\$2.41) and per capita (\$104.80) for fiscal year 2010.²⁵ According to New Hampshire Postsecondary Education Commission's 2010 Status of Postsecondary Education in New Hampshire, tuition accounts for 40 percent of revenues for New Hampshire higher education institutions. While state subsidy allows public schools to charge lower tuitions, private schools, which have previously depended on endowment (investment) income for 31 percent of their revenue, were forced to raise tuition and fees even higher as endowments dropped to less than 2 percent of revenue.²⁶

While tuition has traditionally been offset by grant and scholarship funding, there has been a decrease in the amount of grant funding being distributed in New Hampshire. Grants and scholarships in New Hampshire primarily come directly from institutions (78 percent) with only 15 percent coming from Pell grants and other federal sources.²⁷ The nearly 70 percent decrease in endowment income from 2002 to 2007 continues to affect the ability of institutions to provide

Degrees Granted by New Hampshire Colleges



grant aid to students. Work-study programs, while accounting for the smallest percentage of federal financial assistance, showed an increase of more than \$2 million in 2008-2009 over 2006-2007 to nearly \$10 million.²⁸

In New Hampshire and nationally, students are increasingly relying on loans to finance their education. Students enrolled at New Hampshire public institutions ranked 5th highest in terms of student debt load in 2008 at \$25,785, with the average student graduating with a debt load of more than \$25,000.²⁹

Credentialing and Employment Trends

Projections of employment for occupations requiring an associate or baccalaureate degree in 2018, show that those with the most

24. "The Status of Postsecondary Education in New Hampshire." Op. cit. Pgs. 20-23
 25. "The Status of Postsecondary Education in New Hampshire." Op. cit. Pgs.17-19
 26. "The Status of Postsecondary Education in New Hampshire." Op. cit. Pg.16
 27. "The Status of Postsecondary Education in New Hampshire." Op. cit. Pg. 24
 28. "The Status of Postsecondary Education in New Hampshire." Op. cit. Pg. 27
 29. "The Status of Postsecondary Education in New Hampshire." Op. cit. Pg. 6

annual openings in New Hampshire will include registered nurses, business operations specialists, and educators including elementary and special education instructors. In 2009, business management and sciences (25 percent), health professions (10 percent), and education (10 percent) accounted for nearly half of all degrees granted in New Hampshire.³⁰

The number of associate degrees granted in New Hampshire continues to decrease while the number of bachelor degrees granted grows. In 2009, 15,336 degrees were granted by New Hampshire institutions with baccalaureate making up the largest percentage (57 percent), followed by postgraduate including first professional (27 percent), and lastly, associates (19 percent).

Extra Help

Several federal grants have been awarded to New Hampshire educational institutions to assist with program funding.

The College Access Challenge Grant

One and one-half million dollars in federal funding has been awarded to New Hampshire to help increase enrollment in postsecondary education for students who have graduated within the last twelve months. The project targets underrepresented populations such as minorities, first-generation college students, and financially needy individuals. The goals of the program are making students

and their parents more aware of the college process, improving the application process and accuracy for postsecondary education, and preparing students to be successful at a college level. The grant will support the programs in the University System of New Hampshire (USNH), the New Hampshire Higher Education Assistance Foundation (NHHEAF) and the New Hampshire College and University Council, Campus Compact for New Hampshire, and the Community College System of New Hampshire.³¹

Enhancing Education Through Technology Program

Twenty-two school districts have been awarded grants of approximately \$145,000 each as part of the American Recovery and Reinvestment Act (ARRA) of 2009 to develop technological learning environments for students, including computers, digital equipment and online resources.³²

Charter School Start Up Grant

The New Hampshire Department of Education will receive \$11.6 million over a five-year funding period to support educational innovation in the state. The grant was made possible by lifting the moratorium on creating charter schools. The grant is aimed at helping the Department of Education meet five objectives: to increase charter school graduation rates, share best practices of charter schools with public schools, empower charter schools to be independent and fiscally responsible, create charter

30. "New Hampshire Employment Projections by Industry and Occupation Base Year 2008 to Projected Year 2018". *Employment Projections*. May 2010. New Hampshire Employment Security, Economic & Labor Market Information Bureau. Accessed 15 Dec. 2010. <www.nh.gov/nhes/elmi/projections.htm>.

31. "Associate; Bachelor's; Master's, Doctoral and First Professional Degrees Granted by New Hampshire Colleges and Universities – FY '09." Nov. 2009. New Hampshire Postsecondary Education Commission. Accessed 25 Jan. 2011. <www.nh.gov/postsecondary/research/standard_reports.html>

32. Cookson, Matthew. "New Hampshire to Receive \$1.5 Million to Increase College Aspirations, Preparation and Enrollment." *Media Releases*. 1 Sep. 2010. University System of New Hampshire. Accessed 15 Dec. 2010. <www.usnh.edu/media/press/20100901_cag.shtml>.

NH Elementary and Secondary Education (school year)	2005-06	2006-07	2007-08	2008-09	Source
Enrollment, fall, public and private (includes preschool)	228,004	225,233	221,614	218,087	DE
Total Home Schooled	4,506	4,599	4,639	4,800	DE
Total all enrollments	232,510	229,832	226,253	222,887	DE/NHES
Growth rates, all enrollments	-0.7%	-1.2%	-1.6%	-1.5%	DE/NHES
First grade, public and private	15,960	15,765	15,455	15,242	DE
First grade Home Schooled	338	335	365	357	DE
Total all first grade enrollments	16,298	16,100	15,820	15,599	DE/NHES
Growth rate, first grade	-1.8%	-1.2%	-1.7%	-1.4%	DE/NHES
Twelfth grade, public and private	17,096	17,543	17,977	17,499	DE
Twelfth grade home schooled	78	48	72	86	DE
Total all twelfth grade enrollments	17,174	17,591	18,049	17,585	DE/NHES
Growth rate, twelfth grade	1.5%	2.4%	2.6%	-2.6%	DE/NHES
Career Technology Education Enrollment ^a	12,782	12,311	11,997	n/a	DE
Percent of 9th & 10th grade	8.3%	6.9%	7.3%	n/a	DE
Percent of 11th & 12th grade	34.3%	33.6%	32.7%	n/a	DE
High School Career Tech. Education Completers	3,286	2,775	2,676	n/a	DE
Average Salary of Instructional Staff (public schools)	\$45,263	\$46,527	\$48,310	\$49,872	UED
United States rank	23	24	23	23	UED/NHES
Post Graduation					
Total number of New Hampshire public school completers	14,062	14,550	15,120	15,172	DE
Entering a four-year college or university	51.4%	53.1%	51.3%	51.0%	DE
Entering other than a four year college	21.0%	21.6%	22.1%	23.0%	DE
Total Non-College (includes status unknown)	27.6%	25.3%	26.6%	26.0%	DE
Scholastic Assessment Test (SAT) ^b	1,553	1,554	1,555	1,556	DE
National average	1,518	1,511	1,511	1,509	DE
Percent of NH high school graduates taking test	82.0%	83.0%	74.0%	75.0%	DE

^a Changes in reporting methods and definitions as of 2009

^b SAT Expanded in 2006 to include writing section

schools within districts, and create high quality charter schools targeting educationally at-risk students.^{33, 34}

Online Student Assessment

The New Hampshire Department of Education will receive more than \$1.9 million over two years for research

and development into creating online student assessment tools that will reach all learners, including students who are at-risk or have special needs. New Hampshire will work with nine other states as well as experts from colleges and industry.³⁵

Melanie Renfrew-Hebert

- 33. "NH School Districts Receive Grants to Transform Their Schools Into 21st Century Classrooms." 2010 News Releases. 14 Jan. 2010. New Hampshire Department of Education. Accessed 15 Dec. 2010. <www.education.nh.gov/news/2010/20100114.htm>.
- 34. "The New Hampshire Department of Education Will Receive a Grant to Support Educational Innovation in the State." 2010 News Releases. 30 Jul. 2010. New Hampshire Department of Education. Accessed 15 Dec. 2010. <www.education.nh.gov/news/charter.htm>.
- 35. "The New Hampshire Department of Education Receives 11.6 Million in Federal Charter Start Up Money." 2010 News Releases. 5 Oct. 2010. New Hampshire Department of Education. Accessed 15 Dec. 2010. <www.education.nh.gov/news/charter_grant.htm>.

NH Education Expenditures and Revenue	2005-06	2006-07	2007-08	2008-09	Source
Expenditures per pupil (average)					
Net Total, all purposes (school year)	\$9,710	\$10,305	\$11,135	\$11,746	DE
Annual percent change	6.7%	6.1%	8.1%	5.5%	DE/NHES
Current expenditures per pupil in average daily attendance, public, elementary, and secondary schools (unadjusted dollars)					
	\$10,698	\$11,347	\$11,672	\$12,344	UED
Revenue sources, percent of total school revenues:					
State funds	39.2%	n/a	38.7%	37.0%	UED
National average	46.5%	n/a	48.4%	47.1%	UED
United States rank (District of Columbia not included)	41	n/a	40	44	UED
Local and other funds ^a	53.2%	n/a	55.9%	57.5%	UED
National average	42.1%	n/a	43.1%	43.5%	UED
United States rank (District of Columbia not included)	7	n/a	7	6	UED
Federal funds	5.5%	n/a	5.4%	5.4%	UED
National average	9.1%	n/a	8.5%	9.4%	UED
United States rank (District of Columbia not included)	48	n/a	49	50	UED

^a Includes gifts, tuition, and fees from patrons.

New Hampshire Postsecondary Education	2005-06	2006-07	2007-08	2008-09	Source
College and University Enrollment – Fall (two & four-year institutions)	69,962	70,249	70,463	71,316	PEC
Full-time	47,714	47,923	49,223	50,167	PEC
Part-time	22,248	22,326	21,240	21,149	PEC
Degrees Granted by NH Colleges	14,729	15,054	15,178	15,336	PEC
Associate degrees	3,239	3,346	3,181	2,906	PEC
Bachelor degrees	8,041	8,306	8,471	8,690	PEC
Postgraduate degrees including first professional degrees	3,449	3,402	3,526	3,740	PEC
By Selected Concentration: ^a					
Biological and Biomedical Sciences	354	378	358	371	PEC
Business Management and Sciences	3,500	3,714	3,719	3,842	PEC
Communications and Journalism	344	321	423	382	PEC
Computer and Information Sciences	436	385	356	325	PEC
Education	1,385	1,426	1,411	1,489	PEC
Engineering and Engineering Related	294	304	386	414	PEC
English Language and Literature	487	511	445	482	PEC
History	233	267	280	255	PEC
Health Professions	1,510	1,613	1,571	1,603	PEC
Psychology	725	803	768	823	PEC
Social Sciences	1,109	1,071	1,163	1,019	PEC
Visual and Performing Arts	636	673	644	562	PEC

^a Degrees granted totals include Associate, Bachelor, Masters, Doctoral, and First Professional degrees.

Hospital admissions in New Hampshire fell slightly in 2009 – the first decrease since 2004. Nonetheless, gross revenues continued a steady upward climb. The \$8.7 billion figure doubled gross revenues in 2004 which itself was twice the amount amassed in 1999. The 9.9 percent increase from 2008 to 2009 was the first single-digit increase since 1999.

There has been a longstanding practice to perform surgery as an outpatient procedure whenever possible. This standard led to inpatient surgeries hitting a 10-year low in 2009. Meanwhile, outpatient surgeries saw only a minimal increase, but the 2009 figure is almost twice the number undertaken in 1994. Emergency rooms in New Hampshire hospitals continued to be accessed even more frequently in 2009. For the second straight year they were visited for an all-time high number of times. All this combined to see the 2009 per capita expense of hospitalization in New Hampshire increase again, as it has every year since 1994. The 2009 figure of \$2,672 is twice what it was a decade ago. As recently as 1996 it was less than \$1,000.

