

Forecast for States in 2024.

From the expertise derived working at the intersection of the legislative and executive branches, with public and private sector input.

By Julia Brossart, NLGA Director | December 21, 2023

The top issues in states in 2024 are forecast to be housing, workforce, food security, technology, infrastructure, and more, according to the work of the National Lieutenant Governors Association (NLGA). These issues will be debated against the ever-present backdrop of state budgets (and their requirements) and the 2024 election cycle selecting a U.S. President and governors in 11 states and 2 U.S. territories.

More than half of NLGA's members preside over the state senate, while still more are the governor's legislative liaison, placing the office of lieutenant governor squarely at the intersection of both the executive and legislative branches. NLGA tracks the work of NLGA members, legislatively and as part of the sitting state administrations, and NLGA surveyed more than 30 public, private, and non-profit members, to develop this forecast for states in 2024.

Budgets

Forty-nine (49) states have some balanced budget requirement, though these vary in stringency and effect. The National Conference of State Legislatures (NCSL) says Medicaid takes up about 30% of state budgets. While states have, generally, solidified finances - up to and including beefing up Rainy Day Funds - 2024 revenue forecasting is uncertain. Workforce participation and interest and credit card rates are among the drivers of the future financial uncertainty. In Mississippi, the governor and legislators are at odds over recent revenue estimates. In Vermont, tax officials forecast an 18.5% property tax increase driven largely by projected education expenses and the phasing out of pandemic relief cash shifting to state dollars.

Elections

Elections, like those the nation will have in 2024, can bring both polarization and platforms to the forefront. A Presidential election directs attention to party platforms. Advertising, debates, and near non-stop Presidential election coverage also place select items in the news, often issues which polarize. With 44 states holding down-ballot legislative and governor elections, state debates are likely to be influenced by overall election activity.

Housing

Housing and workforce jockey for the top issue of 2024. A lack of housing that people can afford impacts families, individuals, the workforce, health, and more. An array of strategies are being considered to address the issue from incentivizing building and allowing greater density to financing innovations and careful examination of recommended zoning and other regulatory items before adoption.

Workforce housing generally refers to affordable housing in reasonable proximity to the workplace. Some companies, even overall industries, are opting to build housing themselves or to enter creative partnerships for such housing to be built.

Workforce

Adding to the housing challenge is a shortage of home builders. The median age of members of the National Association of Homebuilders is 57, with the aging population of trade workers being a major contributor to the labor shortfall. Likewise, a shortage of 400,000 HVAC technicians is expected over the next decade. States also face workforce shortages in other trades, across health care and emergency workers, education, in child care, agriculture, and even in government itself. All this as the U.S. shifts from an industrial to digital economy with its own shortfall of 67,000 technicians, computer scientists, and engineers by 2030, according to the Semiconductor Industry Association.

States are working to address quality and needed education and educators, to stimulate STEM interest and education, and to advance certification opportunities, skills development, and professional licensing reform. States are partnering with universities, community colleges, certified online educators, and proven assessors to make quality skills training and outcomes available to all. Maryland implemented a 1st-in-the-nation, state-funded, 1-year service option for high school graduates. NLGA Members promote STEM education by awarding annual STEM scholarships directly to classrooms.

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Agriculture and Food

One in 7 children in the U.S. face hunger, says Feeding America, and food insecurity is currently high. Globally, the United Nations projects that food production from plants and animals will need to increase 70% by 2050 to feed the world's growing population. States are addressing this issue through creative work with co-operatively and independently owned grocers, by providing meals at school, and by encouraging the application of technology in agriculture. Precision agriculture leverages technology to enhance sustainability through more efficient use of land, water, fuel, fertilizer, and pesticides. Technology in agriculture may also include gene editing tools for seeds, farm automation, and more.

Technology

As states work to roll out 'last-mile' high speed internet, these same officials simultaneously receive near daily news of growth in generative artificial intelligence (AI) or new online challenges for children. Technology issues abound - from AI to TikTok and advanced robotics to advanced manufacturing. The federal government will continue implementation of the CHIPS Act in 2024 to strengthen domestic semiconductor manufacturing, design and research, and to reinforce America's chip supply chains for technology.

State leaders in 2024 will continue to assess regulation, promotion, and use of technology. States may look to support tech start-ups, promote privacy via data anonymization, and limit children's access to certain online apps and programs (ie. social media). States may promote recycling, specifically of batteries, to reclaim critical metals such as cobalt and lithium needed for technology manufacturing. States will face new choices in using technology, such as whether to use paid influencers to promote tourism.

Across the board, though, state, private sector, and non-profit leaders agree that the use of objective, measurable data to both make decisions and gauge return on investment remains essential in 2024.

Infrastructure

The expansion of high-speed broadband is the underlying essential of technology use. States and localities will continue this expansion in 2024. At the end of 2021, the federal government passed a Bipartisan Infrastructure Plan which is the largest infrastructure investment at the federal level since at least the late 1970s and early 1980s. The projects those plans fund will continue to be seen and felt in states in 2024.

Health Care

Health care is not yet on this forecast, and yet it is everywhere. The social determinants of health include healthcare access, education, social and community context, jobs and economic stability, and housing and the built environment. Viewed through the lens of the social determinants of health, all the top issues determine health care. And, not only is the U.S. workforce aging, society is aging.

In 2024, states will address aging at home, issues surrounding dementia, and access to brand name, generic, and over the counter drugs. For example, 90% of Americans live within 5-miles of a pharmacy making pharmacies consistent and accessible for, perhaps, increased health care offerings and basic food needs. In Colorado, leaders will work on a technology system to allow doctors to 'prescribe programs, not pills,' when patients have needs beyond the immediate ailment.

Other Issues:

- Energy will remain an issue from grid reliability to the use of hydrogen, and the safe delivery of natural gas via virtual pipelines when pipeline infrastructure is constrained or not available.
- Overall, states will address aspects of emergency preparedness and resiliency in 2024.
- States will continue to address the opioid crisis through recovery assistance and increased criminal penalties for selling and trafficking fentanyl.

One leader noted that 2024 will include the implementation of items signed in to law in 2023, saying, – **don't just do it, but do it well.**

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