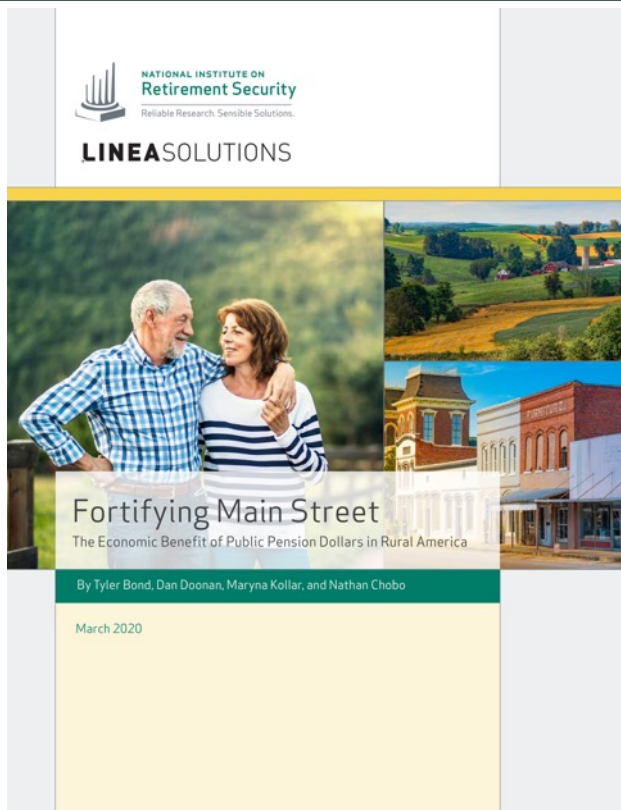


NEW Research

Public Pension Benefit Spending Provides Substantial Economic Impact on Small Towns and Rural America



Webinar

March 12, 2020 | 1:00 PM ET



NATIONAL INSTITUTE ON
Retirement Security

Reliable Research. Sensible Solutions.

Agenda

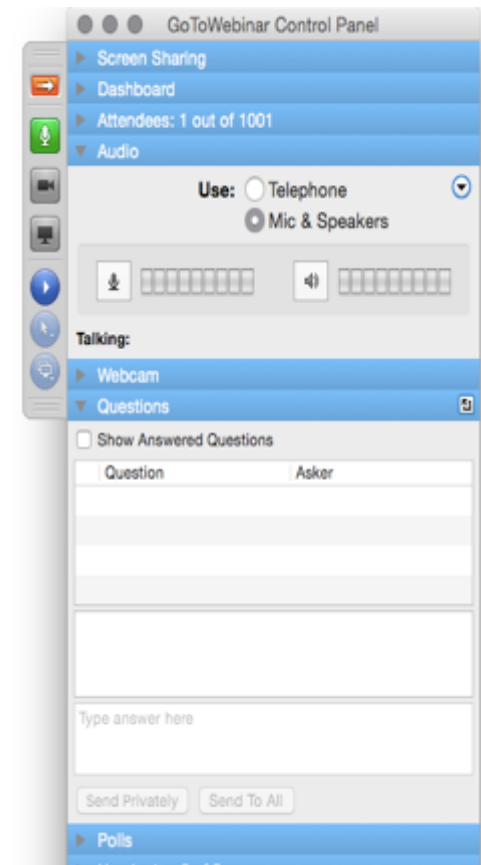


1. Introductions
2. Research Review
3. Q&A



Webinar Logistics

- Attendees in listen only mode.
- Questions welcome. Type question using “Question” function on control panel, and we will answer.
- Audio, technical issues during webinar, call GoToWebinar at 1-800-263-6317.
- Webinar replay will be available.



Speakers



Dan Doonan

NIRS Executive Director and Report Co-Author



Tyler Bond

NIRS Research Manager and Report Co-Author



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About the Report

- Builds on previous research and adds a deeper level of data and analysis.
- Figures in report do not utilize economic multipliers.
- Examines data from nineteen geographically diverse states representing every region of the country.
- Utilizes data from a majority of public pension plans in those states and the data was collected directly from those plans to guarantee its accuracy.

About the Report

- Offers a major new element. In December 2018, U.S. Department of Commerce's Bureau of Economic Analysis made available for the first time Gross Domestic Product (GDP) by county data.
- Study uses this new 2018 data, as it is the most recent data available.
- In addition to this economic data, the report examines changes in a county's population from 2000 to 2018 to determine if there is a connection between the economic impact of pension benefit dollars and growth or loss of population in the county.

Key Findings

1. Public pension benefit dollars represent between one and three percent of GDP on average in the 1,401 counties studied.
2. Rural counties and counties with state capitals have the highest percentages of populations receiving public pension benefits.
3. Small town counties experience a greater relative impact both in terms of GDP and total personal income from public pension benefit dollars than rural or metropolitan counties.

Key Findings

4. Rural counties experience more of an impact in terms of personal income than metropolitan counties, whereas metropolitan counties experience more of an impact in terms of GDP than rural counties.
5. Counties with state capitals are outliers from other metropolitan counties.
6. While rural counties have lost population to small town counties and metropolitan counties between 2000 and 2018, the connection between population change and the relative impact of public pension benefit dollars is weak.