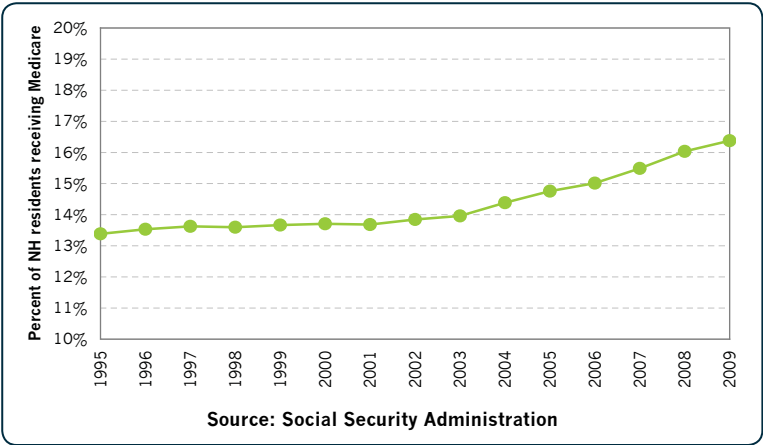
Survey of Hospitals

Every year the New Hampshire Hospital Association, in conjunction with the American Hospital Association, surveys hospitals about the economic status of their patients and the resulting impact on the financial position of the hospital. The results of the 2010 survey, taken after the first quarter of the year, reflect the toll the flagging economy has had on patients, hospitals, and ultimately on their communities.

Fifty-six percent of New Hampshire hospitals say the proportion of emergency patients without insurance is increasing, with four percent of hospitals saying the increase is significant. A similar increase is seen in the number of patients coming in with an inability to pay for care. A full 50 percent of those hospitals add that the increase is significant in scope.

Two of every three hospitals in the state say the proportion of patients covered by Medicaid and other low-income programs has increased, with 20 percent saying the increase is significant. As expected, this demographic picture leads to an increased need for additional subsidized services, but has severely undercut the hospital's ability to offer them. Sixty-four percent had to cut administrative expenses, 56 percent reduced staff and 24 percent limited services. Business operating margins were off significantly for 24 percent and off moderately for another 36 percent of facilities. Four out of every five New Hampshire hospitals say their capital situation is either not improving or getting worse.¹

After an extended period of little change, the percentage of NH residents receiving Medicare has been seeing notable increases since 2003



1. "The Economic Crisis: the Toll of the Patients and Communities Hospital Serve." 13 May 2010. New Hampshire Hospital Association.

National Health Care Reform Bill

The Patient Protection and Affordable Care Act was signed into law on March 23, 2010, and amended by the Health Care and Education Reconciliation Act on March 30, 2010. The result is the Affordable Care Act (ACA). Here is a look at the provisions of the law.²

Insurance Reforms

- Six months after enactment, insurance companies could no longer deny children coverage based on a preexisting condition.
- Starting in 2014, insurance companies cannot deny coverage to anyone with preexisting conditions.
- Insurance companies must allow children to stay on their parent's insurance plans until age 26.

Individual Mandate

- In 2014, everyone must purchase health insurance or face a \$695 annual fine. There are some exceptions for low-income people.

Employer Mandate

- Technically, there is no employer mandate. Employers with more than 50 employees must provide health insurance or pay a fine of \$2,000 per worker each year if any worker receives federal subsidies to purchase health insurance. Fines would be applied to the entire number of employees minus some allowances.

Medicare

- Closes the Medicare prescription drug “donut hole” by 2020. Seniors who hit the donut hole by 2010 would receive a one-time \$250 rebate. The coverage gap,

known as the “donut hole,” is the amount of out-of-pocket costs to patients after Medicare and any other medical insurance plan have paid (up to a limit).

- Beginning in 2011, seniors in the gap will receive a 50 percent discount on brand name drugs. The bill also includes \$500 billion in Medicare cuts over the next decade.

Medicaid

- Expands Medicaid to include those with income less than 133 percent of federal poverty level, which is currently \$29,327 for a family of four.
- Requires states to expand Medicaid to include childless adults at or below the poverty level starting in 2014.
- Federal Government pays 100 percent of costs for covering newly eligible individuals through 2016.
- Illegal immigrants are not eligible for Medicaid.

Endowment for Health Pilot

At the local level, the Endowment for Health now offers a web site where New Hampshire individuals and businesses can get information on ACA, called the EH Pilot, <http://endowmentforhealth.typepad.com/pilot/>. The site offers a variety of resources to help business owners, families and individuals understand the implications of the federal health care law. The site provides links to information such as the latest small-business tax credits or qualification for a policy under the future state insurance exchanges. Additional information resources are focused on topics such as age group, how to get

². Jackson, Jill, and John Nolen. “Health Care Reform Bill Summary: A Look At What’s in the Bill.” *Politics*. 23 Mar. 2010. CBS News. Accessed 1 Nov. 2010. <www.cbsnews.com/8301-503544_162-20000846-503544.html?tag=dsGoogleModule>.

insurance, or a specific health status or need. The site includes links for small business, the New Hampshire Department of Insurance, New Hampshire cost and quality sites and federal resources.³

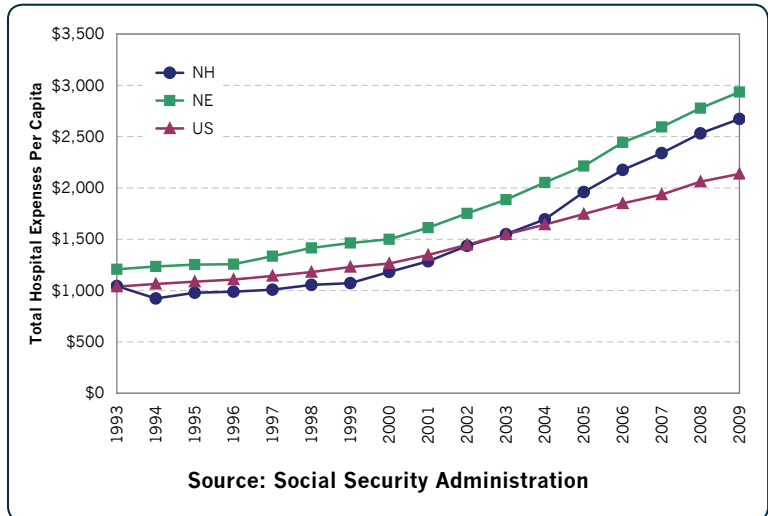
Health Care Coverage to Those Under Age 19

Upon learning that some New Hampshire health carriers were about to cease coverage to people under age 19, the New Hampshire Insurance Department issued a bulletin clarifying the applicable limitations. The bulletin emphasized the requirement, established by the General Court, that “every New Hampshire resident would have guaranteed access to at least one of two individual insurance products.” Health carriers “may refuse to write or issue coverage to an individual,” thereby making them eligible for a high-risk pool.⁴

Update: Confirmed Case of Gastrointestinal Anthrax

In December 2009, a New Hampshire resident was stricken with gastrointestinal anthrax. The 24-year-old female contracted this rare affliction while attending a drumming circle. A comprehensive testing of surfaces at the drumming site and of the drums brought to the site exposed two positive drumheads and one positive sample taken from electrical outlets. Anthrax was found in the hides used for the drumheads. The exposed victim is not believed to have had direct contact with either of

After years at or below the US in hospital expenses per capita, NH climbed to \$535 above the US in 2009



the African drums showing positive. No other participants appear to have been affected and the victim, at last report, seems to have recovered.⁵

Pay-for-performance

In July 2010, the Governor unveiled a five-year pilot program, the Accountable Care Organization, whereby health care providers will be compensated based on their quality of care instead of the current fee-for-service model. To be reimbursed for services, providers must meet health-care benchmarks. Both the benchmarks and the compensation have yet to be determined. The pilot will be looking at such measures as cardiac care and readmission rates, as well as youth and preventative measures, emergency room use, overall health-care costs in the

3. Endowment for Health Pilot. Accessed 3 Nov. 2010. <endowmentforhealth.typepad.com/pilot>.

4. “Bulletin No.: Ins No. 10-041-AB - Individual Health Insurance Underwriting and the Patient Protection Affordable Care Act of 2009.” Bulletins 2010. 23 Sep. 2010. New Hampshire Insurance Department. Accessed 1 Nov. 2010. <www.nh.gov/insurance/media/bulletins/2010/>.

5. “Gastrointestinal Anthrax After an Animal-Hide Drumming Event – New Hampshire and Massachusetts, 2009.” Morbidity and Mortality Weekly Report. Vol. 59, No. 28. 23 Jul. 2010. Pg. 872-77. Centers for Disease Control and Prevention. Accessed 1 Nov. 2010. <www.cdc.gov/mmwr/PDF/wk/mm5928.pdf>.

New Hampshire 2010 Health Rankings

	Rank (1=highest)	Value
New Hampshire's 2010 Ranking Overall	3	
Teen Birth Rate (Births per 1,000 women age 15 to 19)	1	20
Cardiovascular Deaths (Percent of persons under age 18)	2	10.5%
Geographic Disparity (Relative standard deviation) ^a	2	0.057
Preterm Birth (Percent of births under 37 weeks gestation)	2	9.4%
Daily Vegetables and Fruit (Percent of population)	3	27.9%
Income Disparity (Gini Ratio) ^b	3	0.42
Premature Death (Years lost per 100,000 population)	3	5,792
Violent Crime (Offenses per 100,000 population)	3	160
Cholesterol Check (Percent of adult population)	4	82.7%
Low Birthweight (Percent of births under 2500 grams weight)	4	6.3%
Median Household Income (Dollars per household)	4	\$64,131
Recent Dental Visit (Percent of adult population)	5	76.7%
Annual Unemployment Rate (Percent)	6	6.3%
Lack of Health Insurance (Percent of population)	7	10.4%
Stroke (Percent of adult population)	7	2.0%
Per Capita Personal Income (Dollars per person)	8	\$42,831
Infectious Disease (Cases per 100,000 population)	9	5.6
Prevalence of Smoking (Percent of population)	9	15.7%
Diabetes (Percent of adult population)	10	7.1%
Heart Attack (Percent of adult population)	10	3.4%
Occupational Fatalities (Deaths per 100,000 workers)	10	3.5
Primary Care Physicians (Number per 100,000 population)	10	129.8
Health Status (Percent report fair or poor health)	11	12.1%
Infant Mortality (Deaths per 1,000 live births)	11	5.7
Poor Mental Health Days (Days in the previous 30 days)	11	3.1
High School Graduation (Percent of incoming ninth graders)	12	81.7%
Physical Activity (Percent of adult population)	12	78.7%
Underemployment Rate (Percent)	12	12.5%
Immunization Coverage (Percent of children ages 19 to 35 months)	13	92.0%
Air Pollution (Micrograms of fine particles per cubic meter)	14	8.4
Poor Physical Health Days (Days in the previous 30 days)	15	3.2
Preventable Hospitalizations (Number per 1,000 Medicare enrollees)	16	61.7
Cardiac Heart Disease (Percent of adult population)	17	3.6%
Prenatal Care (Percent of pregnant women)	20	80.6%
Prevalence of Obesity (Percent of population)	21	26.3%
High Blood Pressure (Percent of adult population)	24	28.6%
Cancer Deaths (Deaths per 100,000 population)	30	196.2
Prevalence of Binge Drinking (Percent of population)	30	16.1%
High Cholesterol (Percent of adult population)	32	38.6%
Public Health Funding (Dollars per person)	34	\$63.00

^a The variation among the overall mortality rates among the counties within a state. Equality among counties would be expressed by low variation. This measure indicates how equal the outcomes are across a state.

^b Measure of the distribution of income. 0 is perfectly distributed, 1 is perfectly skewed to the wealthiest individual.

