

MONTANA'S CHANGING DEMOGRAPHICS: 2021 UPDATE

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Research Questions:

1. What is Montana's demographic position?
2. What are the implications of Montana's demographic present and future for state and local finance?

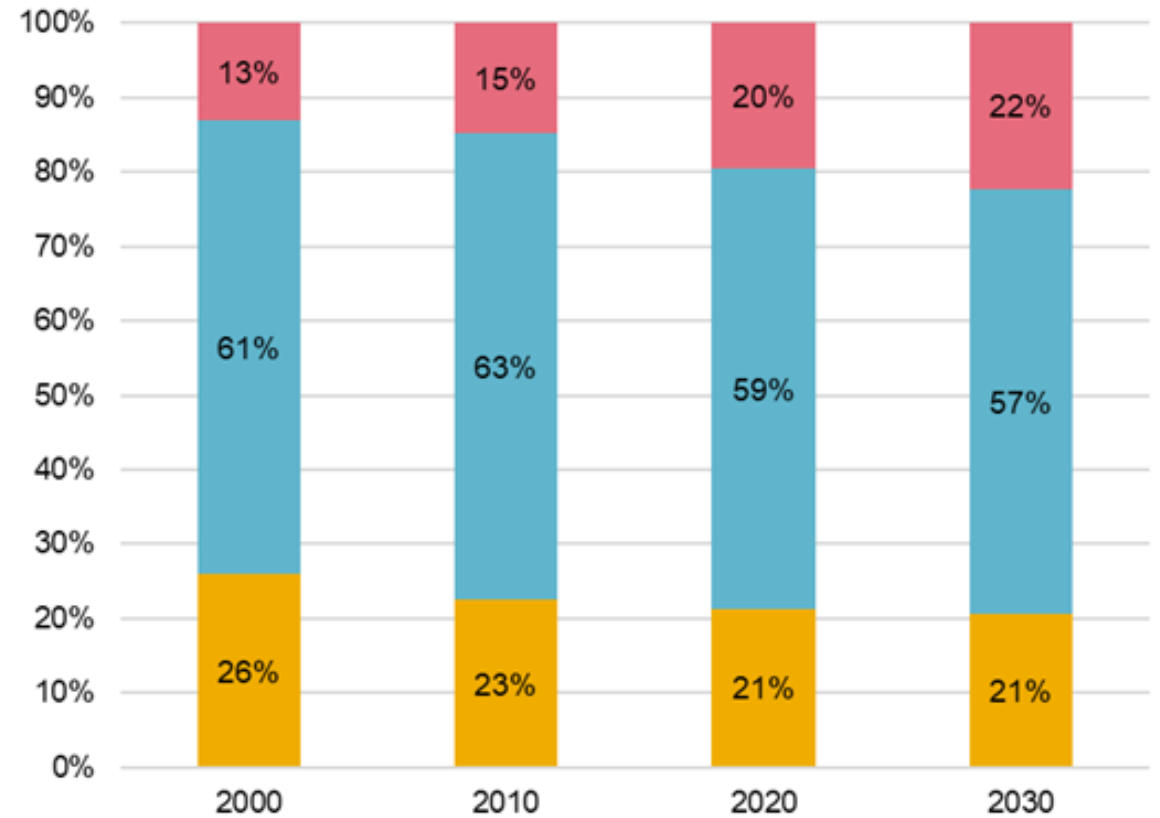
Data:

-U.S. Census Bureau (2010 Census as a baseline)

-eREMI Montana specific data – 1990-2060; created for the Montana Department of Commerce