Different Types of Counties

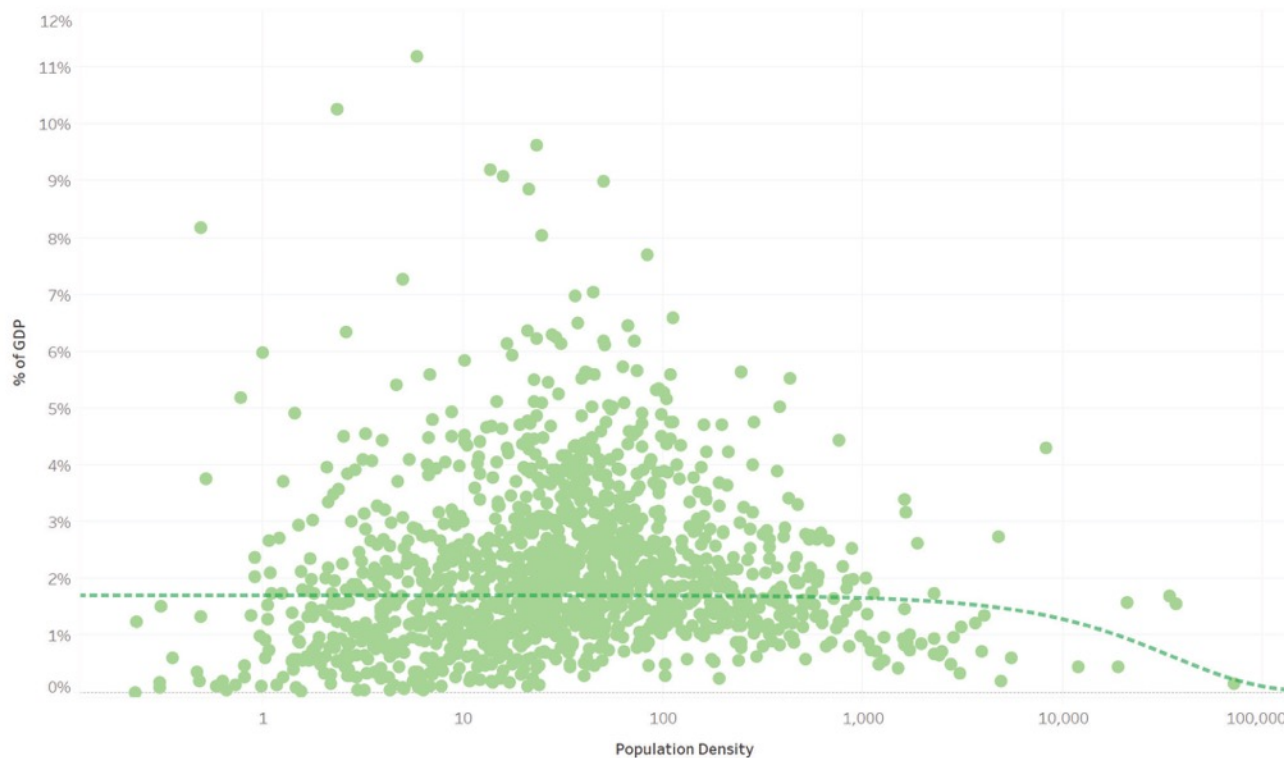
Table 1. Different County Types

Type of County	Number of Counties	Average Population Density	% of Population Receiving	Benefits as Share of GDP	Benefits as Share of Personal Income
Capital	19	406.2	4.31%	1.99%	2.36%
Metro	383	285.5	2.37%	1.17%	1.26%
Micro	605	23.0	3.90%	1.89%	1.98%
Rural	395	4.7	4.34%	0.92%	1.73%
Total	1,402	99.3	2.63%	1.25%	1.37%



National Finding: Pension Dollars as Percent of GDP

Figure 3. National Trendline Pension Dollars as a Percentage of GDP

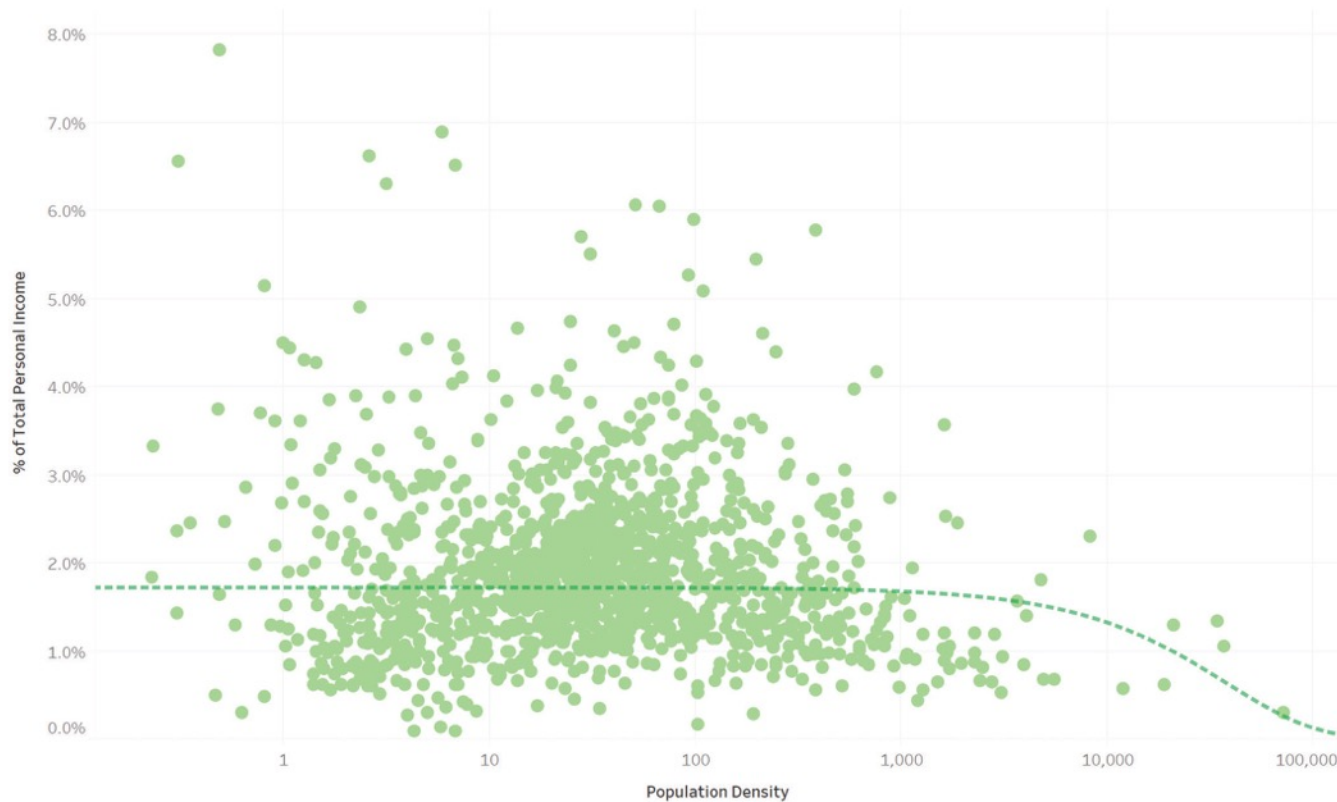


Sum of Population Density vs. sum of % of GDP. Color shows details about State. Details are shown for County. The view is filtered on State, which keeps 19 of 19 members.