Source: America's Health Rankings, <statehealthstats.americashealthrankings.org/#/state/US/NH/2010>

community and information on episodes of care, such as what different services are used.⁶

Healthy New Hampshire

New Hampshire ranks third in the 2010 rankings of healthy states by the United Health Foundation. Vermont took the number one spot and Massachusetts came in second. All six New England states made the top 10 with Connecticut listed as 4th healthiest, Maine 8th, and Rhode Island at number 10. Filling out the top 10 were Hawaii (5th), Minnesota (6th), Utah (7th) and Idaho (9th). Mississippi, Louisiana, Arkansas, Nevada and Oklahoma, in that order, had the lowest rankings.

New Hampshire led the nation in only one of the 41 categories used for comparison, the prevalence of teenage births. The Granite State had three categories where it ranked second: low childhood poverty, fewest preterm births and geographic disparity. The state also had particularly high rankings in the

daily intake of fruits and vegetables and low premature deaths rate (3rd) and those checking cholesterol and low birth weight (4th). The lowest rankings were for public funding for health (34th), high cholesterol, which despite our tendency to check still ranked 32nd, and both binge drinking and cancer deaths in the 30th spot.

Given that many of the United Health Foundation highest rankings were related to giving birth and childhood issues, it is not surprising that once again the Annie E. Casey Foundation found New Hampshire to be the most kid-friendly state in the nation. Minnesota, Vermont, Utah and Massachusetts followed. The areas of strength for New Hampshire are the low percentages of children living in poverty, child mortality, low birth weight babies, and teens not in school and not working. The bad news is that all these indicators, except teens not in school and not working, are on an upward trend.

Martin Capodice

6. "Governor Lynch, NH Health Care Providers Announce Innovative Health Care Pilot Program Aimed at Improving Quality, Lowering Costs." *Press Releases - 2010*. 15 Jul. 2010. Office of the Governor, State of New Hampshire. Accessed 1 Nov. 2010. <www.governor.nh.gov/media/news/2010/071510-health-care.htm>.

Hospital Insurance	2006	2007	2008	2009	Source
Medicare: (number of enrollees, in thousands)					
Aged 65 or older	163	168	174	178	SSA
Disabled	34	36	38	39	SSA
Average covered charge per day of care					
Short-stay hospitals (NH facilities)					
New Hampshire	\$9,151	\$9,437	\$9,896	\$10,172	CMS
New England	\$9,274	\$9,545	\$10,005	\$10,591	CMS
United States	\$8,691	\$8,943	\$9,408	\$9,995	CMS
Skilled nursing facilities (of NH beneficiaries)					
New Hampshire	\$8,970	\$9,388	\$10,002	\$10,602	CMS
New England	\$8,906	\$9,465	\$10,067	\$10,614	CMS
United States	\$8,069	\$8,768	\$9,510	\$10,185	CMS
Medicaid:					
Average payments per recipient					
New Hampshire	\$6,758	\$8,262	\$7,137	n/a	SSA
United States	\$4,651	\$4,867	\$5,052	n/a	SSA

Workers' Compensation Payments	2006	2007	2008	2009	Source
Reported injuries & compensable disabilities (fiscal year)					
Injuries per 100 in employment	7.3	7.3	7.3	7.6	LD
Compensable disabilities per 100 in employment	0.57	0.55	0.56	0.56	LD
Benefits paid by insurance companies and self insurers					
(Calendar year, millions)	\$179.2	\$175.3	\$196.0	\$194.7	LD
Annual percent change	0.2%	-2.2%	11.8%	-0.7%	LD/NHES

Health Services	2006	2007	2008	2009	Source
General hospitals, acute care only (excludes nursing home beds)					
Total admissions	118,956	121,747	124,184	122,959	HA
Percent change	1.3%	2.3%	2.0%	-1.0%	HA/NHES
Gross revenue in millions	6,190	7,182	7,905	8,691	HA
Uncompensated (bad debt plus charity) care (\$millions)	\$302.1	\$325.2	\$356.7	\$409.8	HA
Uncompensated care as a percent of gross revenue	4.9%	4.5%	4.5%	4.7%	HA/NHES
Admissions per 1,000 population					
New Hampshire	91	93	94	93	HA
New England	119	119	116	116	HA
United States	119	117	118	116	HA
Total number of inpatient days	644,096	659,511	664,659	655,015	HA
Percent change	-0.5%	2.4%	0.8%	-1.5%	HA/NHES
Inpatient days per 1,000 population:					
New Hampshire	492	503	505	495	HA
New England	649	633	629	623	HA
United States	658	646	645	628	HA
Average length of stay (in days):					
New Hampshire	5.4	5.4	5.4	5.3	HA
New England	5.5	5.3	5.4	5.4	HA
United States	5.6	5.5	5.5	5.4	HA
Emergency room visits	604,317	619,714	623,814	627,769	HA
Inpatient surgeries	33,612	34,217	35,022	33,041	HA
Outpatient surgeries	86,761	85,548	91,320	91,495	HA

Total Hospital Expense Per Capita	2006	2007	2008	2009	Source
New Hampshire	\$2,176	\$2,340	\$2,531	\$2,672	HA
Annual percent change	11.1%	7.5%	8.2%	5.6%	HA/NHES
New England	\$2,444	\$2,594	\$2,778	\$2,935	HA
Annual percent change	10.4%	6.2%	7.1%	5.7%	HA/NHES
United States	\$1,850	\$1,936	\$2,061	\$2,137	HA
Annual percent change	6.0%	4.7%	6.5%	3.7%	HA/NHES

As the recession gripped the throats of businesses in the state, unemployed individuals found themselves with drastically reduced or eliminated incomes, struggling to maintain basic necessities such as food, shelter, and medical coverage.

The importance of social assistance programs comes to the forefront during a recession as they stretch to meet the needs of increasing numbers of people requesting help. New Hampshire's safety net programs have been strained during the most recent recessionary period.

Volume of Assistance

In New Hampshire, Financial Assistance to Needy Families (FANF) is made available through several programs, including Temporary Assistance to Needy Families (TANF), Interim Disabled Parent (IDP), Families With Older Children (FWOC), and Unemployed Parents (UP). The number of monthly cases had remained fairly stable through autumn 2008 from the previous year, with around 5,000 cases. From August 2007 through August 2008 there was hardly any increase in the number of cases (0.3 percent).

Since that point the number of cases served has steadily increased, and is currently far beyond expected levels. Cases increased almost 15 percent from August 2008 to August 2009, and increased again by 7.6 percent from August 2009 to August 2010.

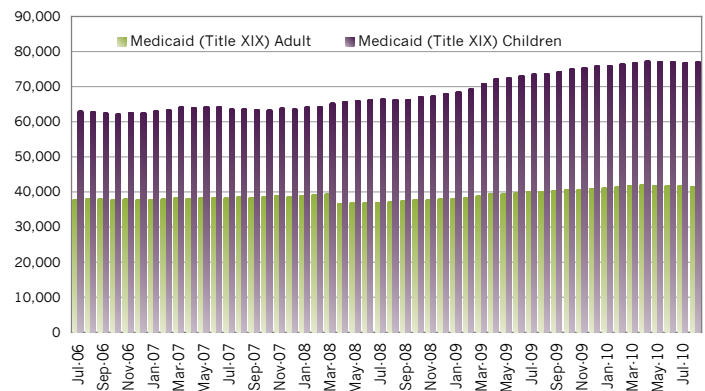
According to a study done by Fidelity, another complicating issue is that this recession has created a need for more individuals to initiate a loan or a hardship withdrawal against their 401(k) retirement accounts.¹ The report found that withdrawals were

being used to prevent foreclosure or eviction, to pay for college, and for the purchase of a primary residence. Additionally, according to the most recent results, 45 percent of participants who took hardship withdrawals one year prior also took a hardship withdrawal in the 12 months ending in the second quarter of 2010. Although these individuals are fortunate to have a reserve available, they will be responsible for additional taxes and fees, and once that reserve is exhausted these people may also reach out for services provided by the Department of Health and Human Services.

Medicaid (Title XIX)

Although it was announced that the recession ended in June 2009, that did not mean that the economy was better, only that the economy had stopped shrinking, or finally hit bottom. New Hampshire has had a continual increase in the number of individuals eligible for

Medicaid Title XIX Recipients in New Hampshire



Source: New Hampshire Department of Health and Human Services

1. "Fidelity's 401(k) Data Show Steady Savings Pattern by Majority, but Loans and Hardship Withdrawals on the Rise." *BusinessWire*. 20 Aug. 2010. Accessed 29 Nov. 2010. <www.businesswire.com/news/home/20100820005303/en>.

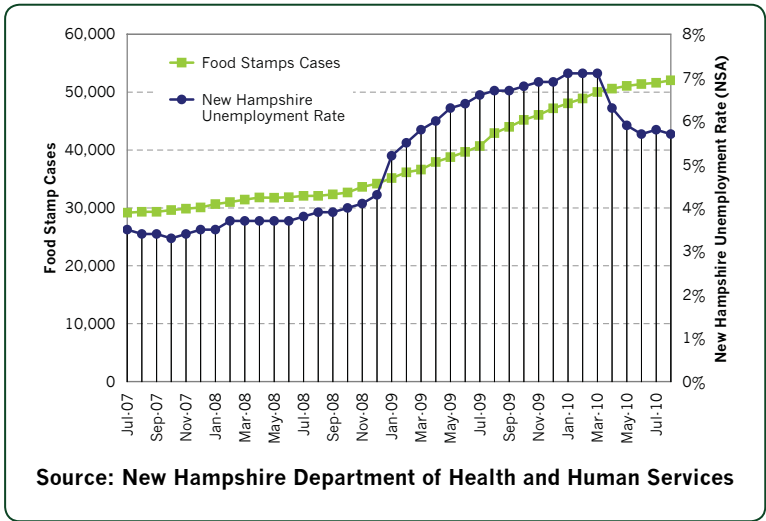
Medicaid since the beginning of the recession. Medicaid provides health care benefits for select low income populations. The difference in this recession period to the prior non recession times is the marked increase in the number of adults applying and qualifying for low-income medical coverage.²

Food Stamps

Statewide, there were fewer than 30,000 food stamp cases as of July 2007. By August 2010, that number had ballooned to more than 52,000. The average number of people per case is 2.1, meaning there were 109,950 people receiving food stamps. That represented 9.2 percent of the state’s total population. Over-the-year there was an increase of 23.2 percent from August 2009, when there were 89,211 people on food stamps.

Recently for eligible unemployed individuals, the length of social assistance services has increased from a six-month duration to an 8 to 15 month range. It has been taking individuals that length of time to recover their situation. The current slow rate of job creation is also adding to the length of time people need assistance. Until this recession, people signed on to collect food stamp assistance and then came off assistance within a six-month window of time. During this recessionary cycle, people are signing on but far fewer are coming off.³

Food Stamp Cases in New Hampshire



Which areas of the state were the most affected?

The New Hampshire Department of Health and Human Services has 12 district offices throughout the state. Data on services provided at district office locations can be used to identify which areas of the state are struggling in the current economy.

As of August 2010, 9.2 percent of New Hampshire’s population was enrolled in Medicaid and 7.9 percent was receiving food stamps. Among the district offices, Berlin had the highest share of total population in each group, both those enrolled in Medicaid, 16.8 percent, and those receiving food stamps, 15.1 percent.

2. “Medicaid (Title XIX).” *Reference Answers*. Answers.com. Accessed 23 Nov. 2010. <www.answers.com/topic/medicaid-title-xix>.

A federally aided, state-operated and administered program that provides medical benefits for certain low income persons in need of health and medical care who are eligible for one of the government’s welfare cash payment programs, including the aged, the blind, the disabled, and members of families with dependent children where one parent is absent, incapacitated, or unemployed.