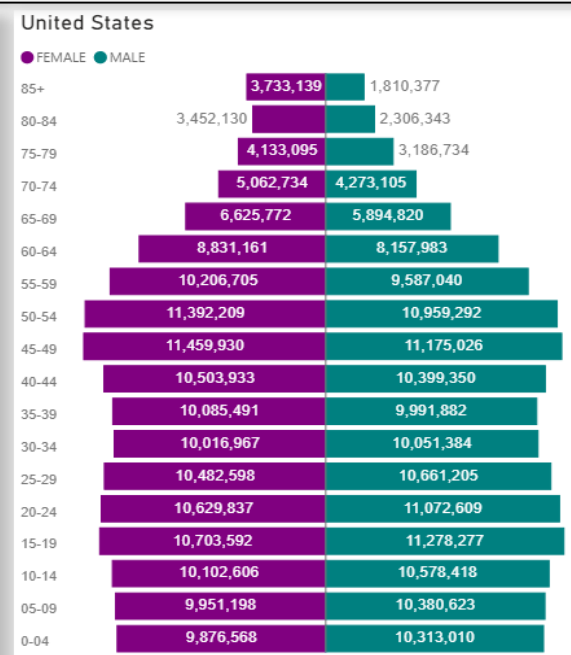
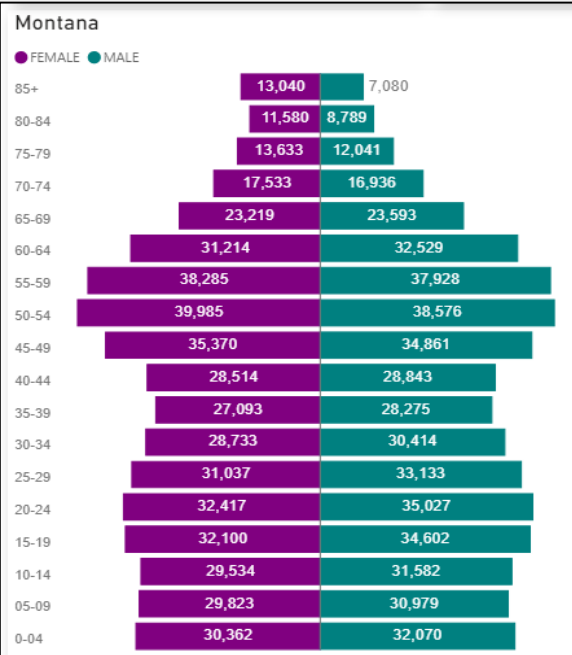
Findings Part I: Statewide Population Aging

Retirement age is expected to increase as a share of the population through 2030, working age is expected to decrease, and youth share of the population is expected to decrease.

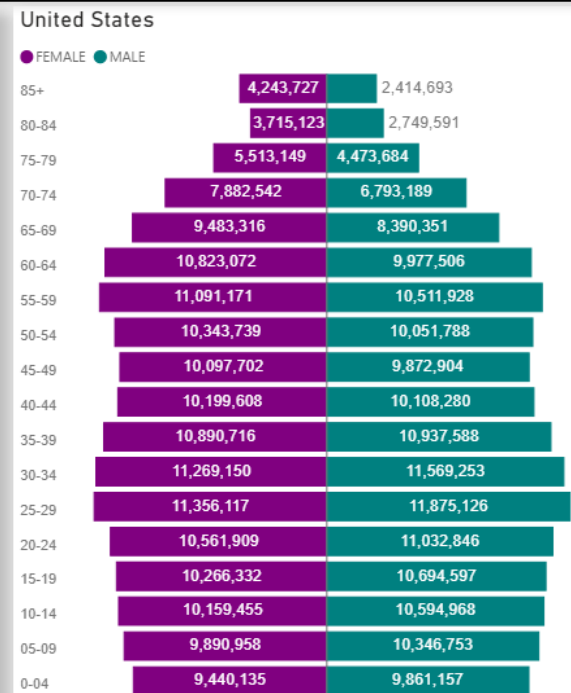
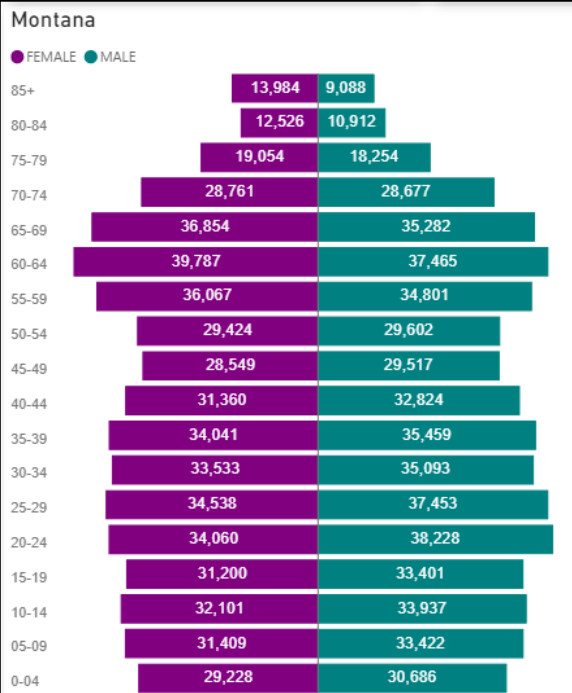