National Finding: Pension Dollars as Percent of Total Personal Income

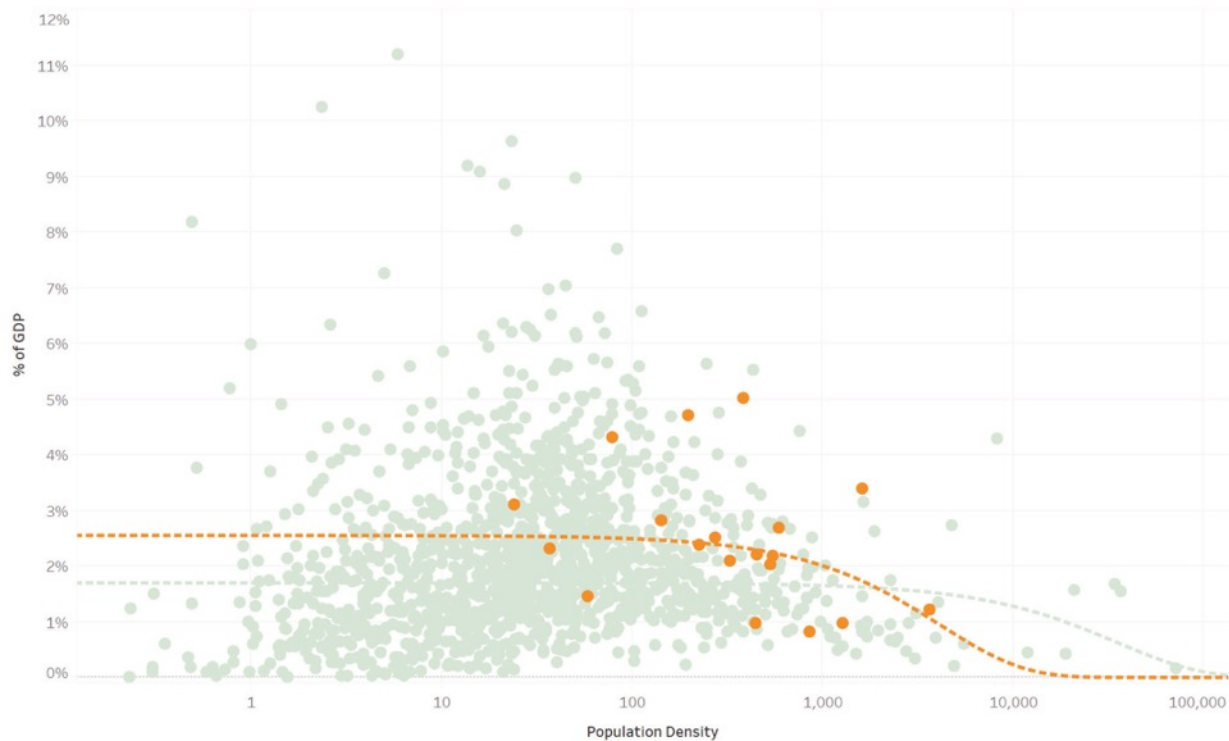
Figure 4. National Trendline Pension Dollars as a Percentage of Personal Income



Sum of Population Density vs. sum of % of Total Personal Income. Color shows details about State. Details are shown for County. The view is filtered on State, which keeps 19 of 19 members.

State Capital Counties: Pension Dollars as Percent of GDP

Figure 1. State Capital Counties: Pension Benefit Dollars as a Percentage of GDP



Sum of Population Density vs. sum of % of GDP. Color shows details about State Capital. Details are shown for State and County.

State Capital
■ State Capital
■ County



State Capital Counties: Pension Dollars as Percent of Total Personal Income

Figure 2. State Capital Counties: Pension Benefit Dollars as a Percentage of Personal Income



Sum of Population Density vs. sum of % of Total Personal Income. Color shows details about State Capital. Details are shown for State and County.

State Capital
State Capital
County



Methodology and Capture Rate

Table A20. State Data Capture Rates

State	Census Bureau: 2018 Pension Benefit Payments (in thousands)	Census Bureau: 2018 Pension Benefit Payees	Data Received: Total Amount of Pension Benefits (in thousands) ¹	Data Received: Total Number of Benefit Recipients ¹	Percentage of Payments Captured	Percentage of People Captured
California	\$54,684,659	1,458,658	\$35,369,536	908,072	64.68%	62.3%
Idaho	\$906,905	52,332	\$788,969	41,819	87.00%	79.9%
Illinois	\$19,846,770	527,973	\$9,255,081	291,031	46.63%	55.1%
Iowa	\$2,263,672	126,165	\$2,014,491	113,488	88.99%	90.0%
Kansas	\$1,829,330	105,449	\$1,537,487	88,857	84.05%	84.3%
Maine	\$946,934	45,287	\$841,683	36,523	88.89%	80.6%
Minnesota	\$4,979,363	230,438	\$4,415,601	202,991	88.68%	88.1%
Mississippi	\$2,676,744	107,599	\$2,539,847	99,900	94.89%	92.8%
Missouri	\$5,270,982	227,715	\$3,895,411	164,843	73.90%	72.4%
Nevada	\$2,426,131	67,163	\$2,006,500	51,385	82.70%	76.5%
New Mexico	\$2,237,114	90,097	\$1,945,577	76,928	86.97%	85.4%
New York	\$32,258,872	974,194	\$22,293,978	704,719	69.11%	72.3%
North Dakota	\$417,269	22,103	\$341,498	16,031	81.84%	72.5%
Pennsylvania	\$11,580,247	444,709	\$9,267,926	330,958	80.03%	74.4%
South Carolina	\$3,861,478	165,517	\$3,756,040	162,287	97.27%	98.0%
South Dakota	\$575,017	29,210	\$461,620	23,568	80.28%	80.7%
Texas	\$17,522,383	732,284	\$14,386,063	574,982	82.10%	78.5%
Wisconsin	\$5,822,553	225,857	\$4,690,047	179,410	80.55%	79.4%
Wyoming	\$584,067	30,214	\$497,180	23,556	85.12%	78.0%

¹ This report is based on data for in-state pension benefit recipients only. It does not include data for pension benefit recipients who live outside of the state where the plan is located.



California: Pension Dollars as Percent of GDP

Figure A1. California County Type

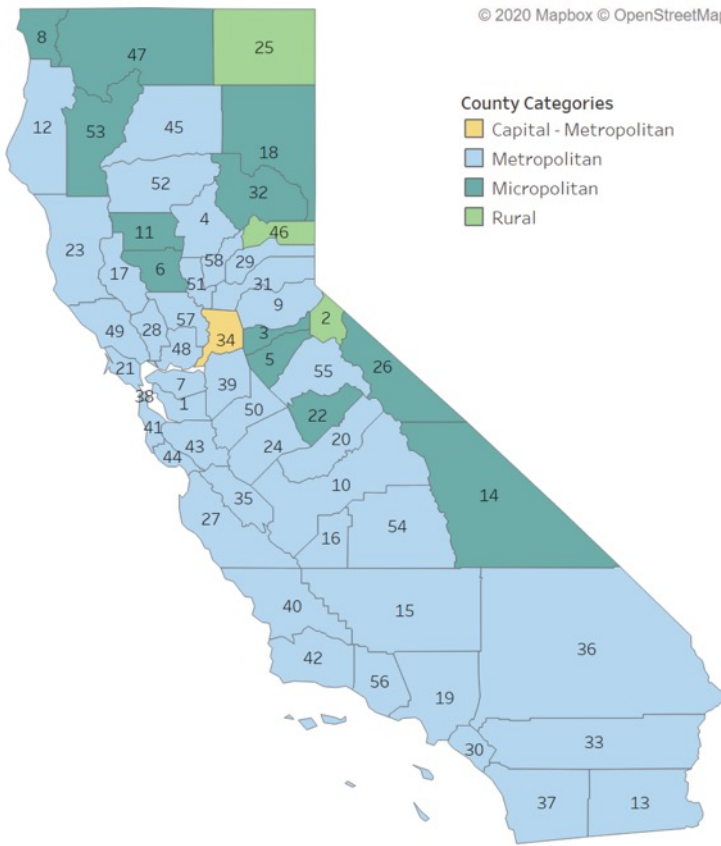
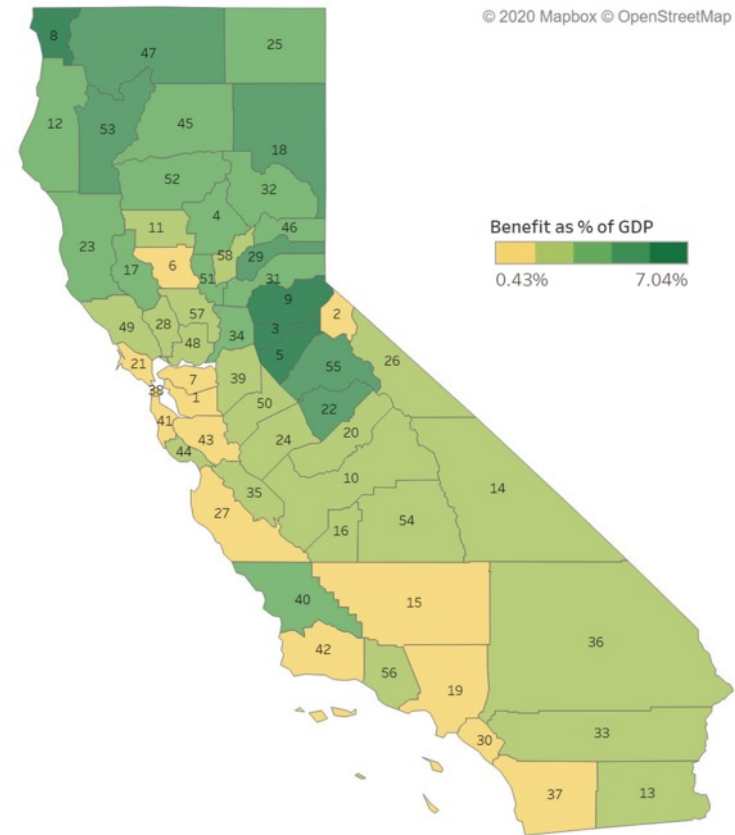