3. Regan, Richard R. Telephone Interview. New Hampshire Department of Health and Human Service. 8 Sep. 2010.

The next two district offices in terms of enrollment, Laconia and Manchester, had equal shares of their total population enrolled in Medicaid (11.3 percent) and food stamp programs (10.1 percent), in August 2010.

The demographics in Berlin of those enrolled in Medicaid were 47.7 percent of the population under 19 years old (child), 9.5 percent of the population between 19 and 64 years of age (adult), and 5.7 percent age 65 and older (elderly). Food stamp recipients are divided into two different demographic groups, child and adult. In Berlin in August 2010, 27.7 percent of those less than 19 years old (child) and 12.1 percent of the population 19 years and older received food stamps. The devastating effects of the paper mill closures in the North Country over the past several years have likely contributed to the large demand for assistance in the area.

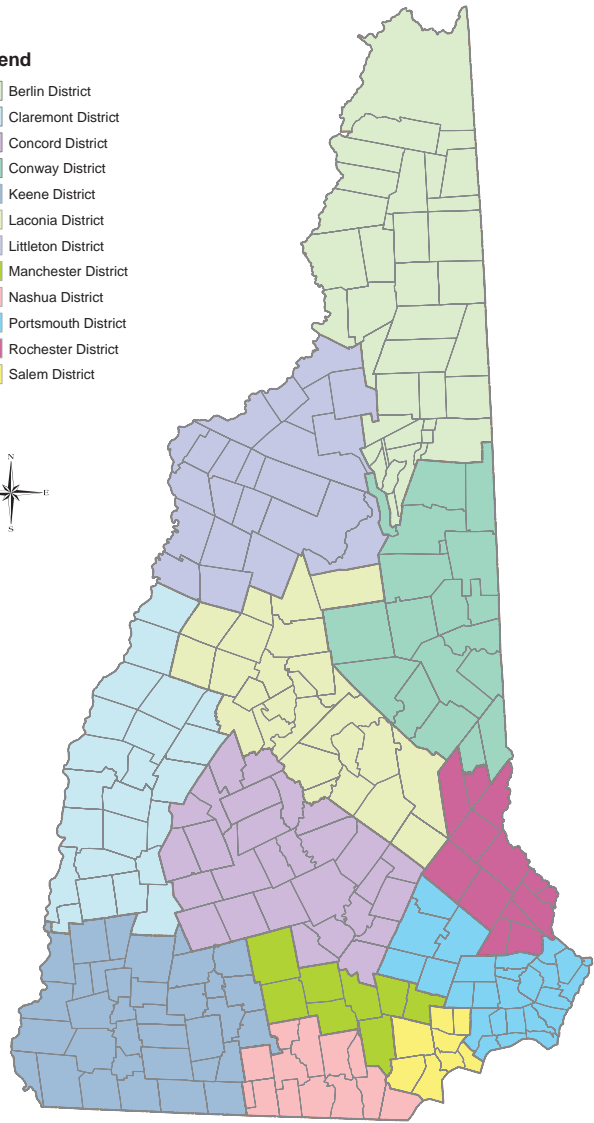
Laconia had 34.8 percent of its population under 19 years old (child) enrolled in Medicaid, while Manchester had 27.6 percent. The two areas had close to the same shares of population between 19 and 64 years old (adult) enrolled in Medicaid, 5.3 percent in Laconia and 5.4 percent in Manchester. Manchester had a higher share of population aged 65 years or older enrolled in Medicaid, 8.5 percent; in Laconia, that share was 4.6 percent.

The share of food stamp recipients under 19 years old was 19.4 percent in Laconia and 17.3 percent in Manchester. The two areas had the same share, 7.7 percent, of population 19 years and older collecting food stamps.

New Hampshire Health & Human Services Districts

Legend

- Berlin District
- Claremont District
- Concord District
- Conway District
- Keene District
- Laconia District
- Littleton District
- Manchester District
- Nashua District
- Portsmouth District
- Rochester District
- Salem District



Source: New Hampshire Department of Health and Human Services

Though presenting a broad perspective, these data indicate there may be some real geographical significance to areas receiving assistance. But, the need is widespread throughout the state. There is concern that the elevated need for assistance caused by the Great Recession may last longer than in the past. Combined with expected reductions in financial resources for the state's service agencies, the task of providing services to all who need them will continue to be challenging.

Anita Josten

Share of New Hampshire Population Receiving Safety - Net Services August 2010

	Unemployment Rate (NSA)	Percent Medicaid	Percent Food Stamps
State	5.7%	9.2%	7.9%
Berlin	7.4%	16.8%	15.1%
Claremont	4.6%	9.3%	7.5%
Concord	5.3%	9.5%	7.6%
Conway	5.1%	10.6%	7.9%
Keene	5.8%	9.6%	8.1%
Laconia	5.8%	11.3%	10.1%
Littleton	5.5%	5.5%	10.3%
Manchester	5.8%	11.3%	10.1%
Nashua	5.9%	7.3%	5.9%
Portsmouth	5.6%	6.4%	4.5%
Rochester	5.5%	10.8%	9.9%
Salem	6.7%	5.3%	4.3%

Source: New Hampshire Department of Health and Human Services

Poverty	2006	2007	2008	2009	Source
Persons below poverty (percent of population) - Caution: relatively large standard errors					
New Hampshire	5.4%	5.8%	7.0%	7.8%	CB
Connecticut	8.0%	8.9%	8.1%	8.4%	CB
Maine	10.2%	10.9%	12.0%	11.4%	CB
Massachusetts	12.0%	11.2%	11.3%	10.8%	CB
Rhode Island	10.5%	9.5%	12.7%	13.0%	CB
Vermont	7.8%	9.9%	9.0%	9.4%	CB
United States	12.3%	12.5%	13.2%	14.3%	CB

Temporary Assistance for Needy Families (TANF) annual averages	2006	2007	2008	2009	Source
Total individuals	11,872	10,699	11,984	14,288	DHHS
Total cases	5,415	4,991	5,508	6,356	DHHS
Percent annual change	-10.6%	-7.8%	10.4%	15.4%	DHHS
Average case size	2.2	2.1	2.2	2.2	DHHS
Number with food stamps	4,054	3,672	4,160	5,083	DHHS
Average number months (including AFDC)	26.71	24.76	21.76	20.61	DHHS
Individuals meeting 60 month benefit limit (as of end of December)	151	135	132	143	DHHS

Social Security Recipients (December data)	2006	2007	2008	2009	Source
Total OASDI including spouses and children	226,313	231,819	237,498	245,563	SSA
Annual percent change	0.3%	2.4%	2.4%	3.4%	SSA
Retirement (Retired workers) ^a	148,322	151,473	155,499	161,891	SSA
Survivor ^b	16,603	16,470	16,283	16,032	SSA
Disability (Disabled workers) ^a	34,310	36,482	38,133	39,678	SSA
Age 65 and over	156,927	160,912	165,031	169,238	SSA
Percent women	56.7%	56.4%	56.2%	55.9%	SSA/NHES
Percent of total OASDI recipients (Age 65 and over)	69.3%	69.4%	69.5%	68.9%	SSA/NHES
Age 65-69 years	43,704	46,076	48,570	50,837	SSA
Age 70-74 years	36,846	37,099	38,129	39,151	SSA
Age 75 years and older	76,377	77,737	78,332	79,250	SSA
Children aged 17 and under	15,113	15,418	15,469	15,598	SSA
Monthly OASDI benefit amount total (\$thousands) ^c	\$166,368	\$176,799	\$194,569	\$202,430	SSA
Retired workers (median)	\$1,081.50	\$1,118.40	\$1,194.40	\$1,207.40	SSA
Non-disabled widows and widowers (median)	\$1,068.50	\$1,103.40	\$1,181.00	\$1,195.50	SSA
Disabled workers (median)	\$924.50	\$948.00	\$1,003.40	\$1,004.00	SSA

^a Excludes spouses and children
^b Excludes children
^c Beneficiaries aged 65 or older

In spring 2010, New Hampshire was named “safest state” in the nation, the third consecutive year CQ Press had ranked the Granite State as safest. The rankings are based on 2009 FBI Uniform Crime Reports, which include a crime index based on the number of criminal offenses per 100,000 population.¹

New Hampshire had the lowest murder and nonnegligent manslaughter rate in the nation in 2009. The Granite State’s total crime index was lower than that of all other New England states from 1994 to 2009. On the other hand, New Hampshire was the only New England state to have an over-the-year increase in its total crime index from year 2008 to 2009, according to the FBI Uniform Crime Reports.

Justice Reinvestment

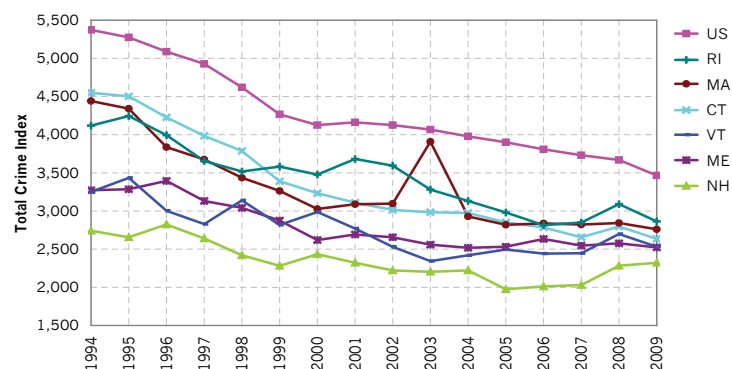
While New Hampshire’s crime rate increased less than two percent over the last ten years,² the prisoner population grew by 31 percent from fiscal year 1999 to 2009. Most of the increase was attributable to parole or probation revocations. Parole revocations alone increased 50 percent from fiscal year 2000 and currently account for 57 percent of all admissions to state prison. During the same time period, the New Hampshire Department of Corrections annual budget doubled from \$52 million to \$104 million.³

In an effort to control corrections costs and reduce recidivism, the

Justice Reinvestment Work Group – chaired by New Hampshire’s Attorney General and consisting of state agency heads, legislative leaders, and court system officials – received a report in January 2010 from the Council of State Governments Justice Center, in partnership with the Pew Center on the States, providing a framework of policy options.⁴ The report led to revision and amendment of existing legislation in RSA 504-A, RSA 651-A, and RSA 135-E.

The Justice Reinvestment Act, signed into law by the Governor in June 2010, requires risk assessment – low, medium or high risk – of all probationers and parolees, at least nine months of post-release supervision for everyone leaving prison, and reinvests some of the

New Hampshire’s Total Crime Index Was Lower Than That of All New England States and the Nation from 1994 to 2009.



Source: Federal Bureau of Investigation - Uniform Crime Reports

1. “NH Again Named Safest State in the Nation.” *Press Releases 2010*, 5 Apr. 2010. Office of the Governor of New Hampshire. Accessed 17 Sep. 2010. <www.governor.nh.gov/media/news/2010/>.
2. “Crime in the United States 1999 and 2009.” *Uniform Crime Reports*. Federal Bureau of Investigation. Accessed 24 Sep. 2010. <www.fbi.gov/ucr/ucr.htm>.
3. “Chapter 247 Sb 500-Fn – Final Version.” *New Hampshire State Legislation*, 24 Mar. 2010. New Hampshire General Court. Accessed 23 Sep. 2010. <www.gencourt.state.nh.us/legislation/2010/SB0500.html>.
4. “Bipartisan, Inter-branch Work Group of State Leaders Receives Policy Options Designed to Increase Public Safety and Lower Corrections Costs.” *News Archive 2010*, 25 Jan. 2010. New Hampshire Department of Justice. Accessed 24 Sep. 2010. <www.doj.nh.gov/publications/newsarchival2010.html>.

savings derived from the expected reduction of both recidivism and the prisoner population into addiction and mental health treatment programs.⁵ All offenders would be required to serve no less than 100 to 120 percent of their minimum sentences. The amendments to the law were designed to decrease probation and parole revocations, with an estimated 18 percent reduction of the state's prison population, and projected savings between \$7.8 and \$10.8 million over the next five years.⁶

Felons to Submit DNA Samples

Signed into law in June 2010, amendments to RSA 651-C require all convicted felons to submit DNA samples both upon entry into prison and when they are released from prison. All sexual offenders – including child sex offenders – are incorporated in the law. Offenders on probation and parole are also covered. The law is expected to provide an additional 9,000 DNA samples to the State's information database to help law enforcement solve crimes, including cold cases.⁷

Protecting Victims of Domestic Violence

The Governor signed a new law in June 2010, making the act of non-fatal strangulation a felony.⁸ The new law, effective January 1, 2011, adds strangulation to the second-degree assault statute RSA 631:2.⁹

The law was inspired by the case of Melissa Cantin Charbonneau,¹⁰ who was killed by her estranged husband in October 2009. He was arrested two days prior to the killing, charged with a misdemeanor¹¹ for allegedly assaulting and strangling Melissa, and released on \$30 bail.

