

Vermont's Population Estimates for 2023

Senate Committee on Economic Development, Housing, and General Affairs

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Population Change Highlights



Vermont's Population Estimates for 2023

- JFO periodically publishes issue briefs on population estimates, including the last two iterations written by Joyce Manchester in 2022 and 2023.
- Questions about Vermont population and demographics have long been a topic of conversation in the State, and interest has only increased in the years since the COVID-19 pandemic.
- [https://ljfo.vermont.gov/assets/Publications/Issue-Briefs/Issue Brief VT Demographics in 2023.pdf](https://ljfo.vermont.gov/assets/Publications/Issue-Briefs/Issue%20Brief%20VT%20Demographics%20in%202023.pdf)



Population Change Highlights

- Vermont's population swelled by more than 4,100 people in 2021, but increased by only 17 in 2022 and 354 in 2023.
- Population as of 2023 was 647,464.
- From 2020 to 2023, some Vermont age demographics changed significantly:
 - About 4,000 fewer children ages 0 to 17, down more than 3%
 - About 2,000 more people ages 25 to 39, up almost 2%
 - About 6,100 fewer people ages 55 to 64, down more than 6%
 - About 10,800 more people ages 65 to 79, up more than 10%
 - About 2,600 more people ages 80 and over, up almost 10%



Population Change Highlights

- Demographics impact many aspects of life in Vermont. Some examples include, but are not limited to:
 - Employment
 - The share of working age Vermonters ages 25 to 64 was about 51.3% in 2020 but dropped to 50.4% in 2023.
 - Tax Collections
 - Income often shifts depending on age, with younger people relying more on wages while older Vermonters receive a higher share of income from Social Security and retirement income.
 - Care for the young and elderly
 - Children often require child care services, and the elderly often require more healthcare services which require the corresponding workforce to support those services.



Population Change Highlights

- During the pandemic, Vermont saw an influx of young and middle-aged adults, but that increase was outnumbered by a decline in adults ages 55 to 64 as many baby boomers aged out of their traditional working years.
- Birth rates also dropped sharply during the pandemic and remained subdued in 2023 relative to pre-pandemic years. As a result, the shares of both young and school-age children declined.
- Preliminary results from the U.S. Census Bureau for 2024 show that from 2023 to 2024 Vermont's population fell by 215 people.
 - However, the same results show that from 2020 to 2024 the State's population increased 5,411.



Population Change Highlights

**Table 1. Vermont Population by Age Group,
2020 and 2023**

| | 2020 | 2023 | Change | Percentage Change |
|--------------|---------|---------|--------|-------------------|
| 0-17 | 118,646 | 114,636 | -4,010 | -3.4% |
| 18-24 | 64,678 | 63,515 | -1,163 | -1.8% |
| 25-39 | 115,855 | 117,824 | 1,969 | 1.7% |
| 40-54 | 116,116 | 116,552 | 436 | 0.4% |
| 55-64 | 97,907 | 91,814 | -6,093 | -6.2% |
| 65-79 | 102,756 | 113,524 | 10,768 | 10.5% |
| 80+ | 26,978 | 29,599 | 2,621 | 9.7% |
| Total | 642,936 | 647,464 | 4,528 | 0.7% |

Sources: U.S. Census Bureau, Estimates as of July 1 based on 2020 Decennial Census and Population Estimates from 2023



Vermont's Age Cohorts



Vermont's Baby Boomers

- Baby boomers are defined as those born between 1946 and 1964 and were ages 56 to 74 in 2020. As this cohort continues to age, an increasing number of Vermonters will enter the 65 to 79 age cohort, beyond traditional working years.
- From 2020 to 2023, the 65- to 79-year-old age cohort saw a dramatic increase of about 10,800, or more than 10%.
 - That was the largest of any age cohort and more than double the overall population gain of 4,500.



Vermont's Generation-X

- The biggest decline by age group from 2020 to 2023 was among people ages 55 to 64, which decreased by almost 6,100, or more than 6%.
 - This age cohort includes young baby boomers and Gen-X'ers (defined as those born 1965 to 1980).
- This age cohort are typically later career Vermonters.



Young and Middle-Aged Vermonters

- From 2020 to 2023, Vermonters ages 25 to 39 increased by almost 2,000, or almost 2%.
- Those ages 40 to 54 increased by almost 450, or 0.4%.
- Many of these Vermonters are likely in-migrants during the pandemic.
 - 2023 Census Bureau data suggests many are choosing to stay in Vermont long-term.
- It might be assumed that many of these families moved to Vermont with families, but the number of children dropped from 2020 to 2023.

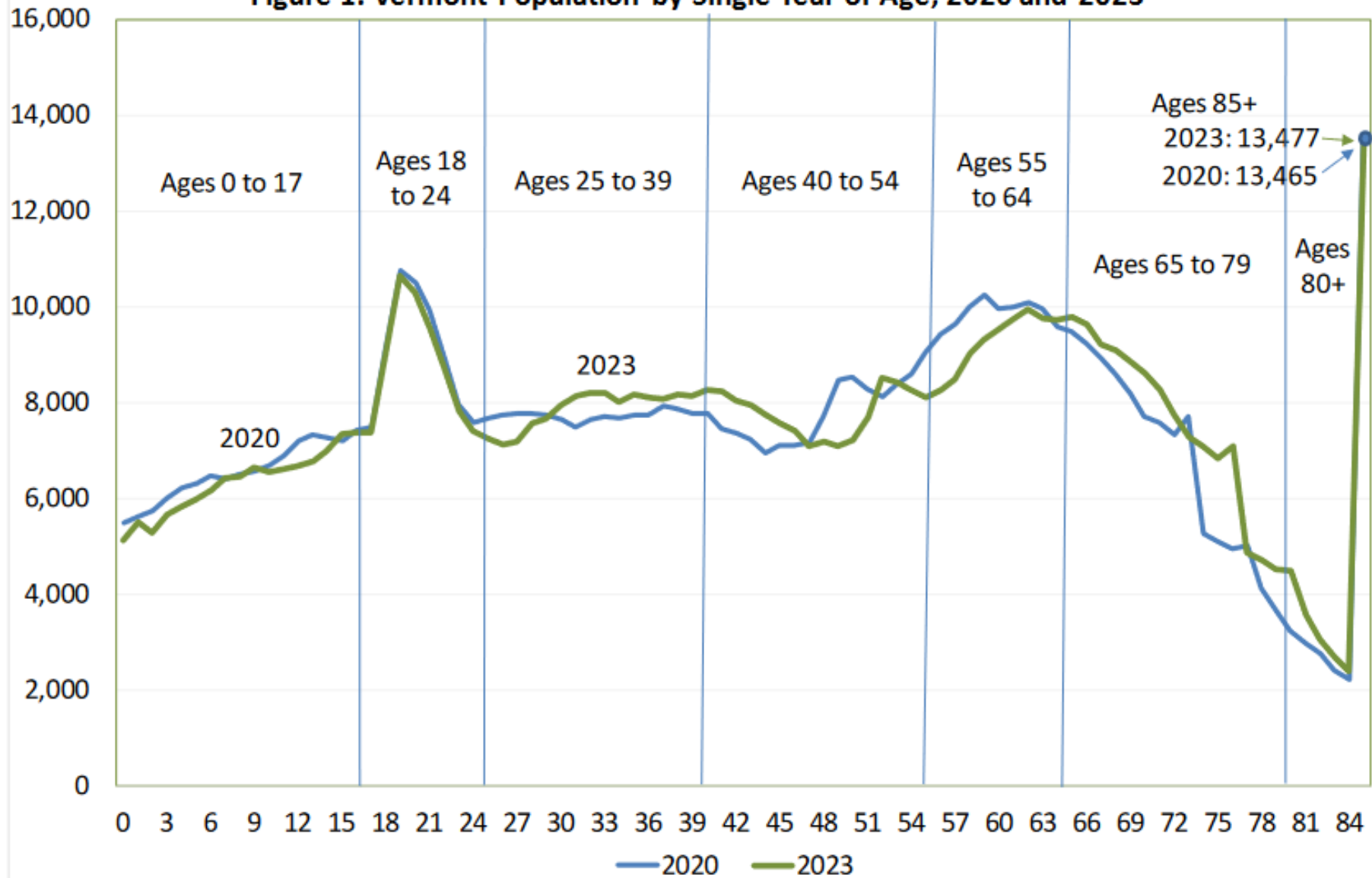


Vermont's Children

- The numbers of both very-young and school age children dropped from 2020 to 2023.
 - Those ages 0 to 4 dropped by about 1,650, or 5.8% - and births in 2023 remained below pre-pandemic levels.
 - Those ages 5 to 17 fell by more than 4,000, or 3.4%.