Data: eREMI

Montana and the U.S., 2010

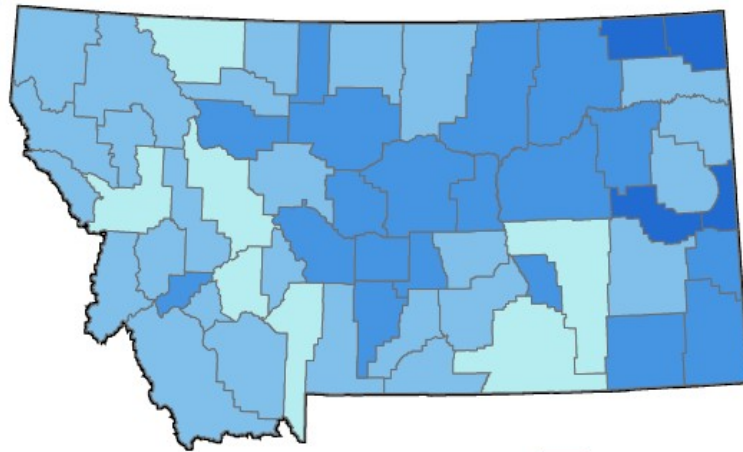


Montana and the U.S., 2020



Findings Part 2: Aging by County

AGING VARIES BY COUNTY



2000 (actuals)

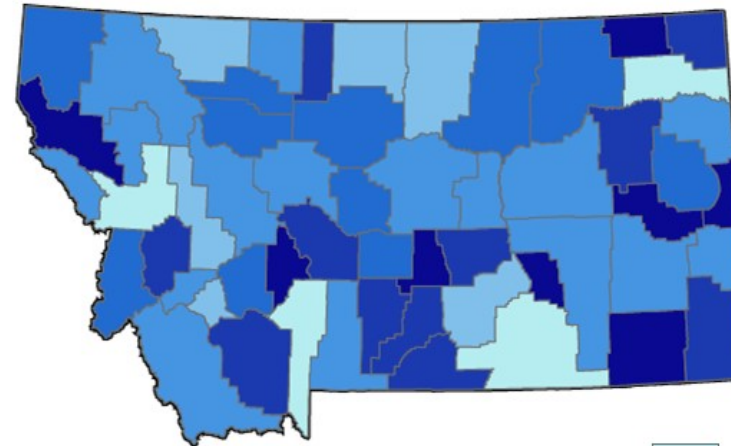
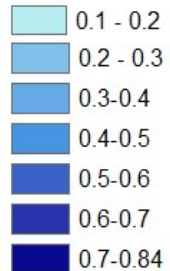
Working Age: 552,400

Retirement Age: 121,300

Overall Ratio: 0.22

Lowest County: Gallatin, 0.12

Highest County: Sheridan, 0.44



2030 (estimate)