Strangulation is nationally recognized as one of the top risk factors for domestic violence homicide. More than one out of four homicides committed from 1990 to 2008 were attributable to domestic violence, according to the Governor's Commission on Domestic and Sexual Violence.

5. "Chapter 247 Sb 500-Fn – Final Version" Op. Cit.

6. "Governor Lynch Joins State Leaders, Law Enforcement in Signing Corrections Reforms Aimed at Strengthening Public Safety and Reducing Costs to Taxpayers." Press Releases 2010. 30 Jun. 2010. Office of the Governor of New Hampshire. Accessed 17 Sep. 2010. <www.governor.nh.gov/media/news/2010/>.

7. "Governor Lynch Signs Law Requiring Felons to Submit DNA Samples." Press Releases 2010. 25 Jun. 2010. Office of the Governor of New Hampshire. Accessed 21 Sep. 2010. <www.governor.nh.gov/media/news/2010/>.

8. "Governor Lynch Signs Law Better Protecting Victims of Domestic Violence." Press Releases 2010. 4 May 2010. Office of the Governor of New Hampshire. Accessed 21 Sep. 2010. <www.governor.nh.gov/media/news/2010/>.

9. "Chapter 8 Hb 1634-Fn – Final Version" New Hampshire State Legislation. 14 Apr. 2010. New Hampshire General Court. Accessed 24 Sep. 2010. <www.gencourt.state.nh.us/legislation/2010/HB1634.html>.

10. Landrigan, Kevin. "Penalty to be stiffer for strangle try." Nashua Telegraph. 8 Apr. 2010. Accessed 3 Nov. 2010. <www.nashuatelegraph.com/news/statenewengland/698498-227/penalty-to-be-stiffer-for-strangle-try.html>.

11. McCormack, Kathy. "Father of woman shot, killed by ex testifies on bill." Nashua Telegraph. 31 Mar. 2010. Accessed 3 Nov. 2010. <www.nashuatelegraph.com/news/statenewengland/690461-227/father-of-woman-shot-killed-by-ex.html>.

Highway Safety

The period from 2008 to 2009 marked dramatic reductions in fatalities from motor vehicle crashes in New Hampshire. Alcohol-impaired fatalities plummeted 33 percent while total fatalities fell 26 percent. Both represented the second largest percentage decreases of any state.¹²

The substantial decline in fatalities from motor vehicle crashes in the Granite State seemed to mirror that of the nation. Highway deaths in the U.S. dropped to 33,808 in 2009, the lowest since 1950. The drop was attributable, in part, to increased seat belt use and anti-drunk driving enforcement.¹³

In an effort to promote even greater safety, more rules were put into place on New Hampshire's roads. Effective January 1, 2010, RSA 265:105-a was added to motor vehicle statutes, prohibiting writing text messages or using two hands to type on electronic or telecommunication devices, except for the purposes of making a call, while operating a moving vehicle. Violators are subject to a \$100 fine.¹⁴ As of December 2010, there are 30 states, along with the District of Columbia and Guam, which have enacted a ban on text messaging while driving.¹⁵

Bruce Olinsky

12. "Highlights of 2009 Motor Vehicle Crashes." *Crash*Stats & Research Notes*. Aug. 2010. National Highway Traffic Safety Administration. Accessed 6 Dec. 2010. <www-nrd.nhtsa.dot.gov/cats/listpublications.aspx?Id=B&ShowBy=DocType>.
13. "U.S. Transportation Secretary LaHood Announces Lowest Traffic Fatalities in Six Decades." *2010 Press Releases*. 9 Sep. 2010. National Highway Traffic Safety Administration. Accessed 6 Dec. 2010. <www.nhtsa.gov/PR/DOT-165-10>.
14. "Section 265:105-a: Prohibited Text Messages and Device Usage While Operating a Motor Vehicle." *Title XXI, Motor Vehicles, Chapter 265, Rules of the Road, Special Rules*. Accessed 6 Dec. 2010. <www.gencourt.state.nh.us/rsa/html/XXI/265/265-105-a.htm>.
15. "State Laws on Distracted Driving." *Distraction.gov*. National Highway Traffic Safety Administration, U.S. Department of Transportation. Accessed 6 Dec. 2010. <www.distraction.gov/state-laws/index.html>.

Traffic Crashes	2006	2007	2008	2009	Source
Total crashes reported	34,801	37,376	34,151	33,265	DMV
Annual percent change	-11.2%	7.4%	-8.6%	-2.6%	DMV/NHES
Total injuries reported ^a	13,712	14,726	13,455	13,106	DMV
Annual percent change	-14.1%	7.4%	-8.6%	-2.6%	DMV/NHES
Fatal motor vehicle crashes	116	122	127	97	NHTSA
Number of fatalities	127	129	138	110	NHTSA
Annual percent change	-23.5%	1.6%	7.0%	-20.3%	NHTSA/NHES
Percent of alcohol-impaired driving fatalities ^b	36%	26%	33%	27%	NHTSA/NHES
Fatalities per 100 million vehicle miles	0.93	0.96	1.07	n/a	NHTSA

^a Reported crashes and injuries involving \$1,000 or more in property or injury damages.

^b Based on a highest driver Blood Alcohol Concentration (BAC) of 0.8 g/dL (grams per deciliter) or higher.

Total Crime Index (Rate per 100,000 population)	2006	2007	2008	2009	Source
United States	3,808.1	3,730.4	3,669.0	3,465.5	FBI
New Hampshire	2,012.8	2,029.3	2,283.2	2,320.6	FBI
Connecticut	2,784.9	2,655.9	2,796.1	2,634.5	FBI
Maine	2,634.2	2,546.8	2,576.7	2,523.3	FBI
Massachusetts	2,838.0	2,823.0	2,842.1	2,761.1	FBI
Rhode Island	2,814.4	2,849.9	3,089.8	2,863.4	FBI
Vermont	2,441.3	2,447.0	2,698.2	2,532.8	FBI

Violent Crime Index (Rate per 100,000 population)	2006	2007	2008	2009	Source
United States	473.6	466.9	457.5	429.4	FBI
New Hampshire	138.7	137.3	160.9	159.6	FBI
Connecticut	280.8	256.0	306.5	298.7	FBI
Maine	115.5	118.0	119.1	119.8	FBI
Massachusetts	447.0	431.5	456.8	457.1	FBI
Rhode Island	227.5	227.3	252.1	252.6	FBI
Vermont	136.6	124.3	137.5	131.4	FBI

Property Crime Index (Rate per 100,000 population)	2006	2007	2008	2009	Source
United States	3,334.5	3,263.5	3,211.5	3,036.1	FBI
New Hampshire	1,874.1	1,892.0	2,122.3	2,161.0	FBI
Connecticut	2,504.1	2,399.9	2,489.6	2,335.8	FBI
Maine	2,518.7	2,428.8	2,457.6	2,403.5	FBI
Massachusetts	2,391.0	2,391.5	2,385.3	2,304.0	FBI
Rhode Island	2,586.9	2,622.6	2,837.7	2,610.8	FBI
Vermont	2,304.7	2,322.7	2,560.7	2,401.4	FBI

Auto Insurance Claims Loss - Personal and Commercial	2006	2007	2008	2009	Source
Total Claims (\$ millions)	\$467.1	\$465.2	\$428.7	\$426.4	ID
Annual percent change	-0.6%	-0.4%	-7.8%	-0.5%	ID/NHES
Personal Claims (\$ millions)	\$405.9	\$404.5	\$375.8	\$373.3	ID
Annual percent change	0.7%	-0.3%	-7.1%	-0.7%	ID/NHES
Percent Personal	86.9%	87.0%	87.7%	87.5%	ID/NHES
Commercial Claims (\$ millions)	\$61.2	\$60.7	\$52.9	\$53.1	ID
Annual percent change	-8.2%	-0.8%	-12.9%	0.4%	ID/NHES

Crime Offenses	2006	2007	2008	2009	Source
Total crime offenses	26,466	26,703	30,181	30,738	FBI
Annual percent change	2.6%	0.9%	13.0%	1.8%	FBI
Violent crime offenses	1,824	1,807	2,127	2,114	FBI
Annual percent change	3.6%	-0.9%	17.7%	-0.6%	FBI
Property crime offenses	24,642	24,896	28,054	28,624	FBI
Annual percent change	2.5%	1.0%	12.7%	2.0%	FBI

Criminal Arrests	2006	2007	2008	2009	Source
Total	46,100	38,396	43,634	49,351	UCR/NHES
Annual percent change	-0.5%	-16.7%	13.6%	13.1%	UCR/NHES
Total Drug Offenses	3,228	2,570	3,266	4,020	UCR/NHES
Annual percent change	0.6%	-20.4%	27.1%	23.1%	UCR/NHES
Total DWI Offenses	4,783	4,146	4,571	4,676	UCR/NHES
Annual percent change	-5.3%	-13.3%	10.3%	2.3%	UCR/NHES
Adult Total	37,786	31,794	36,728	41,934	UCR/NHES
Annual percent change	-0.4%	-15.9%	15.5%	14.2%	UCR/NHES
Total Drug Offenses	2,513	2,000	2,624	3,247	UCR/NHES
Annual percent change	0.9%	-20.4%	31.2%	23.7%	UCR/NHES
Total DWI Offenses	4,681	4,049	3,929	4,608	UCR/NHES
Annual percent change	-5.6%	-13.5%	-3.0%	17.3%	UCR/NHES
Juvenile Total	8,314	6,602	6,906	7,417	UCR/NHES
Annual percent change	-1.2%	-20.6%	4.6%	7.4%	UCR/NHES
Total Drug Offenses	715	570	642	773	UCR/NHES
Annual percent change	-0.4%	-20.3%	12.6%	20.4%	UCR/NHES
Total DWI Offenses	102	97	76	68	UCR/NHES
Annual percent change	10.8%	-4.9%	-21.6%	-10.5%	UCR/NHES

State Prison Population	2006	2007	2008	2009	Source
Number of prisoners in state prisons ^a	2,682	2,814	2,798	2,709	USDJ
New Hampshire's incarceration rate ^b	200	212	213	205	USDJ
Probation and parole caseload	6,211	6,303	6,210	n/a	USDJ/NHES
U.S. incarceration rate (federal and state jurisdiction) ^b	501	509	509	504	USDJ
State jurisdiction incarceration rate ^b	445	451	450	447	USDJ
Federal jurisdiction incarceration rate ^b	58	59	59	61	USDJ

^a Number of inmates on June 30th, sentenced for more than one year.

^b Number of inmates on June 30th, sentenced for more than one year, per 100,000 residents.