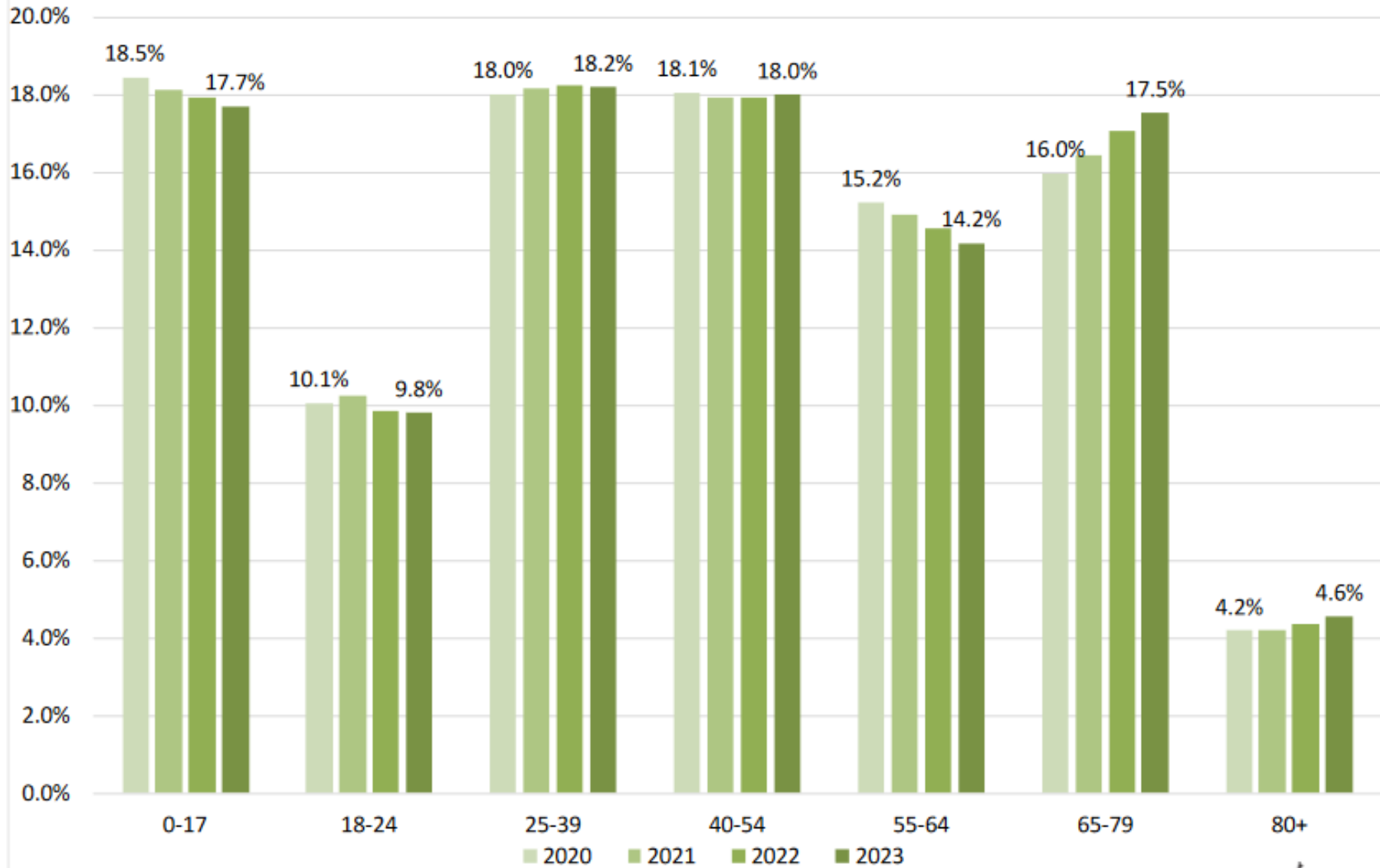
Figure 1. Vermont Population by Single Year of Age, 2020 and 2023



Source: Census Bureau, Annual Estimates of the Resident Population by Single Year of Age and Sex for Vermont: April 1, 2020 to July 1, 2023 (SC-EST2023-SYASEX-50); <https://www.census.gov/data/tables/time-series/demo/popest/2020s-state-detail.html>



Figure 2. Shares of Vermont's Population by Age Group, 2020-2023



Source: Census Bureau, Annual Estimates of the Resident Population by Single Year of Age and Sex for Vermont: April 1, 2020 to July 1, 2023 (SC-EST2023-SYASEX-50); <https://www.census.gov/data/tables/time-series/demo/popest/2020s-state-detail.html>



Net Migration vs. Population Change



Net Migration vs. Population Change

- Since 2021, Vermont has experienced more domestic in-migration than out-migration, meaning more people from other U.S. states moved into Vermont than moved out to live in other states.
- From 2022 to 2023, almost 850 more residents moved into Vermont from other states than left.
 - Going further back, from 2020 to 2023 the number of net in-migrants was about 6,750.
- International in-migration from 2022 to 2023 netted Vermont an increase of more than 1,300 new Vermonters.
- Both domestic and international migrants netted over 2,150 new Vermonters since 2022.
 - However, in-migration does not tell the full story about how Vermont's population is changing.



Net Migration vs. Population Change

- Births and deaths are the other factors that affect Vermont's population change.
 - Between 2022 and 2023, births to Vermont residents were 5,072,
 - while the number of death were 6,876,
 - which resulted in a natural population loss of 1,804.
- Vermont's population would have decreased by more than 1,800 in the absence of any in-migration.
- In-migration was even more important to Vermont's population growth during the pandemic period (April 1, 2020 to July 1, 2023).
 - The natural population change was an approximate decrease of about 5,200, while net-migration contributed more than 9,500 new residents, for a net increase of approximately 4,400.



Table 2. Annual and Cumulative Estimates of the Components of Resident Population Change in Vermont

| Geographic Area | Total Population Change* | Vital Events | | | Net Migration | | |
|--|--------------------------|----------------|--------|--------|---------------|---------------|----------|
| | | Natural Change | Births | Deaths | Total | International | Domestic |
| Annual Estimates: July 1, 2022 to July 1, 2023 | | | | | | | |
| Vermont | 354 | -1,804 | 5,072 | 6,876 | 2,156 | 1,312 | 844 |
| Cumulative Estimates: April 1, 2020 to July 1, 2023 | | | | | | | |
| Vermont | 4,387 | -5,191 | 16,913 | 22,104 | 9,503 | 2,757 | 6,746 |
| * Includes an unexplained residual. | | | | | | | |
| Source: U.S. Census Bureau, Components of Resident Population Change in Vermont, March 2024. | | | | | | | |



| Annual and Cumulative Estimates of the Components of Resident Population Change in Vermont | | | | | | | |
|---|---------------------------------|-----------------------|---------------|---------------|----------------------|----------------------|-----------------|
| Geographic Area | Total Population Change* | Vital Events | | | Net Migration | | |
| | | Natural Change | Births | Deaths | Total | International | Domestic |
| Annual Estimates: July 1, 2023 to July 1, 2024 | | | | | | | |
| Vermont | -215 | -1,723 | 5,039 | 6,762 | 1,513 | 2,024 | -511 |
| Cumulative Estimates: April 1, 2020 to July 1, 2024 | | | | | | | |
| Vermont | 5,411 | -6,792 | 21,996 | 28,788 | 12,198 | 6,038 | 6,160 |
| *Includes an unexplained residual. | | | | | | | |
| Source: U.S. Census Bureau, Components of Resident Population Change in Vermont, December 2024 | | | | | | | |