Figure A2. California Pension Benefit Dollars as Share of County GDP



California: Pension Dollars as Percent of Total Personal Income

Figure A1. California County Type

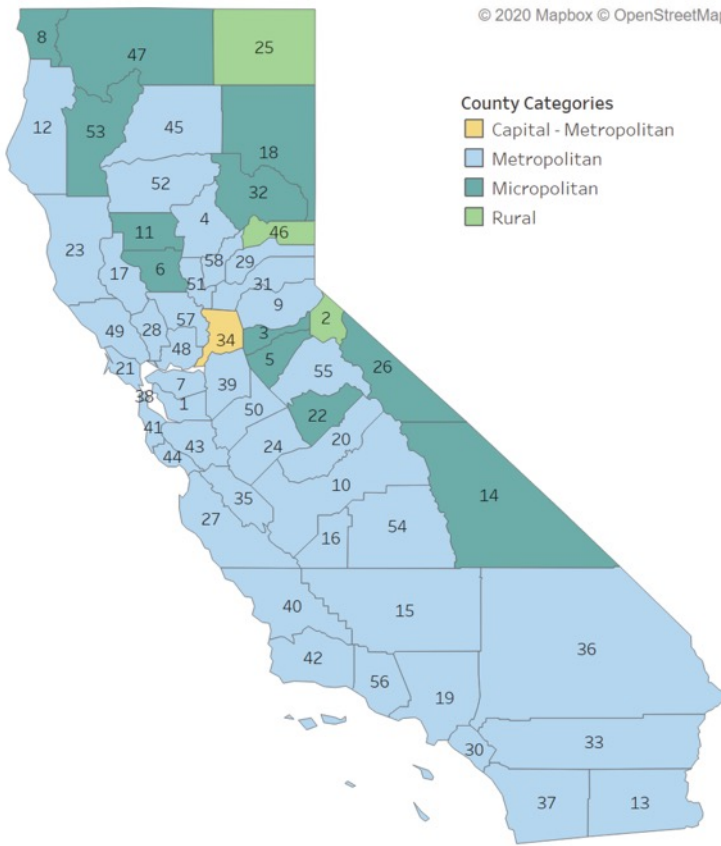
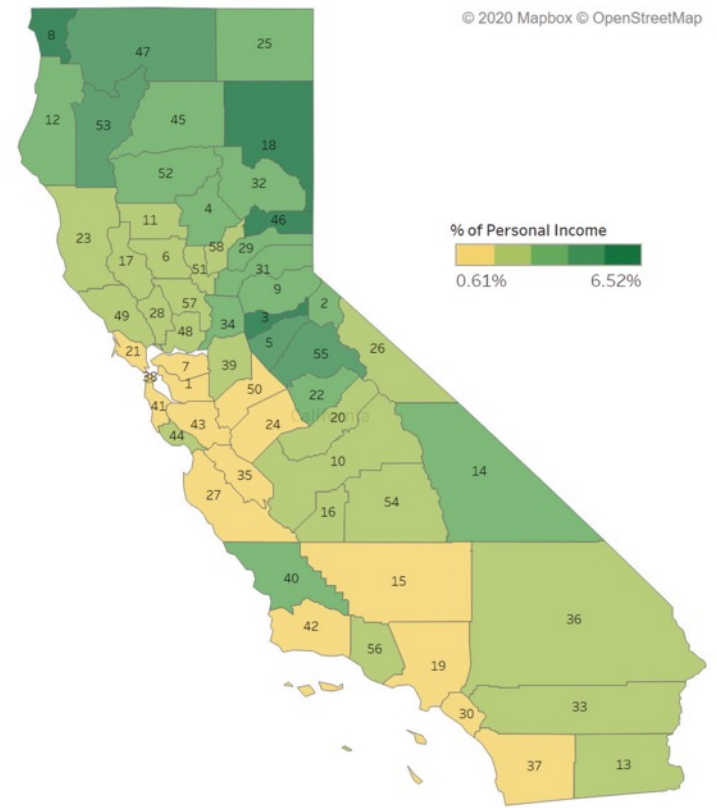


Figure A3. California Pension Benefit Dollars as Share of County Total Personal Income