In June 2010, the New Hampshire Energy and Climate Cooperative, the group formed to track and guide implementation of the 2009 New Hampshire Climate Action Plan, released its first annual progress review.¹ The goal of the Plan is to reduce greenhouse gas emissions to 20 percent below 1990 levels by 2025 (44 percent below 2005 levels by 2025) and 80 percent below 1990 levels by 2050 while at the same time providing the greatest possible long-term economic benefits to the citizens of New Hampshire. “The most significant reductions in both emissions and costs will come from substantially increasing energy efficiency in all sectors of our economy, continuing to increase sources of renewable energy, and designing our communities to reduce our reliance on automobiles for transportation.”²

Annual Progress highlights:

- **American Recovery and Reinvestment Act of 2009 (ARRA)** will eventually inject over \$70 million worth of grants and programs into New Hampshire for energy-related projects. Two of the programs are of particular interest to residential consumers:
 - **The State Energy Efficient Appliance Rebate Program (SEEARP)**³ began in April 2010. The New Hampshire program was allocated \$1.2

million for implementation and offered residential consumers rebates for the replacement of existing hot water heaters, boilers and furnaces with more energy efficient models. As of October 2010 over \$495,000 (approximately 67 percent of available funds) in rebates were issued for home heating systems and over 67 applications were received for solar water heating rebates.

- **The Low-income Weatherization Assistance Program**⁴ (\$23.2 million) reached its first major milestone in May 2010, with 38 percent of the total planned housing units winterized, qualifying the State to expend an additional \$11.6 million. The program is on track to winterize 3,500 homes by April 2012.
- **Greenhouse Gas Emission Reduction Fund (GHGERF)** As of December 2010, auctions of carbon allowances for emissions of carbon dioxide from electric power plants had raised \$28 million for the State of New Hampshire.⁵ Of this amount, \$17.6 million was allocated to 30 programs to reduce emissions through increased energy efficiency, education, and green workforce development. The next program allocations will focus on large scale energy users, affordable housing and

1. “Facilitating the Implementation of NH’s Climate Action Plan.” [Annual Progress Review](#). New Hampshire Energy and Climate Cooperative. Accessed 10 Dec. 2010. <nhcollaborative.org/APR.shtml>.
2. “The New Hampshire Climate Action Plan.” [Climate Change Program](#). March 2009. New Hampshire Department of Environmental Services. Accessed 10 Dec. 2010. <des.nh.gov/organization/divisions/air/tsb/tps/climate/action_plan/documents/nhcap_final.pdf>.
3. [State Energy Efficient Appliance Rebate Program \(SEEARP\)](#). 19 Nov. 2010. New Hampshire Office of Energy and Planning, American Recovery and Reinvestment Act. Accessed 10 Dec. 2010 <www.nh.gov/oep/recovery/seearp.htm>.
4. [Federal Weatherization Assistance Program](#). 30 Oct. 2009. New Hampshire Office of Energy and Planning, American Recovery and Reinvestment Act. Accessed 10 Dec. 2010. <www.nh.gov/oep/recovery/weatherization.htm>.
5. “Auction Results.” [CO2 Auctions, Tracking and Offsets](#). Regional Greenhouse Gas Initiative, Inc. Accessed 10 Dec. 2010. <www.rggi.org/market/co2_auctions/results>.

the continuing programs of 2009 grant awardees.⁶

- **Renewable Energy Fund (REF)**⁷ As of October 2010 the Renewable Energy Fund (REF) had disbursed, through the New Hampshire Residential Solar Rebate Program, \$2.02 million to 355 homeowners for distributed electric generation facilities such as wind turbines and solar photovoltaics, solar hot water systems, and residential bulk-fed wood pellet central boilers and furnaces. Over 200 alternative energy and building supply businesses and electricians have participated. The next project to be taken on by the REF is a commercial renewable energy incentive program.
- **Green Launching Pad** Administered through the University of New Hampshire, the Green Launching Pad's concept is to connect entrepreneurs and private industry with technical, scientific, and business faculty and students at UNH and statewide to help start new green businesses, and to provide a mechanism to obtain funding through a competitive technology program. Projects funded under this program will specifically address commercialization of energy efficiency, energy conservation, renewable energy, and/or sustainable energy projects, programs, services, or techniques that will quickly lead to energy savings and emissions reductions and business and employment growth.⁸ Five companies were funded in 2010:

- **Green Clean Heat** in Newton Junction designs and builds fully-integrated efficient Wood Fired Heating Systems for commercial, municipal and industrial facilities.
- **EnerTrac** in Hudson developed Smart Metering Technology and a corresponding Monitoring Service that reduces CO₂ emissions by 30 percent or more.
- **Revolution Energy** in Dover develops renewable energy projects in New Hampshire using third-party financing and creative incentive leveraging.
- **Innovacene** in Durham manufactures high performing organic semiconductors for flexible organic photovoltaic and organic light emitting diodes.
- **Air Power Analytics** in Bedford improves energy efficiency of industrial compressed air systems, reducing electric consumption, and saving money while reducing upstream greenhouse gas emissions.

The second round of funding began in January 2011 with the expectation that five teams would be selected and funded up to \$100,000 each.

Water Quality

In July 2010, New Hampshire's coastal beaches were named first in water quality by the National Resources Defense Council (NRDC) in its 20th annual "Testing the

6. [Greenhouse Gas Emissions Reduction Fund \(GHGERF\)](http://www.puc.nh.gov/Sustainable%20Energy/GHGERF.htm). Sustainable Energy Division, New Hampshire Public Utilities Commission. Accessed 10 Dec. 2010. <www.puc.nh.gov/Sustainable%20Energy/GHGERF.htm>.

7. [Renewable Energy Fund](http://www.puc.nh.gov/Sustainable%20Energy/RenewableEnergyFund.html). Sustainable Energy Division, New Hampshire Public Utilities Commission. Accessed 10 Dec. 2010. <www.puc.nh.gov/Sustainable%20Energy/RenewableEnergyFund.html>.

8. "What is Green Launching Pad?" [Green Launching Pad](http://www.greenlaunchingpad.org). University of New Hampshire. Accessed 10 Dec. 2010. <www.greenlaunchingpad.org>.

Waters” report, analyzing nationwide beach data reported to the Environmental Protection Agency.⁹ Hampton Beach State Park and Wallis Sands Beach at Wallis Road were awarded the highest rating, five stars, while Wallis Sands Beach State Park received four stars. Of the over 1,700 water samples collected at coastal New Hampshire beaches, only one percent exceeded the state’s daily maximum bacterial standards. Beaches are awarded five stars based on water quality, frequency of testing, and the promptness with which advisories are issued and how widely they are communicated. Only 19 beaches of the 200 most popular beaches nationwide received five stars.

Polluted coastal waters hurt not only the beachgoers’ health, but also hurt the state’s economy by affecting tourism and recreational activities, and the livelihood of many businesses and towns. Cooperative efforts occur throughout New Hampshire to keep the coastal waters and beaches clean. Working in concert with volunteer efforts of the Blue Ocean Society and the New Hampshire Division of Parks and Recreation, the New Hampshire Department of Environmental Services (DES) monitors public beaches through its statewide Beach Inspection Program.¹⁰ Sixteen coastal beaches are sampled once or twice a week for the presence of Enterococci. If bacteria levels exceed the state’s water quality standards, a beach advisory is issued and monitoring continues until bacteria levels

decrease to a safe level. Total closing/advisory days for events lasting six consecutive weeks or less increased to 16 days in 2010 from 11 days in 2009. In 2008 there were 13 days, two days in 2007, 23 days in 2006, and one day in 2005. There were no extended events (more than six weeks but less than 13 consecutive weeks) or permanent events (more than 13 consecutive weeks) in 2010 or 2009.¹¹

Storm water runoff is one of the major causes of beach closings and advisories. Recommended actions to reduce runoff include “green infrastructure” techniques, which will help the rainwater stay where it falls and soak into the ground, such as rain gardens, green roofs, permeable pavement and rain barrels or cisterns. To keep New Hampshire’s coastal beaches “First in Water Quality,” DES also recommends simple steps such as picking up pet waste, maintaining septic systems, putting swim diapers with plastic covers on babies, and keeping trash off the beach.

DES also works to protect the water quality of New Hampshire’s nearly 1,000 lakes through the New Hampshire Lakes Management and Protection Program.¹² This program was created to reinforce and complement existing state and federal water quality laws and make sure that the recreational potential and natural beauty of the lakes is preserved and enhanced. The Lakes, Rivers, Streams and Ponds Partnership, of which DES is a member, commissioned a study to look at

9. Dorfman, Mark and Sinclair Rosselot, Kirsten. “Testing the Waters 2010: A Guide to Water Quality at Vacation Beaches.” July 2010. Natural Resources Defense Council. Accessed 10 Dec. 2010. <www.nrdc.org/water/oceans/ttw/ttw2010.pdf>.

10. Beach Inspection Program. New Hampshire Department of Environmental Services, Water Division. Accessed 10 Dec. 2010. <des.nh.gov/organization/divisions/water/wmb/beaches/>.

11. Carlson, Sonya (<Sonya.Carlson@des.nh.gov>). New Hampshire Department of Environmental Services. “2010 Inspection Summary-Corrected.pdf” E-mail sent on Monday, 25 Oct. 2010 at 1136 EST.

12. Lakes Management and Protection. New Hampshire Department of Environmental Services, Water Division. Accessed 10 Dec. 2010. <des.nh.gov/organization/divisions/water/wmb/lakes/>.

the economic and social impact of freshwater in New Hampshire.¹³ The last phase of this four-phase study looks specifically at the economic impact to the state's economy if anglers, boaters and swimmers perceived negative changes to the quality of the water they use, statewide and by region, with specific figures for lost sales, lost income and lost jobs. One key finding: perceived declines in water clarity and purity would cause \$51 million in lost sales, \$18 million in lost income and 800 lost jobs.



Photo Credit: Jan Weimer, New Hampshire Department of Resources and Economic Development, Division of Forests and Lands

Lurking in the Trees¹⁴

The Governor declared August 2010 as Asian Longhorned Beetle Awareness Month in New Hampshire. In 2008, the discovery of the Asian Longhorned Beetle (ALB) in Worcester, MA caused the removal of more than 25,000 hardwood trees over 64 square miles in Worcester and launched an awareness campaign throughout New England to monitor its spread and help lead to its eradication. Because the beetle kills any tree it infests, and with no known predators, the only way to eliminate it is to destroy the infested trees.

In July 2010 the beetles were discovered in trees across the street from the famed Arnold Arboretum in Boston, raising concern regarding its spread and causing renewed efforts to increase the public's awareness. In every state where the ALB has been found, the infestations were reported by curious and conscientious residents. The beetle has the potential to cause unprecedented damage to New Hampshire's hardwood trees, the timber industry, and maple sugar

and tourism industries should the insect make its way to the state.

The black and white beetles, about an inch long with long, curving antennae with black and white bands, are native to China and were accidentally introduced to North America in wood packing crates. Boring holes in hardwoods, they disrupt the sap flow, eventually killing the trees. Adult beetles can be seen from late spring to fall, depending upon the climate, and can be seen not only in trees, but also on patio furniture, sidewalks, and other surfaces. They were observed in swimming pools and filters in Worcester, MA years



Photo Credit: Jan Weimer, New Hampshire Department of Resources and Economic Development, Division of Forests and Lands

13. "Report on the Economic Value of New Hampshire's Surface Waters." Lakes Management and Protection. New Hampshire Department of Environmental Services, Water Division. Accessed 10 Dec. 2010. <des.nh.gov/organization/divisions/water/wmb/lakes/economic_values.htm>.

14. "Lurking in the Trees." 2009. The Nature Conservancy. 10 Dec. 2010. <www.lurkinginthetrees.org>.

before they were reported there officially. In addition to the beetles themselves, signs of the beetles include the emergence of holes in trees, which are dime sized and regular, sometimes with oozing, foamy sap. Any sightings should be reported to the New Hampshire Department of Resources and Economic Development, Division of Forest and Lands at 603-464-3016.

