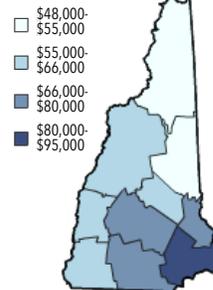


The Opportunity Gap: Poverty and Economic Inequality in NH

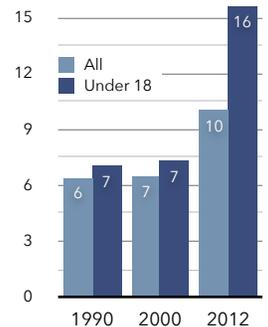
Poverty and Child Opportunity

- ▶ Although NH ranks among the wealthiest states in the nation, the number of people living in poverty has risen steadily in recent years to 128,000 (10%), up from 6.4% in 1990-2000.
- ▶ One in six children (15.8%) under age 18 lives in poverty, roughly twice the rate among adults; more than a quarter of children in single-parent families are impoverished.
- ▶ Poverty is concentrated in rural areas and inner cities: Coos County has the highest rate at 13.0% in 2012 (23.3% child poverty) and one in four Manchester children is poor.
- ▶ One in six (16.3%) NH families earns less than 150% of the federal poverty line for a family of four, and more than a quarter of families earn less than twice the poverty line, placing them below the Economic Policy Institute's measure of basic needs.

Fig. 1-2: Median Income
2010 families w/ children



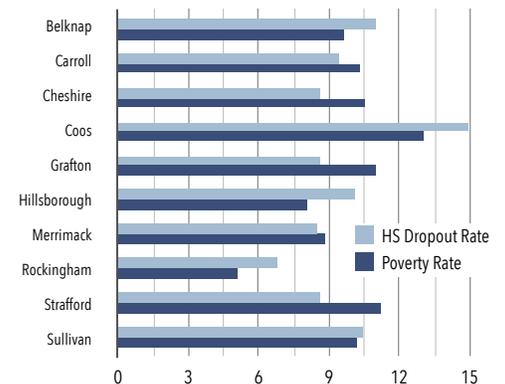
NH Poverty Rate (%)
1990-2012



Education and Social Investments

- ▶ Nearly one in ten NH adults and one in five men of color did not graduate from high school in 2008-12; less than one in three adults and one in five men of color have a BA.
- ▶ Per pupil spending in NH public schools varies by \$4,000 (32%) between the lowest- and highest-spending districts, the 14th highest rate of education finance inequity in the nation.
- ▶ At \$455 million, state cuts to education (6%) and health and human services (7%) between 2010 and 2013 exceeded the total reduction in net state spending (\$393 million); excluding the NH Retirement system, no other state department received net spending cuts over 1%.
- ▶ NH spends less on higher education than any other state; three-quarters of students carry student loans with an average debt amount of \$32,700 upon graduation in 2013.
- ▶ Although 26% of NH families live in or near poverty, only 2.6% access cash assistance, 3.5% are on disability, and 6.5% receive stamps.

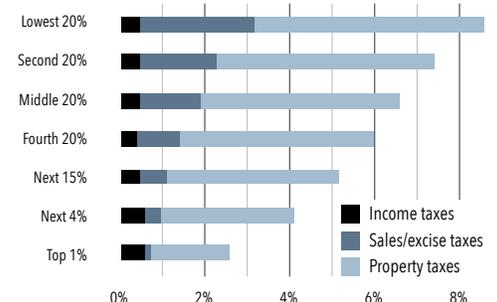
Fig. 3: Education and Poverty by County, 2012 (%)
5 Year Census ACS estimates spanning 2008-12



Taxation and Economic Inequality

- ▶ The bottom fifth of NH income earners paid twice the rate of state and local taxes paid by the top fifth and three times rate of the top 1% during the Great Recession in 2010.
- ▶ The NH minimum wage of \$7.25 an hour (\$15,000 per year) ranks lowest in New England; a minimum-wage worker must work 60 hrs/week to support a family of four at the poverty line.
- ▶ The top 5% of NH households receive an average 10 times more in annual income than the poorest 20% (\$281,800 v. \$29,300) and 3.6 times more than the middle 20% (\$78,800).
- ▶ Low-income people have seen their incomes rise 27% since the 1970s, less than a third the rate of growth (85%) of the top income quintile, even as cost of living outpaces other states.

Fig. 4: State and Local Taxes as Share of Income, 2010



Sources: US Census Bureau, US Dept. of Agriculture, NH Fiscal Policy Institute., Economic Policy Institute., New America Fdn., NH Children's Alliance, Institute on Taxation & Economic Policy, Institute for College Access & Success, LocalLabs