

05/13/2004

## Attracting Aging Baby Boomers May Help State Economies

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While conventional wisdom suggests that attracting new businesses and industry is paramount to economic development, the growth in retirement-age populations challenges this thinking. For aging baby boomers, the emphasis is not on attracting new jobs but instead on finding an attractive place to live; and that means protecting the environment, nurturing arts and culture, and enhancing the walkability of downtown areas. Many rural communities and college towns without the urban infrastructure necessary to draw heavy industries recognize the baby boomer population as an economic development boon for which they can compete. Many states also see the benefit of attracting this segment of the population.

A recent study by MetLife's Mature Market Institute finds that both younger boomers (people born between 1956 and 1964) and older boomers (those born between 1946 and 1955) have an estimated annual spending power of \$1 trillion. Studies of **Florida** and **Louisiana** have found that retirement-age residents pay more in sales, use, and income taxes than younger residents, which more than offsets the slightly higher costs the state incurs per retiree due to health care and other services. As a result, Florida's retirement-age residents provide a net public economic benefit of \$1.42 billion and provide a \$105 subsidy for every younger Florida resident. Similarly, Louisiana's retirement-age residents provide a net public economic benefit of \$319 million and provide a \$96 subsidy for every younger Louisiana resident.

In response to the economic development potential of retirement-age populations, some states have set up dedicated offices to attract aging baby boomers. The Destination Florida Commission and the Louisiana Retirement Development Commission are two examples. Hometown **Mississippi** Retirement and Retire **West Virginia** also are programs aimed at attracting retirees

### Related Links:

- [Louisiana Retirement Development Commission](#)
- [Hometown Retirement Mississippi](#)
- [Destination Florida Commission](#)
- [Retire West Virginia](#)
- [Demographic Profile: American Baby Boomers, MetLife Mature Market Institute](#) (pdf)
- [The Impacts of Mature Residents of Florida](#) (Thomas, Warren + Associates Report)
- [The Impacts of Retirement-Age Residents of Louisiana](#) (Thomas, Warren + Associates Report)