

A Status Report on Maryland from the American Community Survey

Unemployment is down, income has stopped falling, more people have health insurance, and a smaller percentage of homeowners are “cost burdened.” That is some of the good news. But...unemployment remains stubbornly high for a recovery period, income is still well below pre-recession levels and labor force participation continues to fall. That is some of the not so good news.

The Great Recession – the longest sustained decline in economic activity in the United States since the Great Depression of the 1930s - officially lasted from December 2007 to June 2009. But the legacy of that 18-month period of decline has been a lot longer due to a stubbornly slow recovery that has been in place since mid 2009.

The annual American Community Survey (ACS) – the U.S. Census Bureau’s nationwide monthly survey of 295,000 addresses covering demographic, social, economic and housing data – and which has just been released for calendar year 2012, is a good instrument to measure how far we have come since the advent of the Great Recession but also how far we have left to go in order to recover all that was lost from this Great Recession. Below are some highlights for Maryland from the 2012 American Community Survey, with comparisons back to 2008.

ECONOMIC:

- In a positive sign for the economy, Maryland’s **unemployment rate** has finally stopped rising and showed a statistically significant fall over the last year. The 2012 unemployment rate of 8.3 percent was well below the 8.9 percent rate of 2011, the first drop in four years. However, in a sign of how far the state has to go to regain its pre-recession economic vigor, the 2012 unemployment rate is well above the 5.3 percent rate in 2008.
- The **labor force participation rate**, or the percent of the population ages 16 and over in the labor force (either employed or unemployed) continues to fall, although the change in the last year was not statistically significant. In 2012 Maryland’s labor force participation rate was 68.8 percent, well below what it was in 2008 (70.4%).
- The way Marylanders **commute to work** has seen little change over the last four years. The overwhelming share of commuters in 2012 drove alone (73.4%), while 9.8 percent carpooled, 8.9 percent took public transportation and 4.2 percent worked at home. Only the share of carpoolers and workers at home is statistically different from 2008, with the carpoolers showing a 1.0 percentage point drop and workers at home a 0.4 percentage point increase.
- **Average travel time** has not had a statistically significant change in two years. Yet at 31.9 minutes in 2012 it was the highest in the country. The 2012 figure is 0.4 minutes above the 2008 average, a statistically significant change.

- In a somewhat encouraging sign, **median household income** did not have a statistically significant drop in the last year, for the first time in four years. Yet, the state's median household income in 2012 (\$71,122, and the highest in the U.S.) is \$3,557 (-4.8%) below what it was in 2008 when measured in constant 2012 dollars.
- Declining along with the overall median household income has been the percent of households who have **earnings income** (essentially income from work). In 2012, 81.8 percent of households had earnings income, down from 84.2 percent in 2008. As with median household income, the small drop between 2011 and 2012 was not statistically significant.
- Along with the decline in the share of households with earnings, has been an increase in the share of households receiving **social security** benefits. In 2012, 26.1 percent of all Maryland households now receive social security benefits, up from 23.8 percent in 2008. All of the annual changes between 2008 and 2012 have been statistically significant. An aging population, as well as a less than robust job market, has contributed to this increase.
- More directly related to the less than robust job market and declining incomes is the increase in households receiving **food stamp/SNAP benefits**. In 2012, 11.1 percent of all Maryland households received these benefits, more than double the share of 5.5 percent in 2008. Additionally, the most recent increase between 2011 (9.9%) and 2012 (11.1%) was statistically significant.
- While there is no statistically significant change in the **poverty rate** for Maryland residents between 2011 and 2012, the 2012 poverty rate of 10.3 percent is well above the 8.0 percent rate in 2008. Poverty rates were highest in 2012 for all of the related children measures: under age 18 (13.5%), under five years (16.1%) and ages 5 to 17 (12.5%). The poverty rate for the elderly, ages 65 and over, were the lowest of any age group at 7.6 percent in 2012, and was the only group that did not have a statistically significant increase from 2008.
- The percent of Marylanders with **health insurance** increased to 89.7 percent in 2012, a statistically significant increase from the 89.2 percent in 2008. However, this increase is the result of the increasing share of residents with **public health insurance** (Medicaid and Medicare), as the percentage of residents with **private health insurance** dropped. Residents with private health insurance in 2012 (73.5%) is 4.6 percentage points below what it was in 2008 (78.1%). The share of residents with public coverage had statistically significant increases in each of the last four years, and now stands at 27.6 percent, five percentage points higher than in 2008. As a result of these changes, the percent of residents **without any insurance** has dropped to 10.3 percent in 2012, a half of percentage point below what it was in 2008.