Pennsylvania: Pension Dollars as Percent of GDP

Figure A40. Pennsylvania County Type

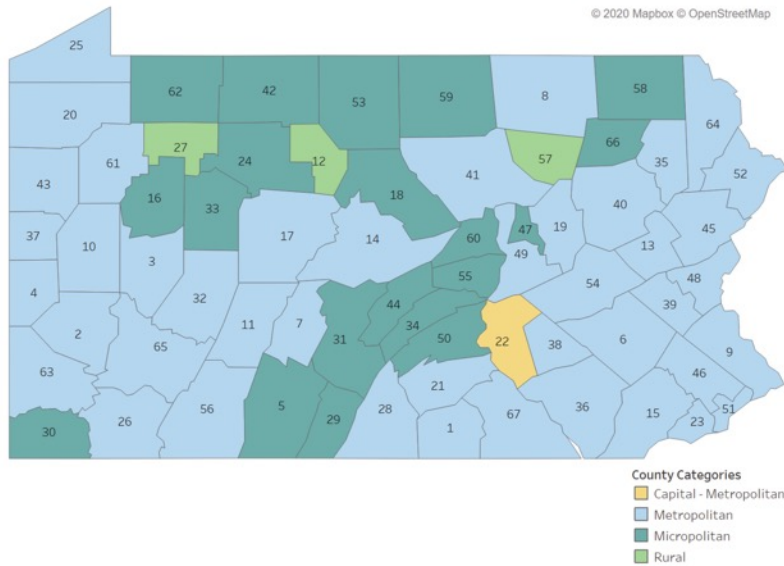
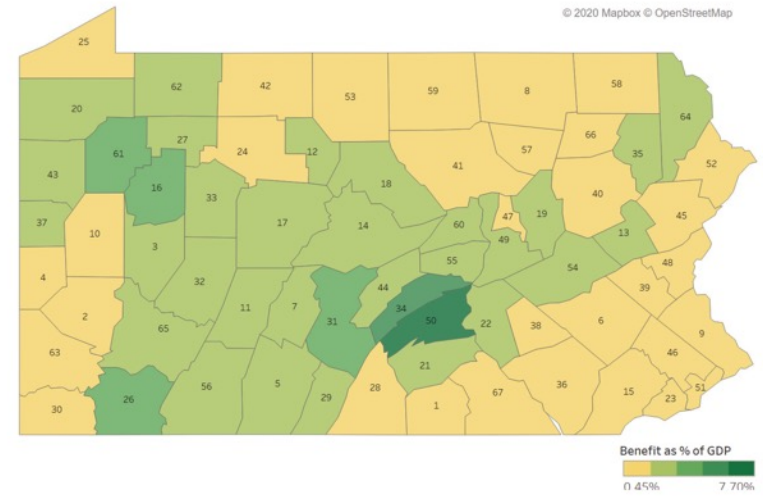


Figure A41. Pennsylvania Pension Benefit Dollars as Share of County GDP



Pennsylvania: Pension Dollars as Percent of Total Personal Income

Figure A40. Pennsylvania County Type

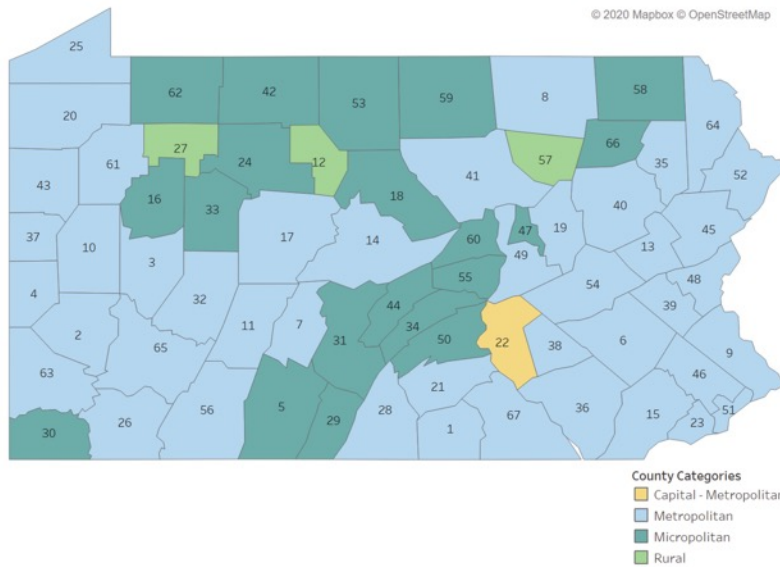
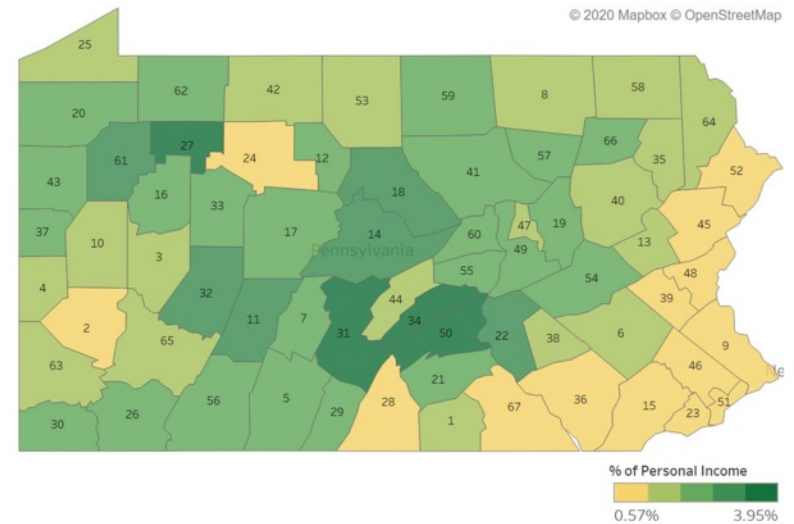


Figure A42. Pennsylvania Pension Benefit Dollars as Share of County Total Personal Income



North Dakota: Pension Dollars as Percent of GDP

Figure A37. North Dakota County Type

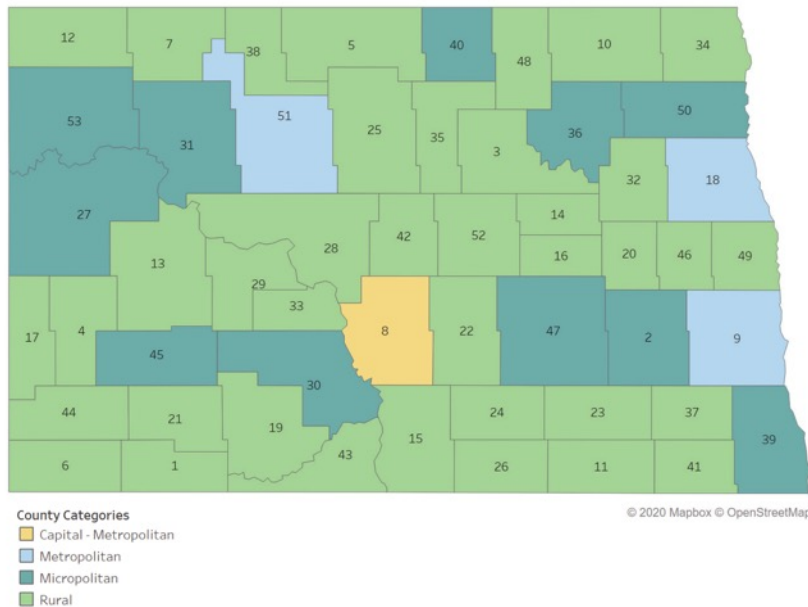
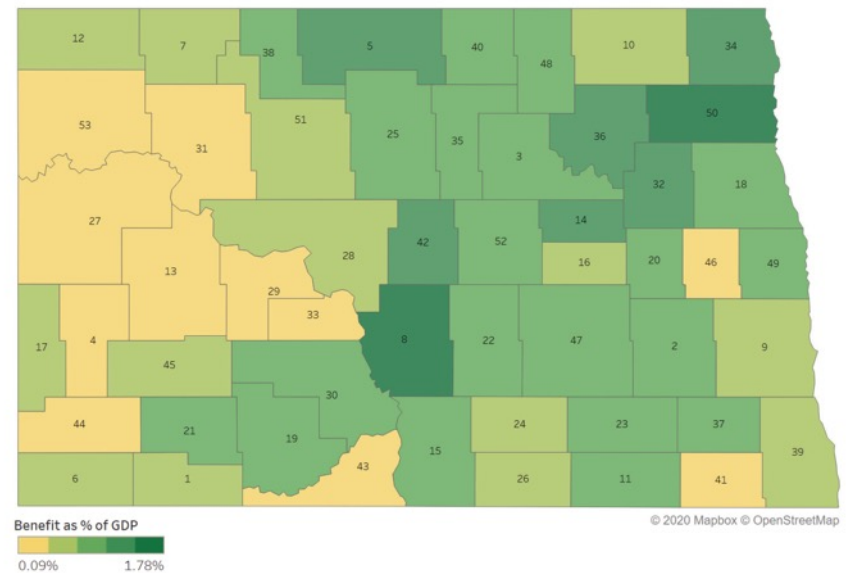


