

State and Most Maryland Jurisdictions Have Incomes Below 14 Years Ago

There are 16 jurisdictions in Maryland which meet the minimum population threshold (65,000) that allow for single-year estimates from the American Community Survey. Below are some of the highlights of a comparison of median household income estimates between 1999 (from the 2000 Census) and the single-year American Community estimates over the 2006 thru 2013 period. **All income figures and changes in income are expressed in constant 2013 dollars.**

- The Great Recession, which lasted from December 2007 thru June 2009, and the subsequent slow recovery since that time, has had significant effects on median household income in Maryland. For the state as a whole, median household income peaked in 2007 at \$76,487, a rise of 3.5 percent from 1999 levels, but between 2007 and 2013 income declined by \$4,004 (-5.3%). As a result, Maryland's median household income in 2013 was \$1,428 (or -1.9%) *below* the 1999 level. (See [Median Household Income, 1999-2013.](#))
- While Maryland has yet to regain all of its income from its peak period last decade, for the U.S. the picture is much worse. Adjusted for inflation, U.S. median household incomes were highest in 1999, i.e., there was no higher income nationally during the 2006 to 2013 period. As such, the national median household income for 2013 of \$52,250 is nearly \$6,500, or 11.0 percent, below where it was in 1999.
- Given the poorer performance of income growth in the U.S., the gap between Maryland and U.S. income has increased over time. In 1999, Maryland's median household income was nearly 126 percent of U.S. income. From 2009 on, Maryland's median household income has been just above 138 percent of U.S. income. (See [Chart 1.](#)) In 2013, Maryland's median household income was the highest among all the states (although not statistically different from Alaska). In 1999 it was ranked third, behind New Jersey and Connecticut.
- Within Maryland, nine of the 16 jurisdictions for which there is data had lower median household incomes in 2013 compared to 1999. The largest percentage declines occurred in Wicomico (-10.4%), Baltimore (-8.5%), Allegany (-6.8%), Prince George's (-6.7%) and Cecil (-6.4%) counties. (See [Map 1.](#))
- During the rise to the peak incomes between 1999 and the mid-2000s, the largest percentage increases occurred in the three Southern Maryland counties of St. Mary's (+23.8%), Calvert (+15.9%) and Charles (+11.6%). (See [Map 2.](#))
- In general, it has been the more rural or outlying suburban counties that have been hit the hardest by the Great Recession and the housing bust and which showed the greatest decline

from peak incomes to 2013 (Calvert, Cecil, Carroll, Wicomico and St. Mary's counties).¹ (See [Map 3](#).) But there were also demographic changes that have played a role in some of these income changes. For example, Baltimore County, with the largest percentage decline in income since 1999 (and which never had a higher income than 1999 during the 2006 to 2013 period), had the largest increase in the African American population in the state between 2000 and 2013, while at the same time experienced the second largest decline in non-Hispanic whites (after Prince George's County). During the 1999 to 2013 period, median household incomes declined by 6.5 percent for non-Hispanic whites and 7.2 percent for African Americans in Baltimore County. (See [Chart 2](#) and [Chart 3](#).)

- However, it is not always the case that increases in minority populations leads to lower overall incomes. For example, Charles County saw its median household income grow by \$1,840 (2.1%) between 1999 and 2013, the third largest numeric increase (and fourth largest percentage increase) among the 16 jurisdictions. During the 2000 to 2013 period Charles County's population increase was led by the fourth largest increase in African Americans in the state, but also experienced the fifth largest decline in non-Hispanic whites in the state. These demographic changes resulted in the County's minority share increasing from 32.7 percent in 2000 to 54.3 percent in 2013, the largest percentage point increase in minority share in the state. Over this time period, median household incomes of African Americans grew by 15.5 percent while incomes for non-Hispanic whites declined by 2.5 percent. (See [Chart 4](#) and [Chart 5](#).)
- Allegany County had the lowest median household income in the state in 2013 (\$40,165), below that of Baltimore City (\$42,266), although this difference is *NOT* statistically significant at the 90 percent level of confidence. Between 2010 and 2013, Allegany's median household income went up by just over \$2,600 (7.0%), while the City's median household income rose by nearly \$1,400 (3.8%), although neither change was statistically significant. In short, as of yet there does not appear to be any significant gains in income associated with the small increase in the City's population over the 2010 to 2013 period (989, or 0.2%), the first recorded increase in the City since the 1950s. However, it can be stated that the City's income has pretty much stabilized in recent years and actually is showing a small increase (\$200, or 0.5%) in inflation-adjusted income between 1999 and 2013.
- Howard County had the highest median household income in the state in 2013 (\$109,476) as it did in 1999. It is also one of only seven counties in which its 2013 median income was actually higher than in 1999, and at a gain of \$5,788, or 5.6%, was both the largest numeric and percentage increase over this period. However, the county's median household income actually peaked at \$114,727 in 2007 and experienced a nearly \$4,751 (-4.2%) decline between 2007 and 2013, one of the smaller drops in the state from a peak period.

¹ It should be mentioned that the decline for St. Mary's County is being measured against a peak value which occurred in 2010 (\$94,707). This 2010 value is an outlier of sorts, well above any year before or since.

- Montgomery County had the second highest median household income in 2013 (\$98,326) as it did in 1999 (although Montgomery's 2013 median household income is not statistically different from Calvert County at \$87,449). Montgomery's 2013 median household income was also \$1,705, or 1.7 percent below its 1999 income (\$100,031). It last peaked in 2007 at \$103,175.