Household Income in Vermont

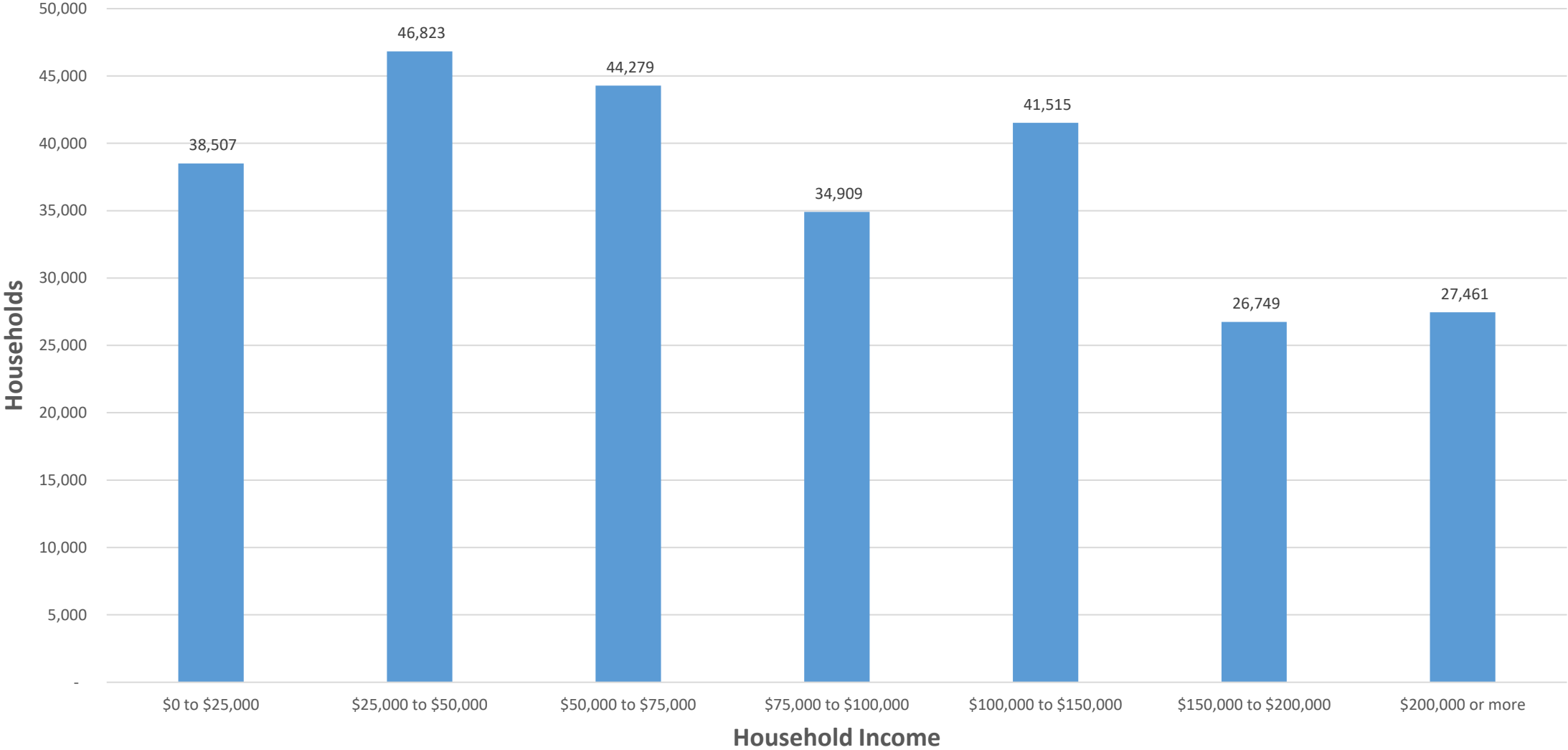


Household Income in Vermont

- Household Income tends to vary by age in Vermont and nationally.
- Typically, households with the primary householder between the ages of 45 and 64 have the highest income.
 - These households tend to have members that are mid- to late-career when employment income tends to peak.
 - 52% of VT households with income over \$200,000 are headed by someone between the ages of 45 and 64.
- Young and older Vermonters disproportionately make up the group of Vermont households with income of \$25,000 or less.
 - 29% of VT households headed by someone under 25 have income less than \$25,000
 - 21% of VT households headed by someone over 65 have income less than \$25,000