Figure A38. North Dakota Pension Benefit Dollars as Share of County GDP



North Dakota: Pension Dollars as Percent of Total Personal Income

Figure A37. North Dakota County Type

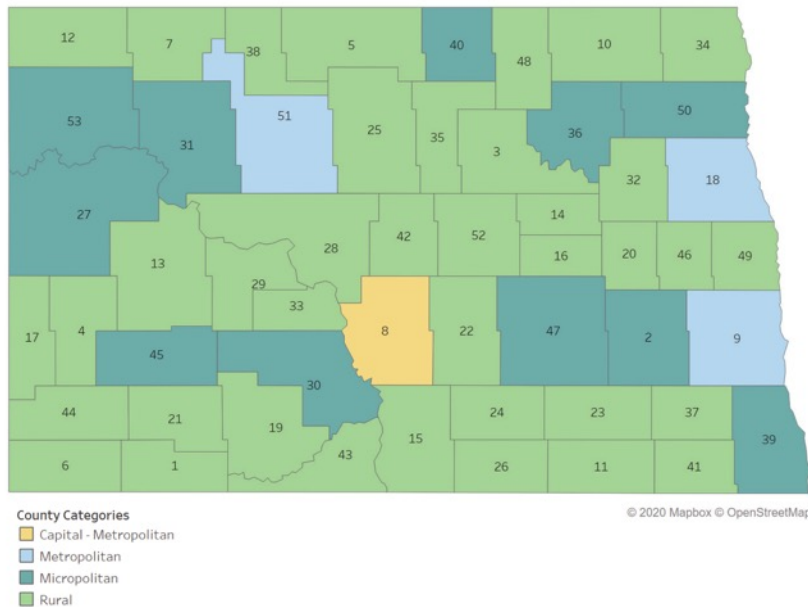
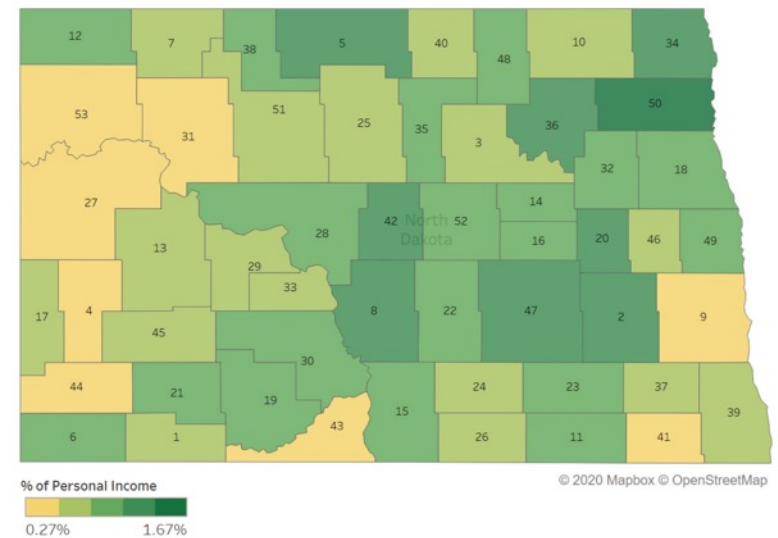


Figure A39. North Dakota Pension Benefit Dollars as Share of County Total Personal Income



Texas: Pension Dollars as Percent of GDP

Figure A49. Texas County Type

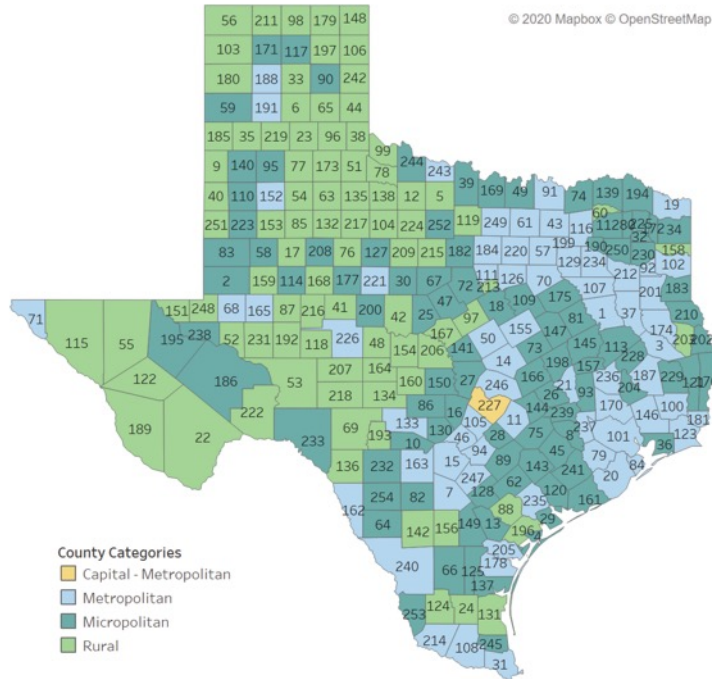
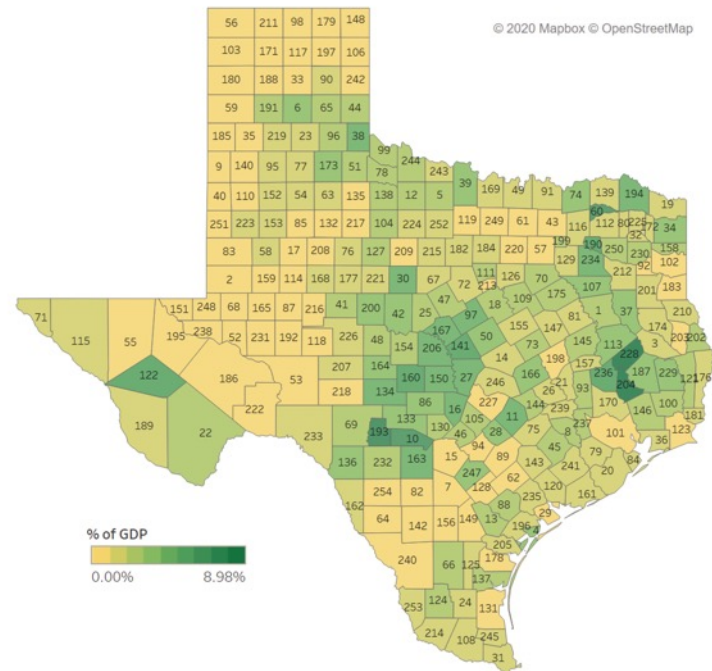