The Division of Forest and Lands also constantly monitors sites for the beetle and conducts an ongoing survey¹⁵ for Worcester, MA residents who own property in New Hampshire. The beetle spreads almost exclusively by riding on wood that is carried by people (treated lumber, cordwood and bark mulch or plantings) since it flies less than a mile at a time. The advice is to buy wood locally, both for summer camping and winter heating.

Climate Change

Unusual fluctuations in New Hampshire's seasons have always existed, so how do we know if change is really happening? People's perception is that New Hampshire's climate is changing ... earlier ice outs on the State's lakes, earlier "running of the sap," warmer and more humid summers and warmer winters with less snow, more frequent flood conditions have all contributed to this feeling.

In the summer of 2010, the Carsey Institute at the University of New Hampshire issued a policy brief entitled "Is New Hampshire's Climate Warming?" The brief begins with surveys that show most

New Hampshire residents believe this to be true. It then looks at long-term statewide trends in temperature to see if people's perceptions are accurate, and to compare these trends to global patterns.

Key findings:¹⁶

- Annual air temperatures at First Connecticut Lake, a rural site in far northern New Hampshire, warmed an average of 0.34 degrees Fahrenheit per decade, from 1895 to 1969, and about 0.54 degrees Fahrenheit per decade (faster than the global rate) since 1970.
- Winter temperatures in both northern and southern New Hampshire are warming even more steeply, especially through the past forty years.
- Using "temperature anomalies," instead of simple temperatures, helps to make comparisons of trends across places with seemingly much different climates, such as Durham and Mount Washington.
- Ice-out dates on New Hampshire's large lakes provide other indicators of winter warming, which follow patterns similar to those measured for air temperatures.
- Snowfall responds to temperature change in more complicated ways and often with inconsistent trends.
- Sea level in northern New England, as globally, is now rising at an accelerating rate.

According to the brief, effects of climate change are seen to include

15. New Hampshire Asian Longhorned Beetle Survey. New Hampshire Department of Resources and Economic Development, Division of Forests and Lands. Accessed 10 Dec. 2010. <nhdfl.org/survey.aspx>.

16. Hamilton, Lawrence C., Keim, Barry D. and Wake, Cameron P. "Is New Hampshire's Climate Warming?" Publications. July 2010. The Carsey Institute, University of New Hampshire. Accessed 10 Dec. 2010. <www.carseyinstitute.unh.edu/publications/IB_Hamilton_Climate_Survey_NH.pdf>.

not only rising temperatures, but changes in precipitation, e.g. less snow cover, more frequent droughts, lower stream levels for longer periods in summer, changes in growing seasons, and shifts in wind velocity and storms. If these conditions continue, they will have broad impacts on New Hampshire's economy and infrastructure. Since studies have shown that the cause of climate change is not simply attributable to natural events but also to human activities such as urbanization, land clearing and high levels of carbon dioxide being released into the atmosphere each year, the brief goes on to address policy options that can help New Hampshire deal with these changes.

One initiative noted already in place is the 2009 New Hampshire Climate Action Plan.

What Do Crosby, Stills and Nash, Jackson Browne and Sheryl Crowe Have in Common?

Always environmentally conscious, the Meadowbrook U.S. Cellular Pavilion in Gilford, NH, began with simple efforts: single-stream recycling, cups made from post-consumer recycled materials and the purchase of environmentally friendly products. Onsite bio-diesel for tour buses and a bio-diesel generator came next. Then, in 2008, they decided to dedicate one show each year to celebrate New Hampshire's energy efficiency efforts and help educate the concert audience about new technologies and ways to contribute to a "greener" future and save energy and dollars. Working with the New Hampshire Division of Economic Development's Business Resource Center and others, Greenerpalooza I was born and the Governor declared July 24th, 2008

Toxic Release Inventory	2006	2007	2008	2009	Source
On-site and Off-site Disposal and Other Releases in Pounds					
New Hampshire	4,213,916	4,104,541	3,071,398	n/a	EPA
Percent Change	-20.1%	-2.6%	-25.2%	n/a	NHES/EPA
New England	27,556,141	26,889,342	23,992,867	n/a	EPA
Percent Change	-9.2%	-2.4%	-10.8%	n/a	NHES/EPA
U.S. (thousands)	4,318,759	4,108,477	3,849,793	n/a	EPA
Percent Change	-1.0%	-4.9%	-6.3%	n/a	NHES/EPA

Ozone Levels	2006	2007	2008	2009	Source
Ozone levels (ozone season April 1 to October 31):					
Highest 1-hour maximum hourly values in parts per million, selected monitoring sites [National Ambient Air Quality Standard (NAAQS) 0.125 parts per million (ppm)]					
Manchester	0.076	0.086	0.064	0.068	DES-ARD
Nashua	0.084	0.09	0.07	0.074	DES-ARD
Portsmouth	0.077	0.082	0.079	0.076	DES-ARD
Rye	0.078	0.097	0.083	0.083	DES-ARD
Unhealthy Days (days above 0.08 ppm/8 hours, state)	10	22	10	2	DES-ARD

“Greenerpalooza Day” with Crosby, Stills and Nash providing the musical backdrop that evening. Each year since, an “eco-village” on the midway has showcased environmentally friendly and efficient practices, products and services. Jackson Browne provided the backdrop concert at Greenerpalooza II in 2009, and Sheryl Crowe headlined Greenerpalooza III in August 2010.

Each year an award is presented to recognize the accomplishments of a New Hampshire-based person, organization or initiative that supports and promotes green efforts throughout the Granite State and that works tirelessly to ensure that New Hampshire maintains its position as a state which celebrates sustainability.¹⁷ This year’s award went to the Monadnock Paper Mills in Bennington for its long history of environmental stewardship. The company satisfies 50 percent of its electric needs from turbines on the Contoocook River that generate clean energy and reduce the need for fossil fuels. The company also updated its lighting systems and switches to produce annual cost savings. Monadnock Paper Mills also reclaims 100 percent of the mill’s solid waste which is used by local New Hampshire farms in applications such as compost, animal bedding and in the production of manufactured topsoil. The company is touted as an example of how a business can be not only profitable, but also environmentally aware and helpful to its neighbors.¹⁸

New Hampshire Businesses Help the Environment and Their Bottom Line

Businesses throughout the state continue to implement sustainable practices that are environmentally friendly and good for their bottom line. This year, with its 3rd annual Lean and Green Awards, Business NH Magazine recognized six such companies for their efforts. The awards given in three categories – Green Practices, Green Building, and Green Product – were reviewed by a panel of independent judges.

Winner of the small company award for Green Practice, the Mount Washington Cog Railway was recognized because, after 140 years, it was converted from steam and coal to biodiesel, reducing carbon emissions by more than 95 percent annually. That conversion comes with an expected operating expense reduction of 54 percent by 2011.¹⁹ Also in the Green Practices category, AutoFair in Manchester won the Early Adopter award for replacing all of the outside lighting at its Honda dealership with LED lights. This reduced its carbon emissions by 756,000 pounds (equivalent to the annual use of 36 households) and saved the company almost \$58,000 in annual energy costs and maintenance.²⁰ Other award winners were: Antioch University New England, Keene; Newmarket International, Portsmouth; Kalwall Corporation, Manchester; and The Nature of Things, Nashua.

17. [Greenerpalooza](http://www.meadowbrook.net/?dir=about&page=green). Meadowbrook U. S. Cellular Pavilion. Accessed 10 Dec. 2010. <www.meadowbrook.net/?dir=about&page=green>

18. “Monadnock Paper Mills Named 2010 Greenerpalooza Award Winner.” [News Room](#). 17 Aug. 2010. New Hampshire Department of Resources and Economic Development, Division of Economic Development, New Hampshire Business Resource Center. Accessed 10 Dec. 2010. <blog.nheconomy.com/?p=1261>.

19. Cohen, Erika “Lean & Green Awards 2010: Mount Washington Cog Railway: A NH Icon Goes Green.” Business NH Magazine. Aug. 2010: 20.

20. Bennett, Don “AutoFair Honda 2010 Lean and Green Award Winner!” Dateline NH. Sept. 2010: 18

The U.S. Environmental Protection Agency (EPA) also recognized the AutoFair Companies with a 2010 Energy Star Small Business Award, one of only four national recipients, for their achievements in the fight against climate change. AutoFair Companies estimate that they are saving nearly \$94,000 annually in energy costs for the operation of their three auto dealerships. The savings

of more than 580,000 kilowatt hours (kWh) of electricity and 802,000 cubic feet of natural gas per year represents a reduction in greenhouse gas emissions equivalent to the carbon dioxide (CO₂) emissions from the annual electricity use of over 48 homes.²¹

James Smith

21. "AutoFair Companies." *Energy Star*. U.S. Environmental Protection Agency and the U.S. Department of Energy. Accessed 10 Dec. 2010. <www.energystar.gov/index.cfm?c=sb_success.sb_successstories2010_autofair>.

Solid Waste	2006	2007	2008	2009	Source
SOLID WASTE Residential and Commercial (tons per year-thousands)					
Generated	1,336	1,330	1,313	n/a	DES-WMD
Diversion (recycling + composting)	412	445	413	n/a	DES-WMD
Disposed of	866	844	839	n/a	DES-WMD
Pounds per person per day	7.1	6.9	5.3	n/a	DES-WMD
Exported	28	40	43	n/a	DES-WMD
Imported (for incineration and landfill)	546	243	501	n/a	DES-WMD

Carbon Monoxide	2006	2007	2008	2009	Source
Highest maximum eight-hour concentration in part per million (ppm)					
Manchester	5.8	1.8	4.3	2.3	EPA
Nashua ^a	2.7	2.3	n/a	n/a	EPA

^a DES is no longer monitoring carbon monoxide in Nashua

ABI	American Bankruptcy Institute
ACS	American Community Survey, Bureau of the Census, United States Department of Commerce
AS	New Hampshire Department of Administrative Services
BEA	Bureau of Economic Analysis, United States Department of Commerce
BFA	New Hampshire Business Finance Authority
BKRNH	District of New Hampshire, United States Bankruptcy Courts
BLS	Bureau of Labor Statistics, United States Department of Labor
CB	Bureau of the Census, United States Department of Commerce
CMS	Centers for Medicare and Medicaid Services
DE	New Hampshire Department of Education
DES-ARD	Air Resources Division, New Hampshire Department of Environmental Services
DES-WMD	Waste Management Division, New Hampshire Department of Environmental Services
DHHS	Division of Human Services, New Hampshire Department of Health and Human Services
DT	New Hampshire Department of Transportation
DTTD	Division of Travel and Tourism Development, New Hampshire Department of Resources and Economic Development
DVRA	Division of Vital Records Administration, New Hampshire Department of State
EIA	Energy Information Administration, United States Department of Energy
EPA	United States Environmental Protection Agency
F&G	New Hampshire Department of Fish and Game
FBI	Federal Bureau of Investigation
FDIC	Federal Deposit Insurance Corporation
FM	Freddie Mac
FR	Federal Reserve Bank of Boston
HA	New Hampshire Hospital Association
HFA	New Hampshire Housing Finance Authority (NHHFA)

ID	New Hampshire Insurance Department
ISDS	Information Services, New Hampshire Department of Safety
LC	New Hampshire Liquor Commission
LD	New Hampshire Department of Labor
MA	Manchester-Boston Regional Airport
MBA	Mortgage Bankers Association of America
NCUA	National Credit Union Administration
NHAR	New Hampshire Association of Realtors
NHBC	New Hampshire Banking Commission
NHES	New Hampshire Employment Security
NHTSA	National Highway Traffic Safety Administration
NNEREN	Northern New England Real Estate Network
OEP	New Hampshire Office of Energy and Planning
P&R	Division of Parks and Recreation, New Hampshire Department of Resources and Economic Development
PEC	New Hampshire Postsecondary Education Commission
RA	New Hampshire Department of Revenue Administration
RCGC	New Hampshire Racing and Charitable Gaming Commission
RTDS	Road Toll Administration, New Hampshire Department of Safety
SSA	United States Social Security Administration
SOS	Secretary of State, Corporate Division, New Hampshire Department of State
UCR	Uniform Crime Report, Federal Bureau of Investigation, United States Department of Justice
UED	United States Department of Education
USACE	United States Army Corps of Engineers
USDJ	United States Department of Justice
USDOL	United States Department of Labor
USDOL-OWS	United States Department of Labor, Office of Workforce Security
WISER	World Institute for Strategic and Economic Research, Holyoke Community College