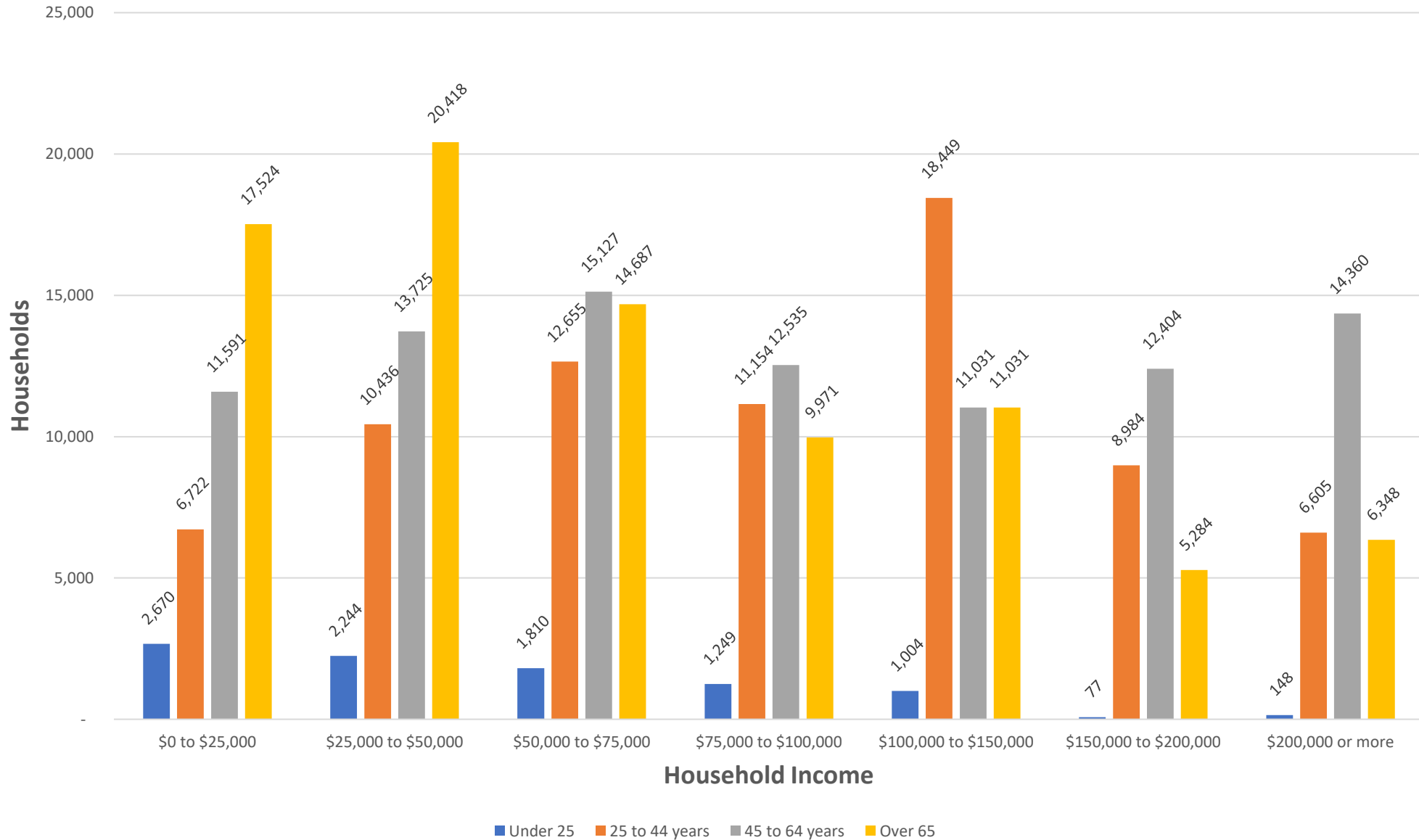
Household Income in Vermont



Source: 2023 5-year American Community Survey, table B19037



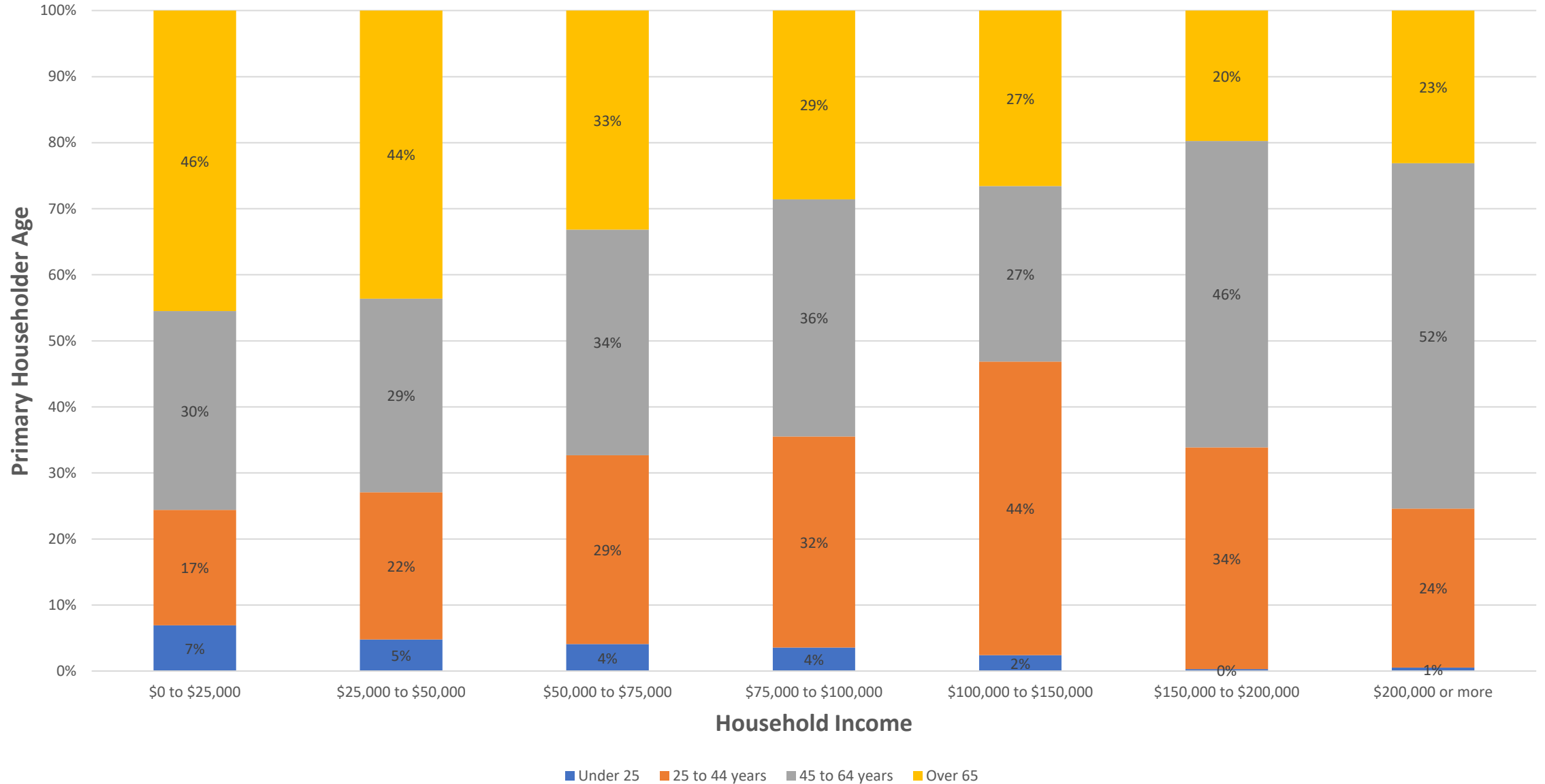
Household Income by Age of Primary Householder



Source: 2023 5-year American Community Survey, table B19037



Share of Age of Primary Householder by Household Income Group

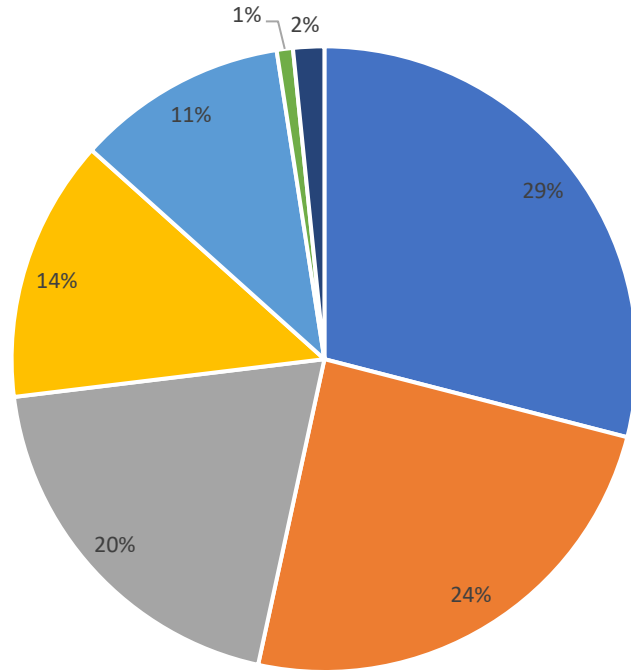


Source: 2023 5-year American Community Survey, table B19037



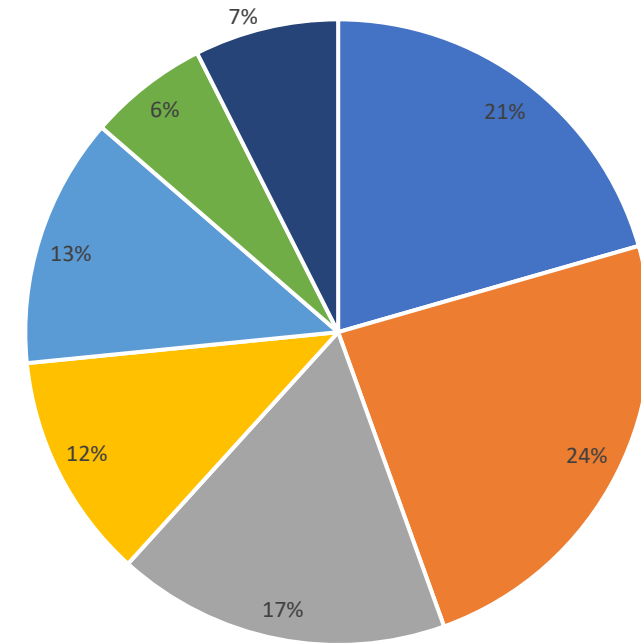
Household Income Group by Age

Primary Householder
Under 25



■ \$0 to \$25,000
 ■ \$25,000 to \$50,000
 ■ \$50,000 to \$75,000
 ■ \$75,000 to \$100,000
■ \$100,000 to \$150,000
 ■ \$150,000 to \$200,000
 ■ \$200,000 or more