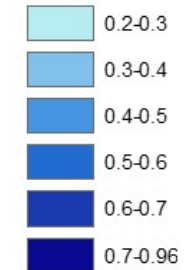
Working Age: 692,700

Retirement Age: 269,600

Overall Ratio: 0.39

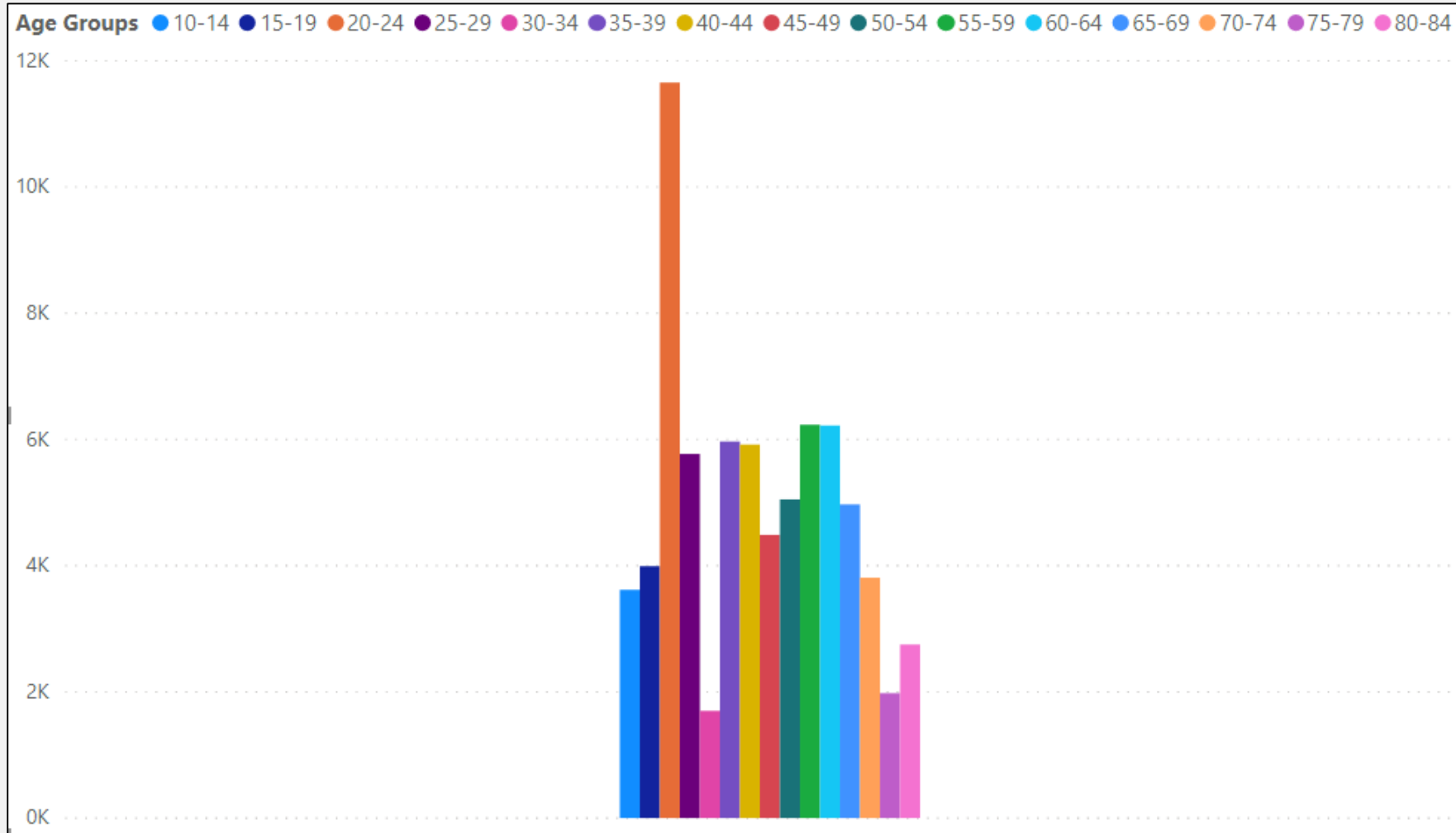
Lowest County: Roosevelt, 0.22

Highest County: Sanders, 0.95

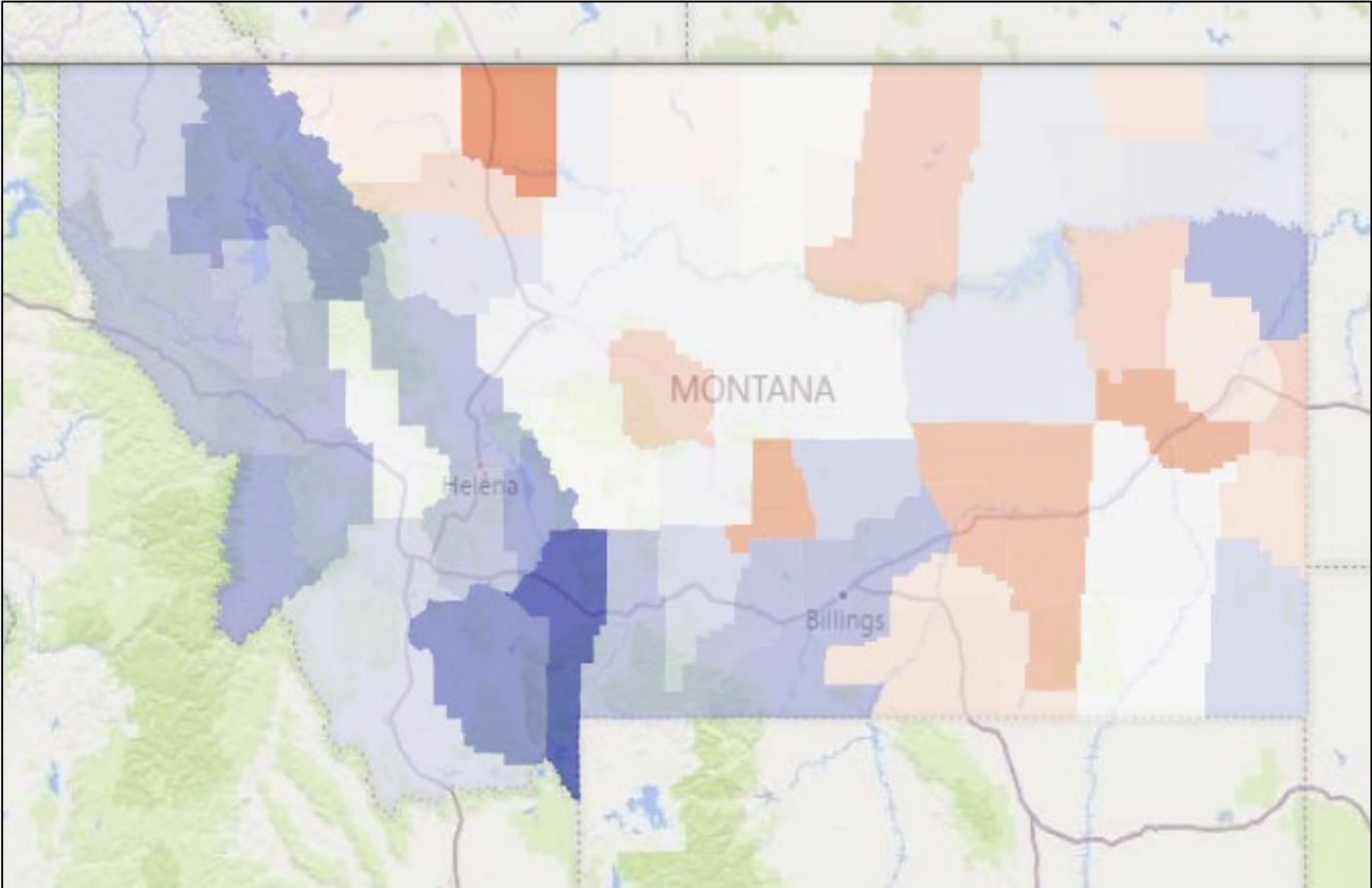


Findings Part 3: Migration Impacts

Montana 10-Year Net Migration by Age Cohort