Figure A50. Texas Pension Benefit Dollars as Share of County GDP



Texas: Pension Dollars as Percent of Total Personal Income

Figure A49. Texas County Type

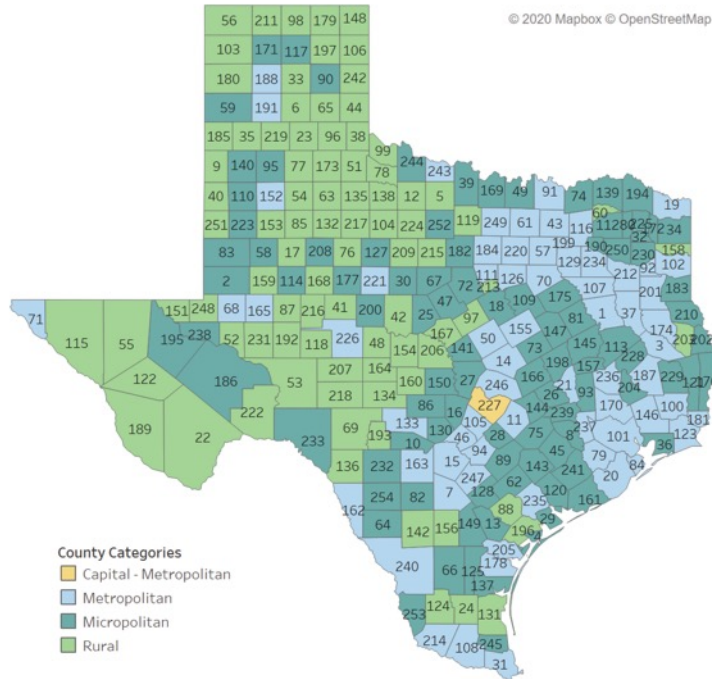
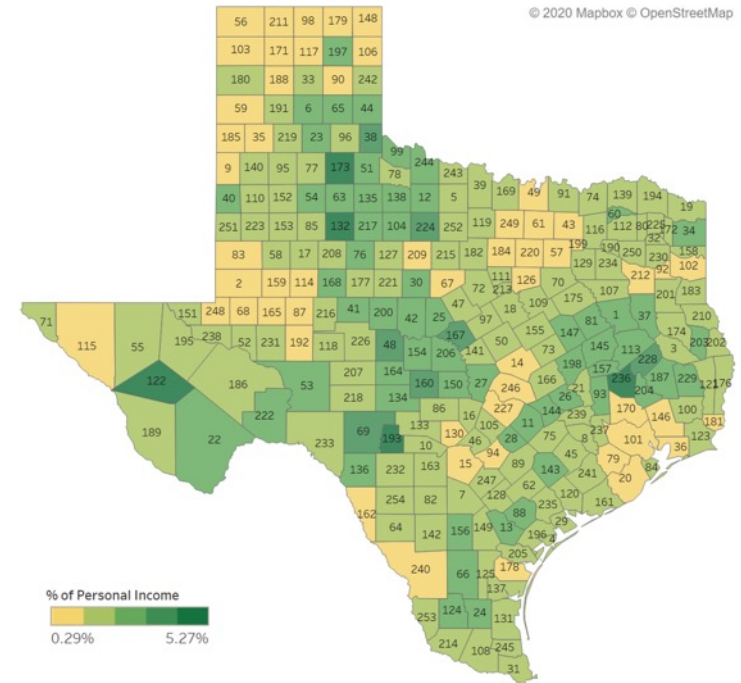
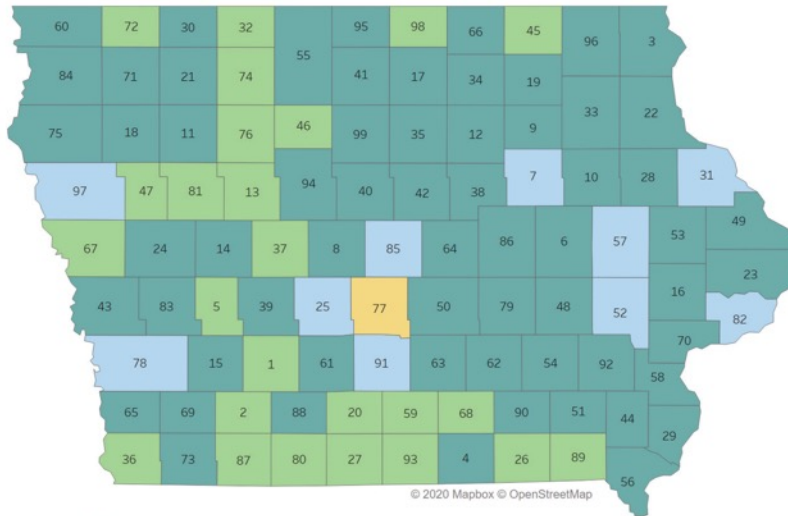


Figure A51. Texas Pension Benefit Dollars as Share of County Total Personal Income



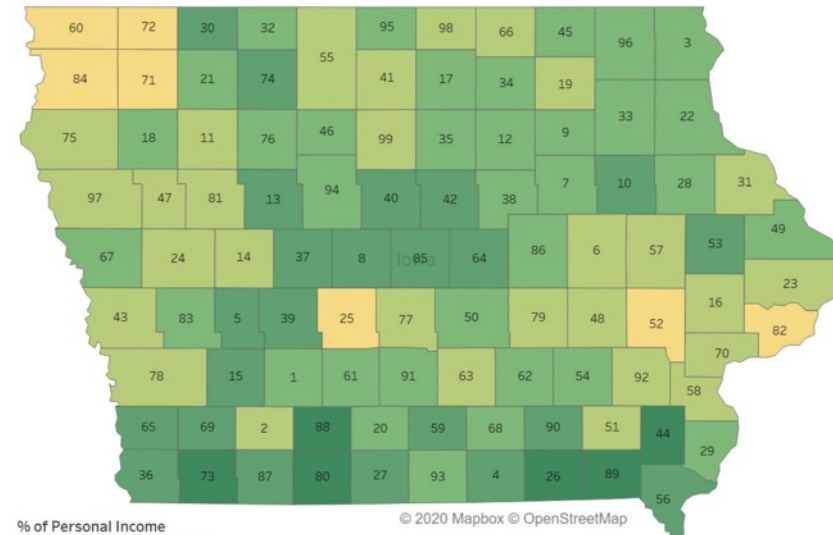
Iowa: Pension Dollars as Percent of Total Personal Income

Figure A10. Iowa County Type



- County Categories**
- Capital - Metropolitan
 - Metropolitan
 - Micropolitan
 - Rural

