

NORTH DAKOTA

Quantifying the Economic Impact of Social Security Benefit Spending



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Key Findings

Benefits paid by Social Security support a significant amount of economic activity in the state of North Dakota.

Social Security benefits received by retirees and other beneficiaries are spent in the local community. This spending ripples through the economy, as one person's spending becomes another person's income, creating a multiplier effect.

In 2023, expenditures stemming from Social Security supported...

18,130 jobs that paid \$1.0 billion in wages and salaries

\$3.2 billion in total economic output

\$350.6 million in federal, state, and local tax revenues

... in the state of North Dakota.

Each dollar paid out in Social Security benefits nationally supported \$2 in total economic activity in states like North Dakota.

Overview

Social Security benefits provide crucial income to older adults, survivors, children, and Americans with disabilities. Expenditures made by Social Security beneficiaries also provide a steady economic stimulus to North Dakota communities and the state economy. In 2023, 146,521 residents of North Dakota received a total of \$3 billion in Social Security benefits.

The median Social Security retirement benefit received in North Dakota was \$1,795 per month. The median Social Security disability benefit received was \$1,342 per month. These modest benefits provide retirees, surviving spouses, children, and Americans with disabilities income to meet basic needs.

North Dakota	Total OASDI Beneficiaries	Total Retirement Beneficiaries	Total Survivor Beneficiaries	Total Disability Beneficiaries
Number of Beneficiaries	146,521	117,663	13,452	15,406
Total Benefit Payments	\$3 billion	\$2.3 billion	\$358 million	\$255 million
Median Monthly Benefit Amount		\$1,795		\$1,342

Median benefit amounts for some beneficiaries are based upon data provided by the Social Security Administration (SSA). No such data is provided for other categories of beneficiaries.

Social Security Benefit Multiplier

Nationally, each \$1 in Social Security benefits paid ultimately supported \$2 in total economic output. This “multiplier” incorporates multiple rounds of impacts of beneficiary spending, as each purchase ripples through the economy of states like North Dakota. Each dollar of benefits spent supports a greater amount of economic activity because that dollar contributes to the earnings of employees at local businesses who then spend their earnings at other businesses, which broadens the impact of the first dollar spent.

Impact on Jobs and Incomes

Expenditures stemming from Social Security benefits supported 18,130 jobs in the state. The total income to state residents supported by Social Security expenditures was \$1.0 billion.

To put these employment impacts in perspective, in 2023 North Dakota's unemployment rate was 2.0%. The fact that Social Security benefit expenditures supported 18,130 jobs is significant, as it represents 4.1 percentage points in North Dakota's labor force.

Economic Impact

Social Security paid a total of \$3 billion in benefits to North Dakota residents in 2023. Expenditures from these benefits supported a total of \$3.2 billion in total economic output in the state, and \$1.9 billion in value added in the state.

Impact on Tax Revenues

Social Security benefit payments made to North Dakota residents supported a total of \$350.6 million in revenue to federal, state, and local governments.

Federal Tax	\$233.9 million
State/Local Tax	\$116.6 million
Total	\$350.6 million

Economic Impacts by Industry Sector

The economic impact of Social Security benefits was broadly felt across various industry sectors in North Dakota. The ten industry sectors with the largest employment impacts are presented in the table to the side.

Industry	Employment Impact (# Jobs)
Hospitals	1,087
Limited-service restaurants	988
Full-service restaurants	753
Retail - General merchandise stores	686
Tenant-occupied housing	599
Retail - Food and beverage stores	569
Nursing and community care facilities	546
Other real estate	481
Individual and family services	459
Monetary authorities and depository credit intermediation	451

Economic Impacts by Occupation Category

Social Security benefits in North Dakota supported jobs in every civilian job category. The table below lists the top five occupations by employment impact.

Occupation Category	Wage and Salary Employment	Wage and Salary Income	Supplements to Wages and Salaries	Employee Compensation	Hours Worked
Retail Sales Workers	1,345	\$35,756,104	\$7,563,593	\$43,319,697	1,826,459
Food and Beverage Serving Workers	1,139	\$22,812,640	\$3,223,925	\$26,036,565	1,244,297
Healthcare Diagnosing or Treating Practitioners	834	\$107,394,260	\$21,390,252	\$128,784,513	1,542,068
Home Health and Personal Care Aides; and Nursing Assistants, Orderlies, and Psychiatric Aides	736	\$22,646,280	\$4,595,164	\$27,241,444	1,189,383
Cooks and Food Preparation Workers	527	\$12,589,543	\$1,876,483	\$14,466,026	716,099