SOCIAL:

- As has been noted in the past, the weak job market has led to increased **educational attainment**, as more people stay in school gaining the skills and training which will make them

more marketable. In 2012 the share of Maryland residents ages 25 and older with a bachelor's degree or higher was 36.9 percent, the same as in 2011, but a statistically significant increase from 2008 (35.2%). Also, the percent of the adult population with a graduate or professional degree in 2012 (16.9%) is statistically different from 2008 (15.5%).

- There was no statistically significant increase in Maryland's **foreign born population** between 2011 and 2012. The 2012 foreign born share of 14.3 percent, though, was up from the 12.4 percent share in 2008.
- Corresponding with the increase in the foreign born has been the rise in those that speak English "less than very well." In 2012, 6.4 percent of Maryland residents spoke English less than very well, a statistically significant increase from the 5.9 percent in 2008.

HOUSING:

- The **average household size** in Maryland has increased from 2.62 in 2008 to 2.66 in 2012 as household formation has been stymied by the Great Recession, but there has been no statistically significant change since 2009.
- The increase in **average family size** has been a bit more pronounced, rising from 3.21 in 2008 to 3.26 in 2012 as young adults moved back home. There was no statistically significant change between 2011 and 2012.
- The **overall vacancy rate** showed a statistically significant drop between 2011 (10.7%) and 2012 (9.9%), the first drop in the last four years. **Homeowner vacancy rates** are relatively low in 2012 (1.8%), not a statistically significant difference from 2008 (2.1%).
- **Rental vacancy rates** have declined over the last several years after peaking in 2009 at 9.1 percent. The 2012 rate of 7.0 percent is not statistically different from 2011 (7.1%).
- The **median value of owner-occupied homes** continues to fall but at a slower pace. The 2012 self-reported median value of \$279,900 was \$7,200 (-2.5 %) below the 2011 median value of \$287,100, the smallest drop in the last four years. Overall, median values of owner-occupied homes are off by \$61,400, or 18.0 percent, from 2008 when measured in 2012 constant dollars.
- **Median monthly owner costs** for units with a mortgage continued to fall in 2012, with the \$1,918 median monthly value \$85, or 4.2 percent, below 2011 figures. Median monthly costs peaked in 2009 at \$2,184. Since 2009, these costs have fallen by \$266, or 12.2 percent, when measured in constant dollars driven by both the declining value of homes as well as lower mortgage interest rates.

- Unlike owner costs, **median rental costs** have been up and down, with the high point of \$1,189 occurring in 2010. The 2012 median rental cost of \$1,170 is the same as in 2011 and represents a statistically significant drop of \$19 (-1.6%) from 2010.
- With both incomes and owner-occupied housing costs falling, **the percent of owners paying more than 35 percent of their incomes for housing** continues to fall. The percent of homeowners with a mortgage paying 35 percent or more of their income for housing was 24.9 percent in 2012, a statistically significant drop from each of the previous four years. In 2008, 29.8 percent of homeowners were “cost burdened” paying more than 35 percent of their income for housing costs.
- In contrast to homeowners, **the share of renters paying 35 percent of their incomes for rental costs** has fluctuated over the last four years. The 2012 share of 41.1 percent is a statistically significant drop from the 43.9 percent in 2011 (the recent peak), but not statistically different from the 40.0 percent in 2008.