Primary Householder
Over 65



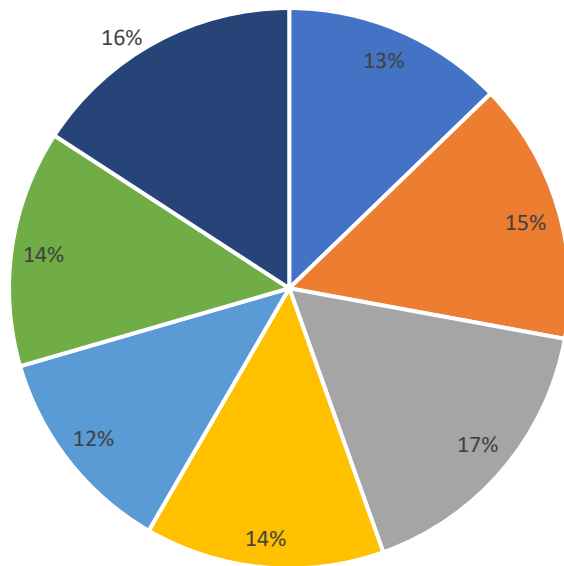
■ \$0 to \$25,000
 ■ \$25,000 to \$50,000
 ■ \$50,000 to \$75,000
 ■ \$75,000 to \$100,000
■ \$100,000 to \$150,000
 ■ \$150,000 to \$200,000
 ■ \$200,000 or more

Source: 2023 5-year American Community Survey, table B19037



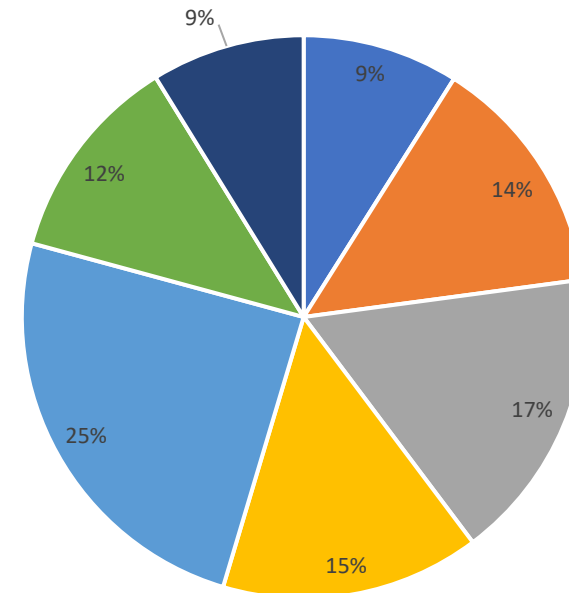
Household Income Group by Age

Primary Householder
45 to 64



■ \$0 to \$25,000
 ■ \$25,000 to \$50,000
 ■ \$50,000 to \$75,000
 ■ \$75,000 to \$100,000
■ \$100,000 to \$150,000
 ■ \$150,000 to \$200,000
 ■ \$200,000 or more

Primary Householder
25 to 44



■ \$0 to \$25,000
 ■ \$25,000 to \$50,000
 ■ \$50,000 to \$75,000
 ■ \$75,000 to \$100,000
■ \$100,000 to \$150,000
 ■ \$150,000 to \$200,000
 ■ \$200,000 or more

Source: 2023 5-year American Community Survey, table B19037



Wage Measures in Vermont



Vermont Basic Needs Budget: Big Picture

- The Basic Needs Budget and Livable Wage Report's purpose is to calculate the cost to afford a household's basic needs in Vermont and the wage required to afford those needs without public assistance.
- The report is not meant to be a mandate, but rather another source of comparative data when considering wage levels in Vermont.



2024 Basic Needs Budgets and Vermont Livable Wage

| Urban basic needs budgets - 2022 to 2024 | | | | | | |
|---|----------|-----------|--|----------|-----------|-------------------------|
| Family Type | 2022 | | | 2024 | | % change - 2022 to 2024 |
| | hourly | annual | | hourly | annual | |
| Single Person | \$ 20.03 | \$ 41,653 | | \$ 23.98 | \$ 49,873 | 19.7% |
| Single Person, shared housing | N/A | N/A | | \$ 19.53 | \$ 40,614 | N/A |
| Single Person, One Child | \$ 35.50 | \$ 73,850 | | \$ 35.80 | \$ 74,466 | 0.8% |
| Single Person, Two Children | \$ 45.92 | \$ 95,512 | | \$ 43.06 | \$ 89,573 | -6.2% |
| Two Adults, No Children | \$ 15.11 | \$ 31,431 | | \$ 17.81 | \$ 37,040 | 17.9% |
| Two Adults, Two Children (one wage earner) | \$ 37.43 | \$ 77,860 | | \$ 44.24 | \$ 92,015 | 18.2% |
| Two Adults, Two Children (two wage earners) | \$ 25.97 | \$ 54,015 | | \$ 25.08 | \$ 52,172 | -3.4% |
| **Wages for two-adult households are per person** | | | | | | |



2024 Basic Needs Budgets and Vermont Livable Wage

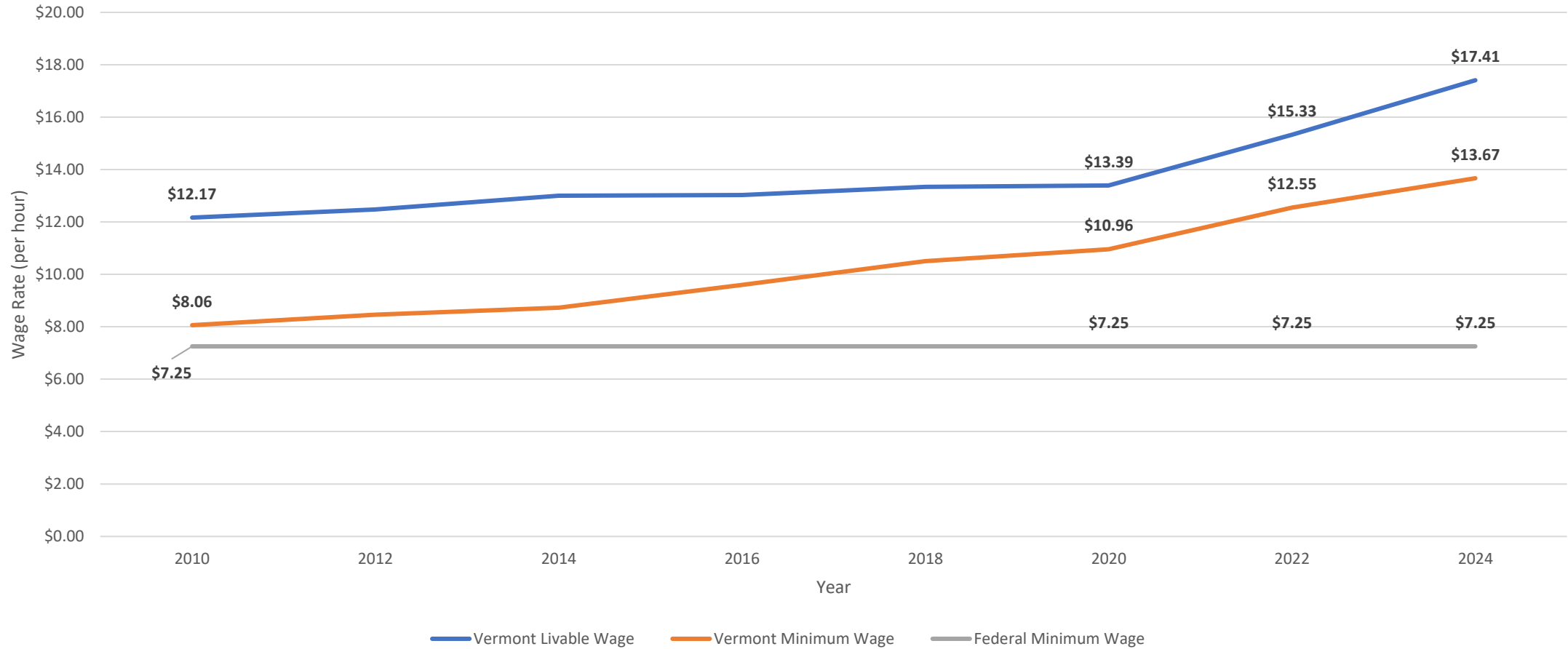
| Rural basic needs budgets - 2022 to 2024 | | | | | | |
|---|---------------|---------------|---------------|---------------|--------------------------------|--|
| Family Type | 2022 | | 2024 | | % change - 2022 to 2024 | |
| | hourly | annual | hourly | annual | | |
| Single Person | \$ 18.80 | \$ 39,107 | \$ 21.32 | \$ 44,346 | 13.4% | |
| Single Person, shared housing | N/A | N/A | \$ 17.68 | \$ 36,782 | N/A | |
| Single Person, One Child | \$ 31.00 | \$ 64,484 | \$ 29.87 | \$ 62,127 | -3.6% | |
| Single Person, Two Children | \$ 39.47 | \$ 82,090 | \$ 36.91 | \$ 76,782 | -6.5% | |
| Two Adults, No Children | \$ 15.55 | \$ 32,341 | \$ 17.01 | \$ 35,373 | 9.4% | |
| Two Adults, Two Children (one wage earner) | \$ 36.71 | \$ 76,360 | \$ 41.03 | \$ 85,335 | 11.8% | |
| Two Adults, Two Children (two wage earners) | \$ 24.32 | \$ 50,595 | \$ 23.48 | \$ 48,832 | -3.5% | |