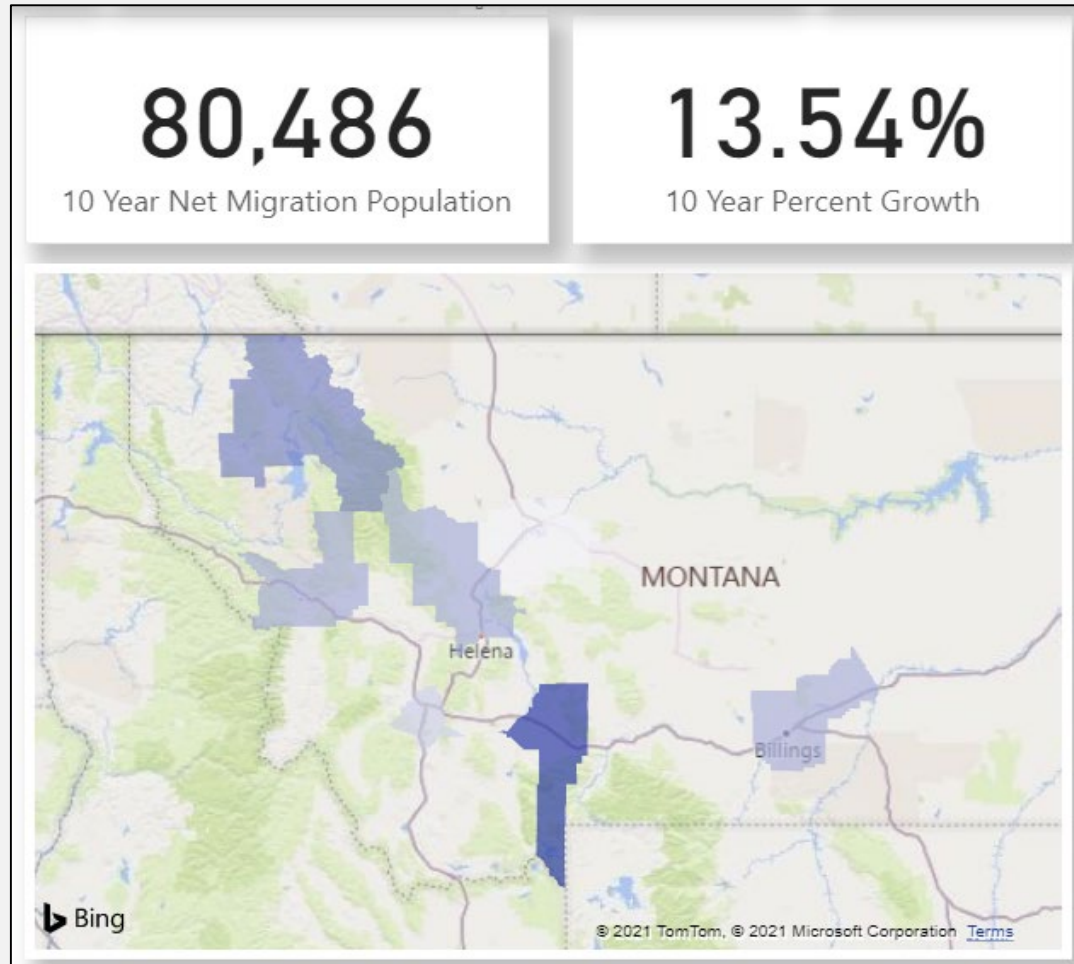
Montana 10-Year Net Migration by County



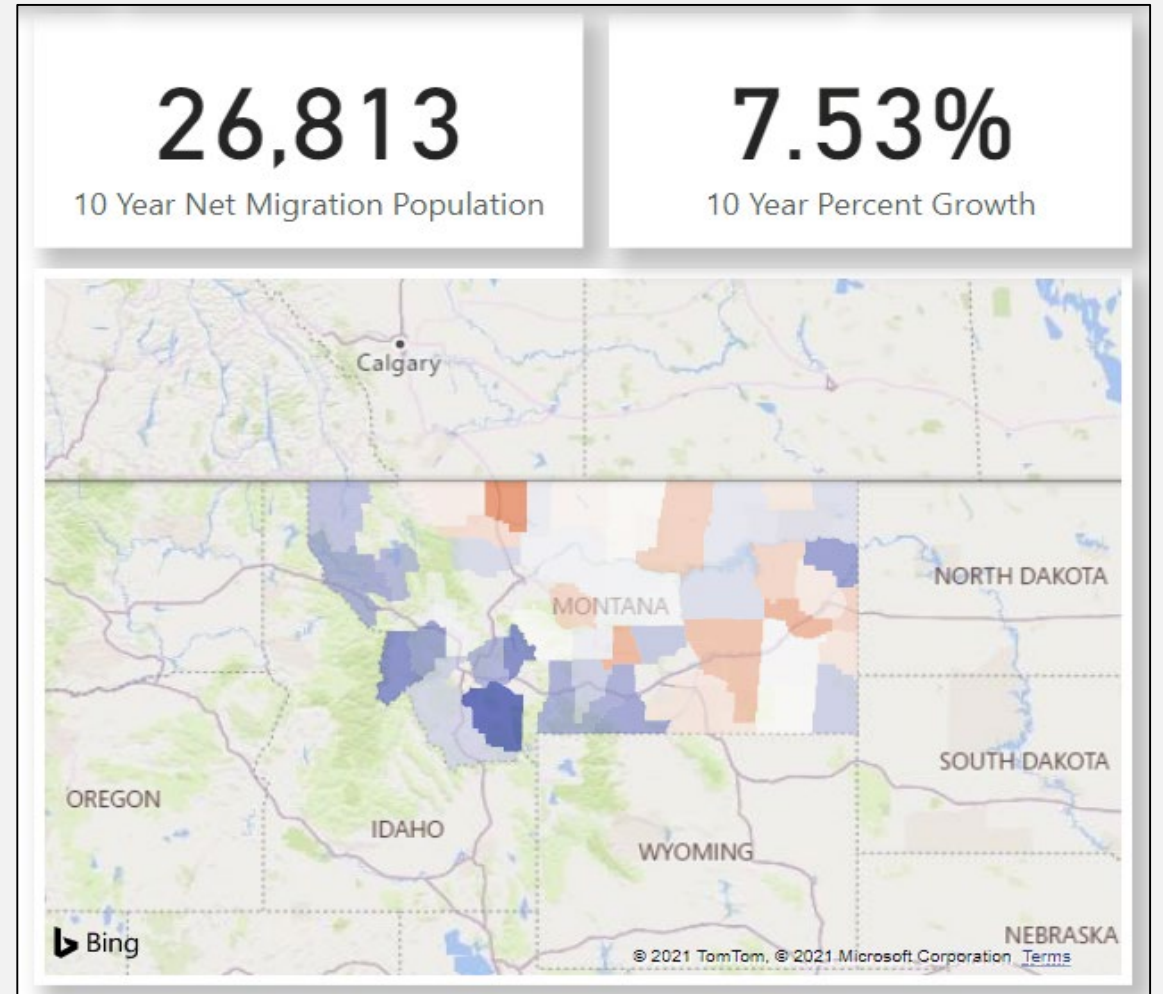
Blue = Positive growth

Red = Negative growth

Montana 10-Year Net Migration for 7 Urban Counties



Montana 10-Year Net Migration for Rural Counties



State Finance Implications

Revenues:

- In-migration causes property values to rise
- Some evidence that individuals new to Montana have higher incomes than residents
- Lower tax rates on older Montanans could contribute to changes in future income tax collections

Service Demand:

- Increased demand for retirement-age health services, including Medicaid
- Flat growth in youth overall, but different regions will see varied changes to the demand for K-12 services
- Migration has varied impacts: some regions will have higher demand for infrastructure; K-12 services depending on population growth

Labor Market Impacts:

- Declining LFPR for Montana, typical of population aging
- Impact of COVID-19 still developing