Annual Estimates for Maryland from the 2008 to 2012 American Community Survey

	Estimates					Statistical Significance			
	2012	2011	2010	2009	2008	2012 - 2011	2012 - 2010	2012 - 2009	2012 - 2008
ECONOMIC									
LABOR FORCE									
Percent Unemployed	8.3%	8.9%	8.8%	8.0%	5.3%	*	*		*
Labor Force Participation Rate	68.8%	68.9%	69.5%	69.9%	70.4%		*	*	*
COMMUTING TO WORK									
Car, truck, or van -- drove alone	73.4%	73.3%	73.0%	73.4%	73.2%				
Car, truck, or van -- carpooled	9.8%	10.1%	10.7%	10.0%	10.8%		*		*
Public transportation (excluding taxicab)	8.9%	9.2%	8.6%	8.8%	8.6%				
Worked at home	4.2%	4.1%	4.3%	4.1%	3.8%				*
Mean travel time to work (minutes)	31.9	32.2	31.8	31.3	31.5			*	*
INCOME									
Median Household Income (in 2012\$)	\$71,122	\$71,298	\$72,506	\$74,195	\$74,679		*	*	*
Households with earnings	81.8%	82.0%	82.8%	83.4%	84.2%		*	*	*
Households with Social Security	26.1%	25.5%	24.9%	24.6%	23.8%	*	*	*	*
Households with Food Stamp/SNAP benefits in the past 12 months	11.1%	9.9%	8.4%	7.0%	5.5%	*	*	*	*
POVERTY RATE									
All people	10.3%	10.1%	9.9%	9.1%	8.0%			*	*
Related Children under 18 years	13.5%	13.2%	12.7%	11.3%	9.7%			*	*
Related Children under 5 years	16.1%	15.7%	15.4%	14.5%	11.6%				*
Related Children 5 to 17 years	12.5%	12.3%	11.7%	10.0%	9.0%			*	*
Ages 65 and over	7.6%	7.5%	7.7%	7.9%	8.2%				
HEALTH INSURANCE COVERAGE									
With health insurance coverage	89.7%	89.6%	88.7%	88.9%	89.2%		*	*	*
With private health insurance	73.5%	74.0%	74.2%	76.0%	78.1%		*	*	*
With public coverage	27.6%	26.6%	25.7%	24.1%	22.6%	*	*	*	*
No health insurance coverage	10.3%	10.4%	11.3%	11.1%	10.8%		*	*	*

Annual Estimates for Maryland from the 2008 to 2012 American Community Survey

	Estimates					Statistical Significance				
	2012	2011	2010	2009	2008	2012 - 2011	2012 - 2010	2012 - 2009	2012 - 2008	
SOCIAL										
EDUCATIONAL ATTAINMENT										
Percent high school graduate or higher	89.1%	88.9%	88.1%	88.2%	87.9%		*	*	*	
Percent bachelor's degree or higher	36.9%	36.9%	36.1%	35.7%	35.2%		*	*	*	
Graduate or professional degree	16.9%	16.5%	16.4%	16.0%	15.5%	*	*	*	*	
HOUSEHOLD SIZE										
Average household size	2.66	2.67	2.65	2.65	2.62				*	
Average family size	3.26	3.27	3.23	3.26	3.21		*		*	
NATIVITY										
Total number of foreign born	839,336	811,701	803,695	730,400	700,950	*	*	*	*	
Percent foreign Born	14.3%	13.9%	13.9%	12.8%	12.4%		*	*	*	
LANGAUGE SPOKEN AT HOME										
Language other than English	17.2%	16.7%	16.5%	15.3%	15.1%	*	*	*	*	
Speak English less than very well	6.4%	6.2%	6.3%	6.1%	5.9%			*	*	
HOUSING										
VACANCY										
Vacant housing units	9.9%	10.7%	10.6%	10.5%	10.3%	*	*	*		
Homeowner vacancy rate	1.8	2.1	2.3	2.2	2.1		*	*		
Rental vacancy rate	7.0	7.1	7.5	9.1	8.8			*	*	
MEDIAN VALUE (in 2012\$)										
Owner Occupied Units	\$279,900	\$287,100	\$301,400	\$318,700	\$341,300	*	*	*	*	
Monthly Owner Costs (with Mortgage)	1,918	2,003	2,123	2,184	2,122	*	*	*	*	
Monthly renter const	1,170	1,170	1,189	1,180	1,144		*		*	
HOUSING COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME (SMOCAP)										
35.0 percent or more for owners w/mortgage	24.9%	27.7%	28.6%	28.8%	29.8%	*	*	*	*	
35.0 percent or more for renters	41.1%	43.9%	41.2%	42.1%	40.0%	*				

An * indicates that the estimate is significantly different (at a 90% confidence level) than the estimate from 2012. An "(X)" indicates the data is unavailable.

Source: 2012 American Community Survey, Tables CP02, CP03, CP04, U.S. Census Bureau, release date September 19, 2013

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