Wages for two-adult households are per person



Tracking Livable Wage Rates from 2010 to 2024

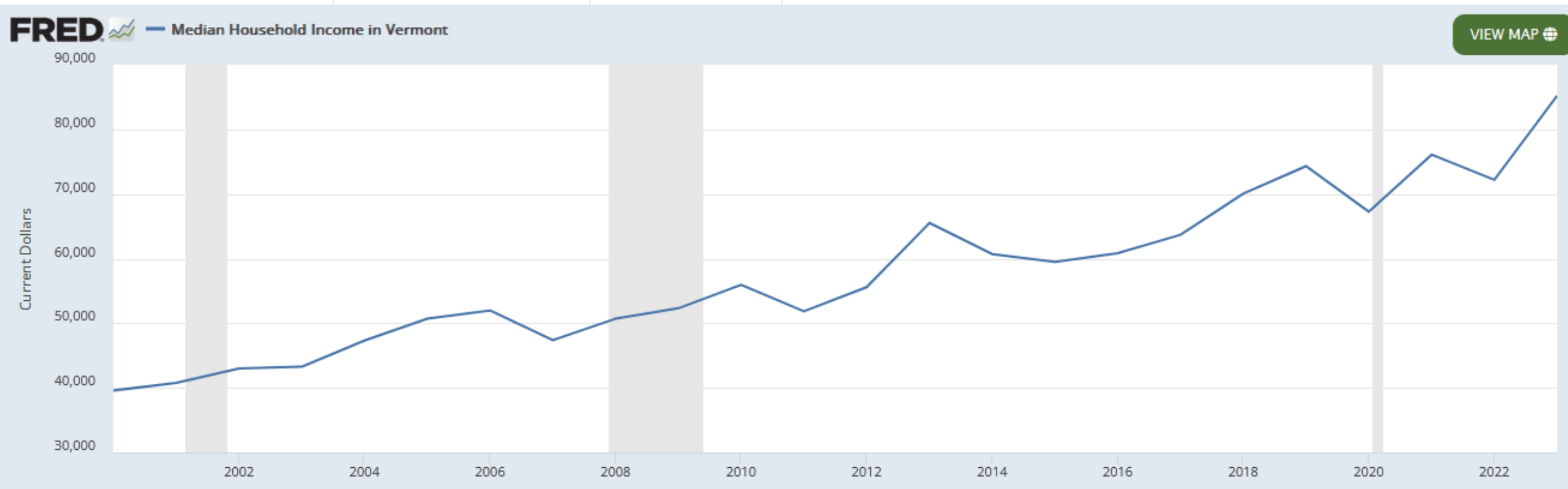
Brief History of Wage Rates - 2010 to 2024



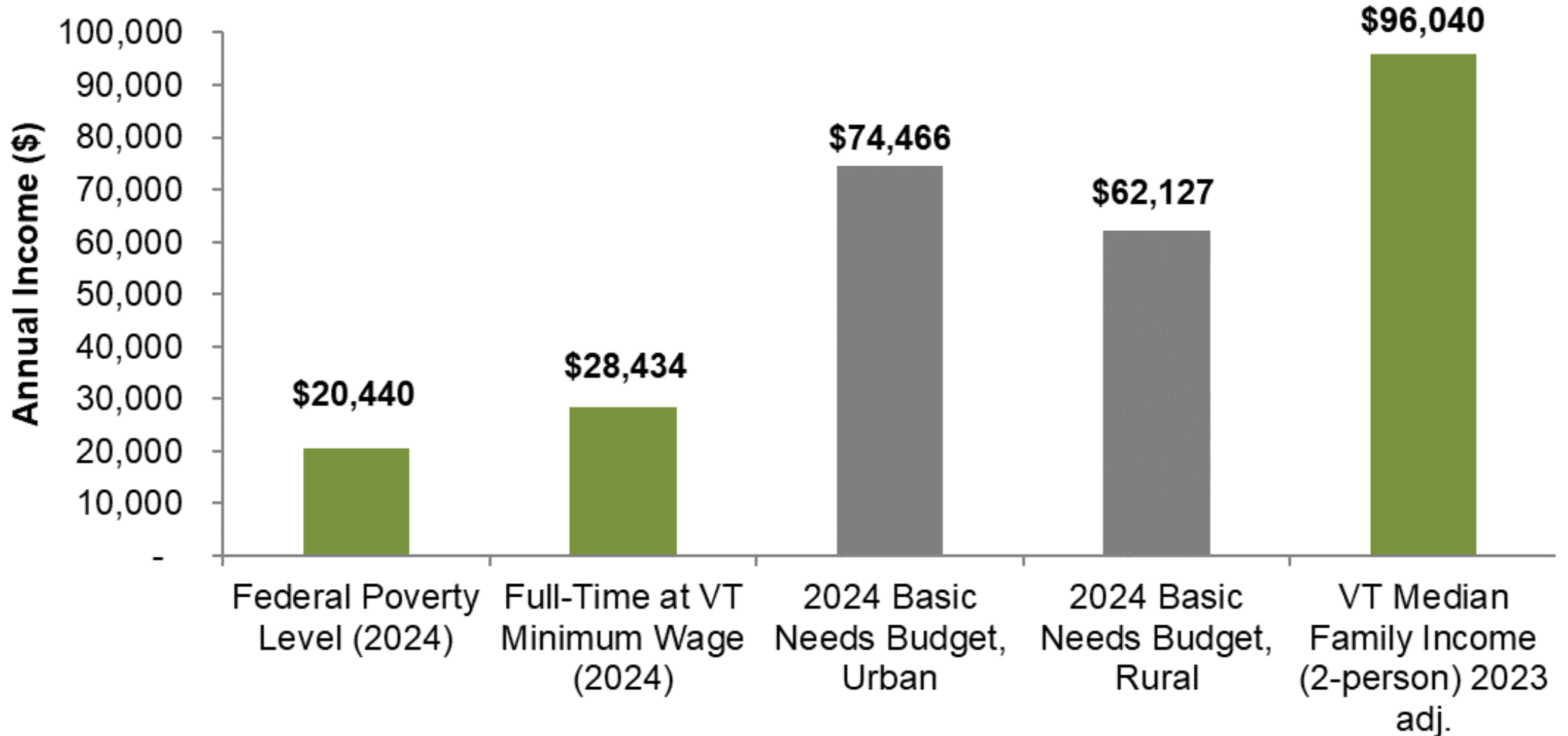
Note: For the purpose of this chart the shown Vermont Livable Wage refers to the pre-2024 definition of the Livable Wage. Two adults, no children.