Figure A12. Iowa Pension Benefit Dollars as Share of County Total Personal Income



- % of Personal Income**
- 0.63%
 - 2.35%



Missouri: Pension Dollars as Percent of GDP

Figure A25. Missouri County Type

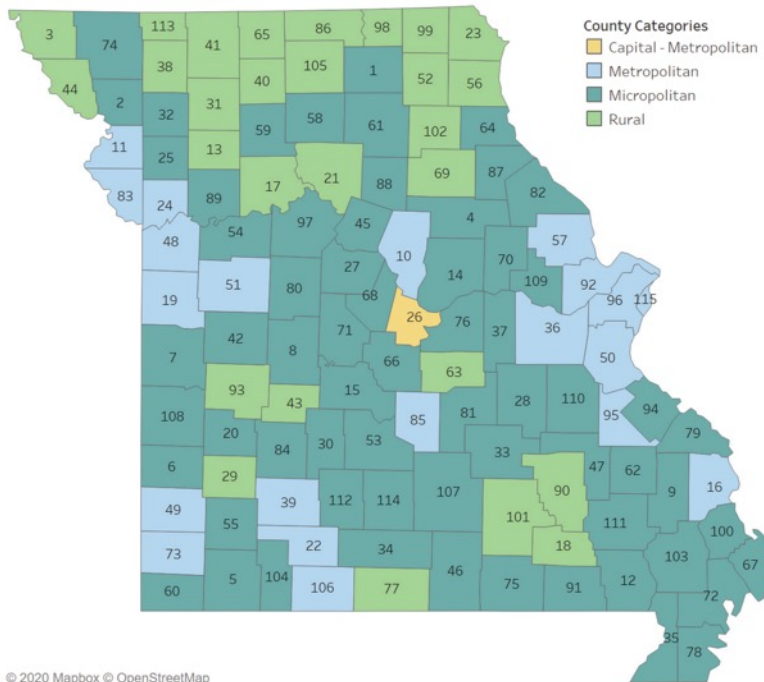
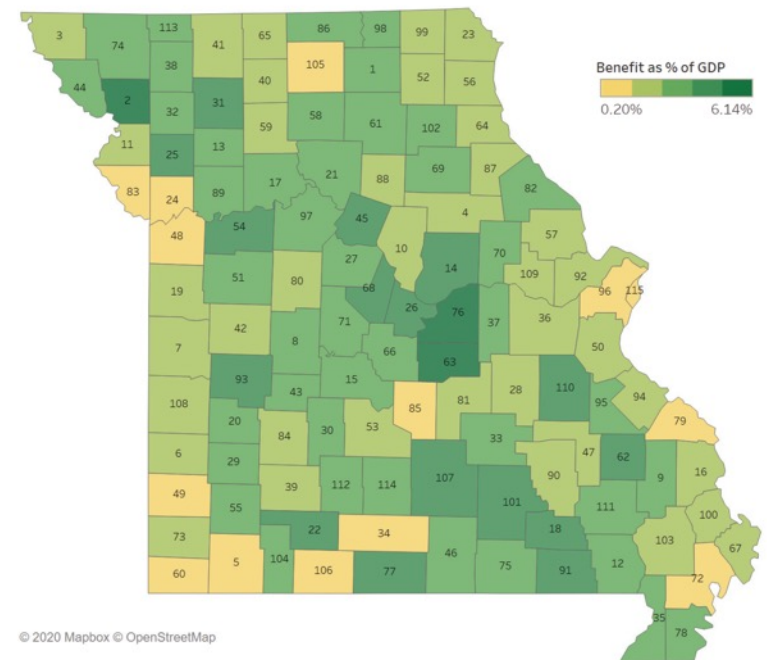
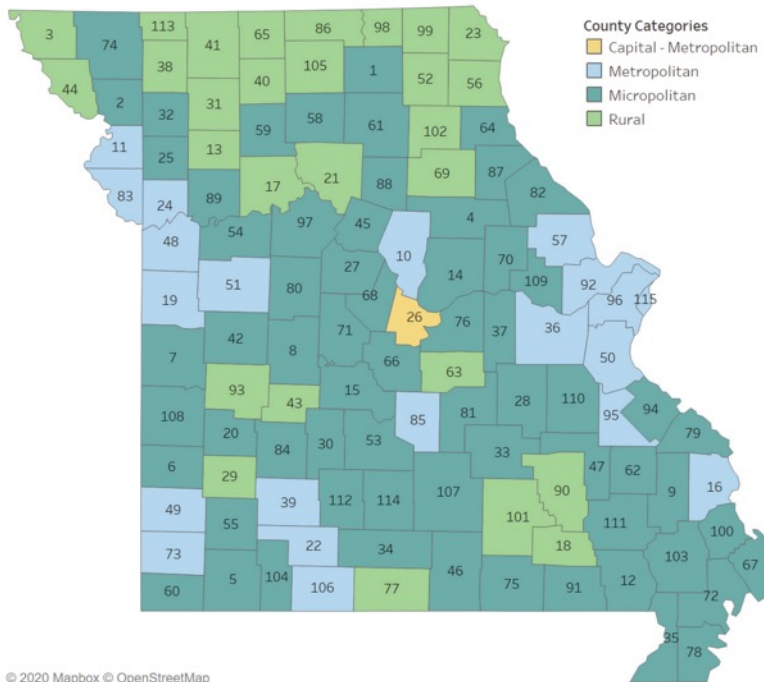


Figure A26. Missouri Pension Benefit Dollars as Share of County GDP



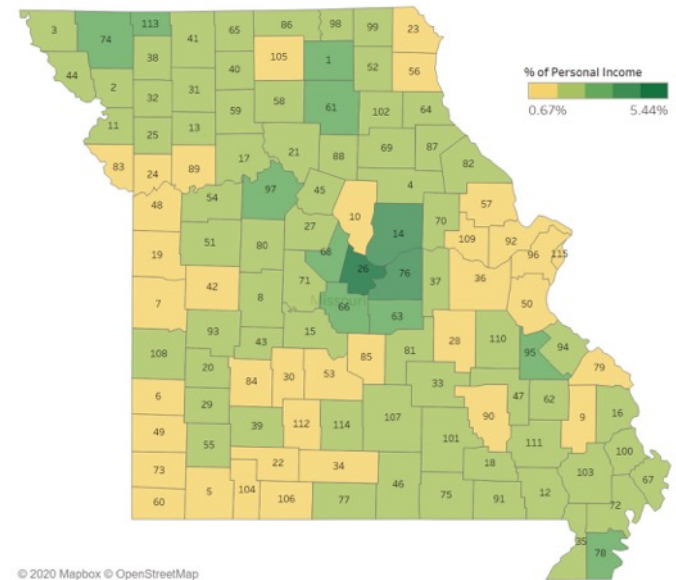
Missouri: Pension Dollars as Percent of Total Personal Income

Figure A25. Missouri County Type



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Figure A27. Missouri Pension Benefit Dollars as Share of County Total Personal Income



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Questions