Air Quality Standards

The quality of air, as monitored at various sites throughout the state, for the following pollutants: lead, ozone, nitrogen oxide, carbon monoxide, sulfur dioxide, and suspended particulate matter(Section 18)

Alcohol-Involved Traffic Crash

Either driver, biker, or pedestrian reported consuming alcohol prior to the crash (blood alcohol level of .04 or above)(Section 17)

Average Weekly Wage

Total wages paid by employers divided by average covered jobs, divided by the number of weeks in the reference period (Section 2)

Benefits Paid, Unemployment Insurance

Money payable to an unemployed individual as compensation for lost wages. Includes benefits paid on wages earned in covered employment; plus interstate benefits; adjusted for benefit recoveries, and for transfers under the interstate combined wage plan (Section 3)

Birth Rate

Number of resident live births per 1,000 resident population . . . (Section 1)

British Thermal Units (BTUs)

The quantity of heat needed to raise the temperature of one pound of water one degree Fahrenheit at a specified temperature. (Section 8)

Bond Issue

A certificate of debt (usually interest-bearing or discounted) that is issued by a government or corporation in order to raise money.(Section 12)

Chained Dollars

A methodology for adjusting for inflation, which includes both quantities produced and relative prices of goods and services (Section 9)

Civilian Labor Force

That portion of the population age sixteen and older which is employed or unemployed and actively seeking employment. Members of the armed forces and the institutionalized population are excluded. (Section 3)

Consumer Price Index for Urban Consumers (CPI-U)

An index used to measure changes in the cost of a market basket of selected goods and services. Often the reference for cost of living adjustments in wages and entitlements.(Section 2)

Covered Employment

Employment in any industry insured under the provisions of the New Hampshire Unemployment Compensation Law or subject to the Unemployment Compensation for Federal Employee (UCFE) program (Section 2)

Current Dollars

Figures reflecting actual prices or costs prevailing during the specified year(s)
 (Section 9)

Death Rate, Crude

Number of resident deaths per 1,000 resident population. (Section 1)

Defense Contracts

Contracts awarded to provide military supplies, services, and construction
 made during a specified fiscal year (Section 9)

Disposable Income

Personal income less personal taxes and non-tax payments. (Section 2)

Divorce Rate

Number of divorces, annulments, and legal separations per 1,000 resident
 population (Section 1)

Durable Goods

Items with a normal life expectancy of three or more years. Expenditures
 for durable goods are generally postponable. Consequently, durable goods
 sales are the most volatile component of consumer expenditures. Common
 examples of durable goods items are automobiles, furniture, household
 appliances, mobile homes, etc. (Section 4)

Duration of Benefit Payments, Average

Number of weeks compensated for unemployment during the year, divided
 by the number of first payments. May include more than one period of
 unemployment. (Section 3)

Electric Utility

A corporation, person, agency, authority, or other legal entity or
 instrumentality that owns and/or operates facilities for the generation,
 transmission, distribution, or sale of electrical energy, primarily for use by the
 public, and that files forms listed in the Code of Federal Regulations, Title
 18, Part 141. Facilities that qualify as cogenerators or small power producers
 under the Public Utility Regulatory Policies Act are not considered utilities.
 (Section 8)

Energy Consumption

The use of energy as a source of heat or power or as a raw material input to a
 manufacturing process (Section 8)

Energy Generated, Net

The total amount of electric energy produced by a generating station less the
 electric energy consumed for station use (Section 8)

Equity Capital

Money raised by a business in exchange for a share of ownership in the company(Section 12)

Equity Capital to Asset Ratio

A measure to assess the financial health of lending institutions.. . .(Section 12)

Federal Home Loan Mortgage Corporation (Freddie Mac)

A shareholder-owned corporation that invests in home mortgages, ultimately providing lower housing costs and access to home financing(Section 11)

Fuel Consumed to Generate Electricity

Fuel required by all types of electricity generating plants. Coal, gas, and nuclear fuels are shown in equivalent barrels of oil (Section 8)

Gross Domestic Product (GDP)

The market value of all final goods and services produced by resources located in the United States, regardless of ownership (Section 9)

Gross Domestic Product by State (GDP)

The market value of all final goods and services produced by resources located in a state, regardless of ownership. GDP by State for the United States differs from GDP for the following reasons: GDP by State excludes – and GDP includes – the compensation of federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment, except office equipment (Section 9)

Home Sales (existing homes)

Estimates based on multiple listing data. Projections are made with the cooperation of the National Association of Realtors. Data primarily consists of existing units of single family homes, town houses, condominiums, and cooperatives. Multiple units are excluded(Section 11)

Household

All the people who occupy a housing unit (single occupants, two or more unrelated occupants, and families) (Section 2)

Incarceration Rate

The number of persons confined in prison, with sentences over one year, per 100,000 resident population(Section 17)

Indexed Crime

Selected offenses used to gauge fluctuations in the overall volume and rate of crime reported to law enforcement. The offenses included are the violent crimes of murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault; and the property crimes of burglary, larceny/theft, and motor vehicle theft(Section 17)

In-migration

That part of the increase in the population not attributable to the natural increase rate. Generally, this is the populace moving to New Hampshire from an out-of-state residence or from outside the U.S. (Section 1)

Inpatient Days

The number of days that patients (excluding newborns) spend in a hospital, including the day of admission, but not the day of discharge(Section 15)

Labor Force Participation Rate

The percentage of the civilian noninstitutional population age sixteen or older that is working or looking for work (Section 3)

Limited Liability Company (LLC)

A legal form of business company offering limited liability to its owners. It is similar to a corporation, and is often a more flexible form of ownership, especially suitable for smaller companies with a limited number of owners (Section 6)

Manufacturers' Shipments

The received or receivable net selling of all products shipped, both primary (raw material) and secondary (manufactured), as well as miscellaneous receipts, such as receipts for contract work for others, installation and repair, sales of scrap, and sales of products bought and resold without further processing (Section 9)

Marriage Rate

Number of marriages per 1,000 resident population (Section 1)

Median

The value exactly in the middle of a set of data that are ranked in order of ascending size. Half of all data values will be less than the median, while half will be more (Section 2)

Medicaid

A joint federal-state program providing medical assistance to certain low income individuals and families (Section 15)

Medicare

A federal program providing hospital insurance and supplementary medical insurance for persons who are eligible for retirement benefits and have attained the age of 65, disabled persons entitled to social security disability benefits, and workers or their dependents with permanent kidney failure (Section 15)

Multiple Listing Service (MLS)

A real estate database that makes it possible to share listings of available properties between brokers, sellers, and buyers (Section 11)

Natural Increase Rate

The number of resident births minus deaths per 1,000 total resident population (Section 1)

New Hampshire Housing Finance Authority (NHHFA)

A non-profit corporation that operates programs designed to assist low and moderate income persons and families to obtain decent, safe and affordable housing. (Section 11)

Nonfarm Employment

Place of work employment that does not include private household workers, self-employed, unpaid family workers, and domestics or agricultural workers (Section 4)

Nondurable Goods

Items that generally last for less than three years. Nondurable goods items are generally purchased when needed. Common examples of nondurable goods items are food, beverages, apparel, gasoline, etc. (Section 4)

Non-current Loans

Loans and leases 90 days or more past due or in nonaccrual status. (Section 12)

Old Age, Survivors, and Disability Insurance (OASDI)

See Social Security. (Section 16)

Pari-mutuel

A system of wagering where the bettors who wager on competitors placing in the first three positions share the total pool minus a percentage for the management (Section 10)

Parole

A condition of release of an inmate from prison serving an unexpired sentence, who has to report to a parole officer (Section 17)

Per Capita Personal Income

Total personal income divided by total population. (Section 2)

Personal Income

The current income received by all the residents of the state from all sources, including wages and salary disbursements, other labor income, proprietors' income, rental income, interest, dividends, and transfer payments; less personal contributions for social insurance. (Section 2)

Poverty Level

A set of income thresholds varying by size of family used as an eligibility factor for some programs (Section 16)

Probation

A suspended sentence for a convicted offender giving the offer of freedom during good behavior under supervision of a probation officer . . . (Section 17)

Property Assessment, Equalized Valuation

A uniform standard for comparing property valuation by which adjustments are made to each municipality’s locally addressed values to calculate estimated market value for the municipality(Section 13)

Property Tax Rates, Full Value

The tax rate if property were assessed at its full market value. Rates represent tax on each \$1,000 of a property’s market value(Section 13)

Real Gross Domestic Product

The market value of all final goods and services by resources located in the United States, regardless of ownership, adjusted for inflation . . . (Section 9)

Real Gross Domestic Product by State

The market value of all final goods and services produced by resources located in a state, regardless of ownership, adjusted for inflation (Section 9)

Rooms and Meals Tax Receipts

Estimate of sales by hotels, motels, and eating and drinking establishments based on taxes received under the Meals and Rental Tax (Section 10)

Scholastic Assessment Test (SAT) (formerly Scholastic Aptitude Test)

Mean test score for all students in the state who took the SAT exam during the designated academic year.(Section 14)

Short Tons (S/T)

A unit of mass equal to 2,000 lb (exactly 907.18474 kg). (Section 7)

Social Security

National Old Age, Survivors, and Disability Insurance (OASDI). The largest income maintenance program in the United States. Provides monthly cash benefits to individuals or their families to replace, in part, the income lost when a worker retires in old age, becomes severely disabled, or dies. Coverage is nearly universal, including about 95 percent of the jobs in this country. Funds come primarily from taxes on earnings in jobs covered by social security and matching funds paid by employers and the self-employed.(Section 16)

Temporary Assistance to Needy Families (TANF)

A system of federal block grants to states for the provision of welfare benefits. Replaces AFDC, JOBS, and Emergency Assistance Programs. . . .(Section 16)

Total Equalized Valuation

The true market value of all taxable property in the state as determined by the Department of Revenue Administration(Section 13)

Transfer Payments

Payments to individuals for which no current goods or services are exchanged, like Social Security, welfare and unemployment benefits. (Section 2)

Unemployed

Persons who were not employed during the monthly survey week but were available for work and were overtly engaged in a job-seeking activity within the previous four week period, waiting to be recalled from a layoff, or waiting to report to a new job within thirty days *(Section 3)*

Unrestricted Revenue

Moneys received by the state, which may be appropriated by the Legislature for any purpose without constitutional limitations. *(Section 13)*

Value Added by Manufacture

A measure of manufacturing activity used for comparing the relative economic importance of manufacturing among industries and geographic areas. The cost of materials, supplies, fuels, etc. are subtracted from the value of shipments plus receipts for services rendered, and adjusted by adding value added by merchandising plus net change in finished goods and work-in-process between the beginning and the end of the year *(Section 9)*

Vehicle Registration

A count of the registration certificates on file at the Department of Safety at the end of each calendar year. *(Section 7)*

Weekly Benefit Amount, Average

Benefits paid for total unemployment during the year divided by the number of weeks compensated. *(Section 3)*

Weeks Compensated for Unemployment

Number of weeks of unemployment for which benefits were paid including both total and partial unemployment. Interstate claims are counted in the paying state. *(Section 3)*

Workers' Compensation

Specifies the level of medical and disability income benefits to be paid to injured workers *(Section 15)*