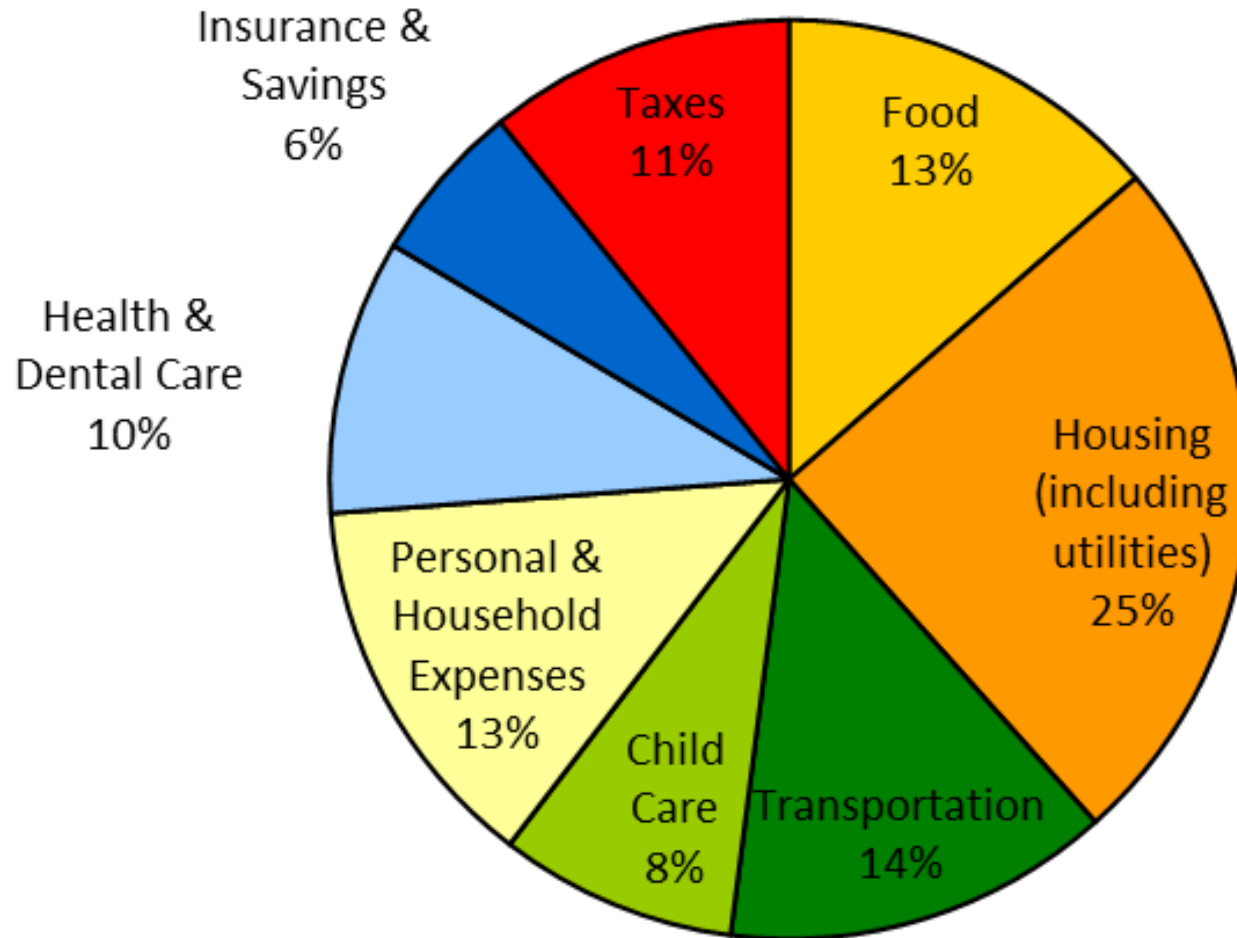
Median Household Income in Vermont 2000 to 2023



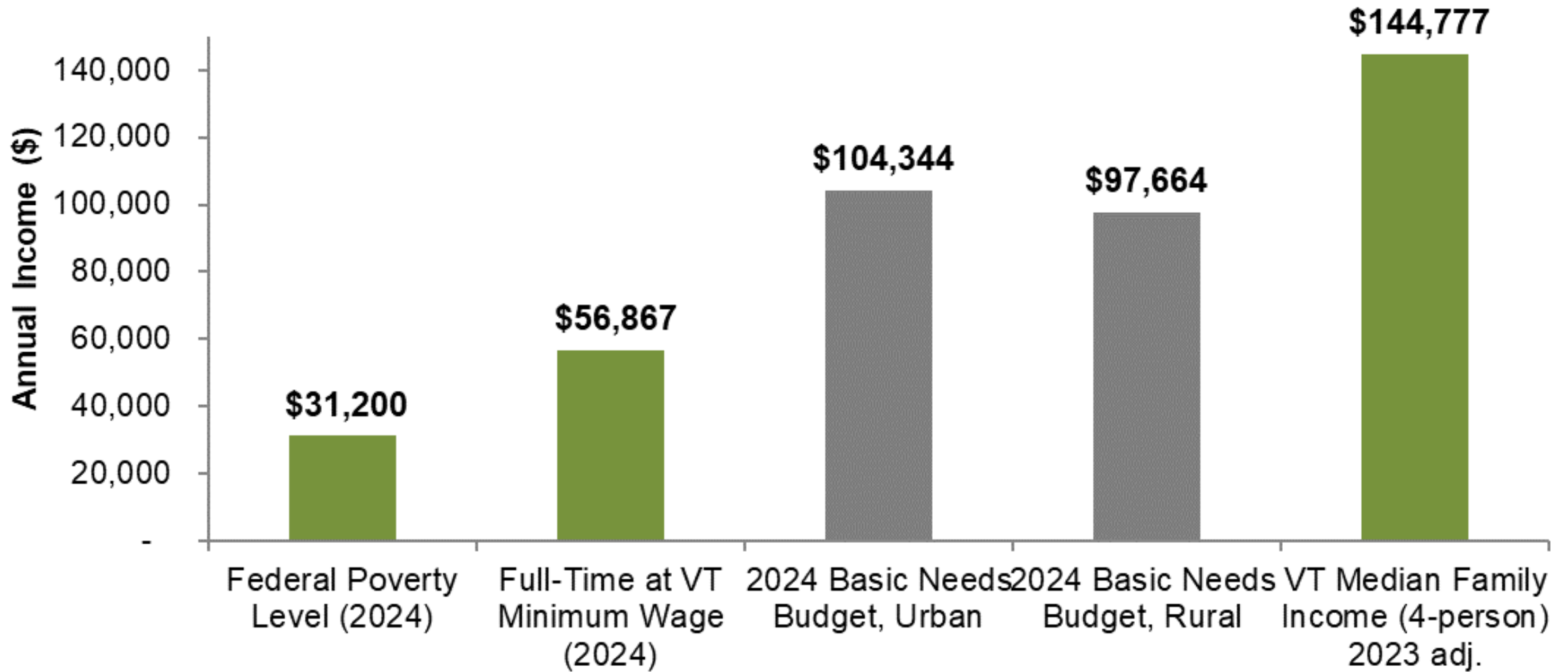
Single Adult, One Child Wage Comparison



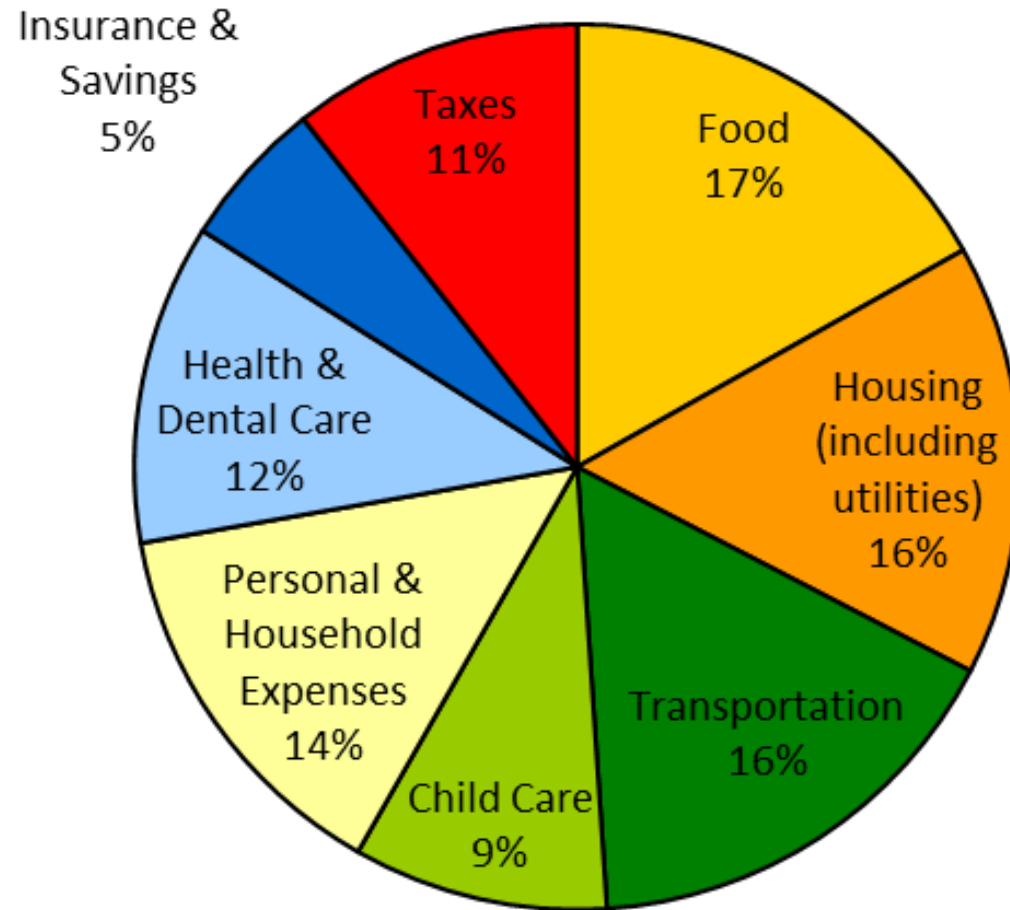
Single Adult, One Child BNB Breakdown



Two Adults, Two Children Wage Comparison



Two Adults, Two Children BNB Breakdown



Considerations for Legislators



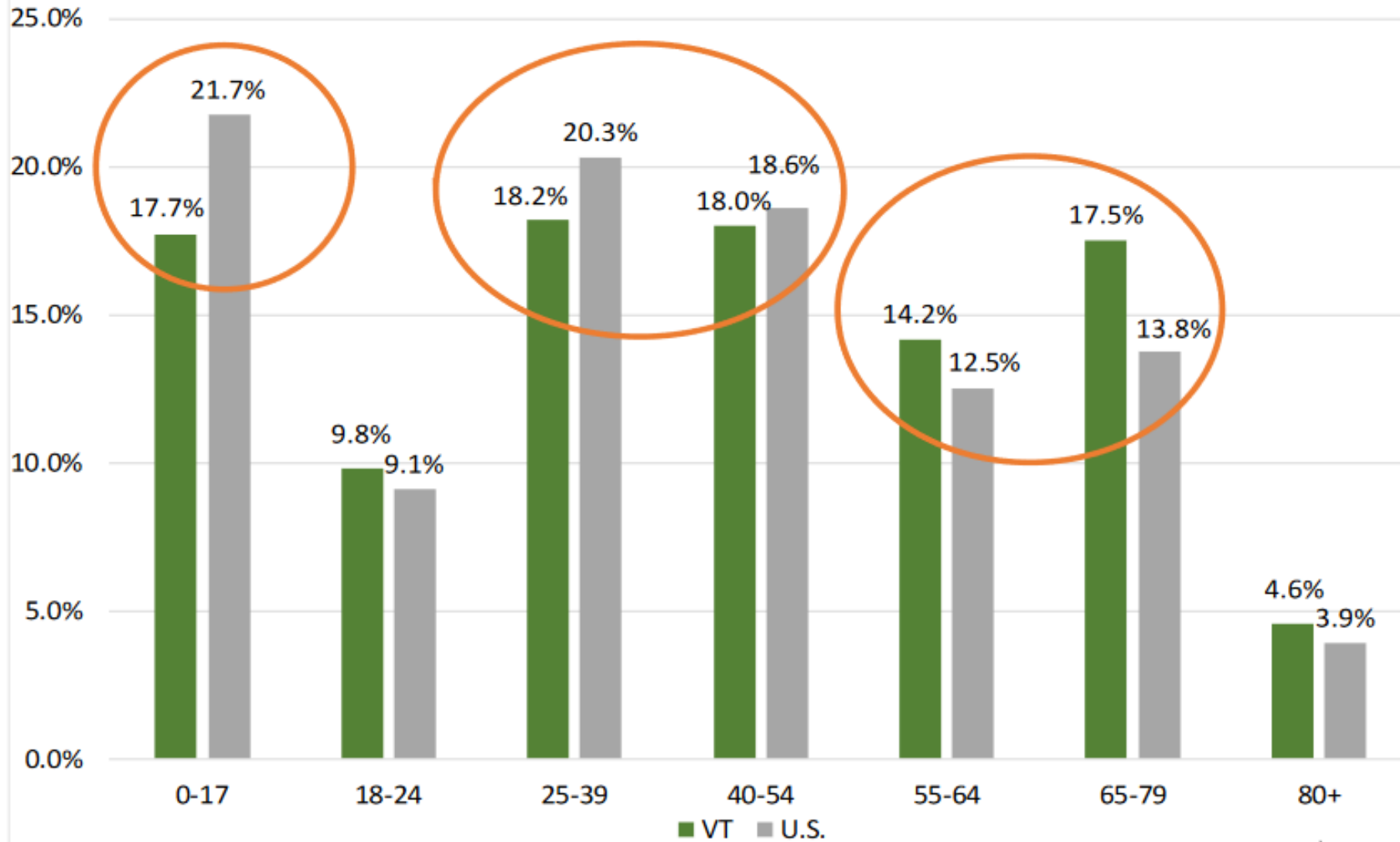
Considerations for Legislators

- **Is Vermont's aging situation different from the United States overall?**

- VT has a lower share of children than the US overall (17.7% to 21.7%).
- VT continues to attract young people of college age compared to the US overall (9.8% to 9.1%).
- VT has smaller shares of young (18.2%) and middle-aged (18.0%) adults than the US overall (20.3% and 18.6% respectively).
- VT has a much higher share of people 55 to 64 (14.2% to 12.5%) and 65 to 79 (17.5% to 13.8%) than the US overall.
- At the oldest ages, age 80 and above, VT's share (4.6%) was larger than the US overall share (3.9%).



Figure 3. Shares of the Vermont and U.S. Populations by Age Group, 2023



Source: Census Bureau, Annual Estimates of the Resident Population by Single Year of Age and Sex for Vermont and the United States: July 1, 2023 (SC-EST2023-SYASEX-50 and NC-EST2023-AGESEX-RES).



Considerations for Legislators

- **Will demographic changes lead to smaller growth in State revenues?**
 - As reported in the Vermont Tax Study 2005-2015, the 45 to 54 and 55 to 64 age groups paid the highest effective tax rate (3.7%). As the baby boomer cohort continues to age out of higher earnings age groups, income tax revenue may decline.
 - Lower sales tax collections may accrue as well. Spending for aging populations shifts purchases away from goods to services, such as health care, which are not taxed or taxed lightly.



Considerations for Legislators

- **How can Vermont's economy best adapt to its changing demographics?**

- Increasing in-migration of young working-age people.
- Investing in infrastructure such as health care, broadband, housing, and climate change adaptation and mitigation to enable smooth relocation for remote workers and others interested in VT amenities.
- Planning for comprehensive approaches to support and aging population across health care, human services, housing, transportation, workforce, income security and safety.
- Reviewing programs to support healthy aging.
- Transportation services to help older adults.
- Updating support systems and programs that strengthen community to mitigate the multiple challenges older adults face, such as health risks and social isolation.



Questions?

