

A Status Report on Maryland from the American Community Survey

Unemployment continues to fall, income and poverty rates have stabilized, a high percent of people have health insurance, and a smaller percentage of homeowners are “cost burdened.” That is some of the good news. But...income and labor force participation are still well below pre-recession levels, and the already high mean travel time to work continues to increase. 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 is still with us years later 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 – which has just been released for calendar year 2013, 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 2013 American Community Survey, with comparisons back to 2008.

ECONOMIC:

- In a positive sign for the economy, Maryland’s **unemployment rate** continues to fall, with a statistically significant drop over the last year. The 2013 unemployment rate of 7.4 percent was well below the 8.3 percent rate of 2012 and the 8.9 percent rate of 2011. However, in a sign of how far the state has to go to regain its pre-recession economic vigor, the 2013 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 2013 Maryland’s labor force participation rate was 68.6 percent, well below what it was in 2008 (70.4%).
- There was a small but statistically significant change in the share of Maryland commuters who **commute to work** by driving alone and by carpooling over the last year. The share of those that carpooled dropped from 9.8 percent in 2012 to 9.0 percent in 2013, while the share that drove alone increased to 74.0 percent from 73.4 percent. While there was not a significant increase in the share of commuters who use public transportation between 2012 and 2013, there was a statistically significant increase since 2008, rising from 8.6 percent in 2008 to 9.1 percent in 2013. The share of workers working from home also had a statistically significant increase between 2008 (3.8%) and 2013 (4.2%).

- **Average travel time** had its first statistically significant change in three years, rising from 31.9 minutes in 2012 to 32.5 minutes in 2013. The 2013 average travel time is also a full minute above what it was in 2008.
- **Median household income** has yet to begin to grow again, having been stopped by the Great Recession. The most recent increase of \$665 dollars in the last year is not statistically significant, and the 2013 median of \$72,483 is \$3,281 (-4.5%) below what it was in 2008 when measured in constant 2013 dollars. Still, Maryland's 2013 median household income is the highest in the U.S.
- Along with the lack of growth in overall median household income has been a relatively stagnant share of the percent of households who have **earnings income** (essentially income from work). In 2013, 82.2 percent of households had earnings income, an increase (but not a statistically significant one) from 81.8 percent in 2012. In 2008, 84.2 percent of households had earnings income.
- Along with the overall decline in the share of households with earnings over the last several years, there has been an increase in the share of households receiving **social security** benefits. In 2013, 26.3 percent of all Maryland households received 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 stagnant incomes is the increase in households receiving **food stamp/SNAP benefits** over the last five years. In 2013, 11.1 percent of all Maryland households received these benefits, the same as in 2012 but more than double the share of 5.5 percent in 2008.
- While there is no statistically significant change in the **poverty rate** for Maryland residents between 2012 and 2013, the 2013 poverty rate of 10.1 percent is well above the 8.0 percent rate in 2008. In 2013 poverty rates were highest for all of the related children measures: under age 18 (13.3%), under five years (16.4%) and ages 5 to 17 (12.1%). In contrast, the poverty rate for the elderly, ages 65 and over, were the lowest of any age group at 8.0 percent in 2013, and was the only group that did not have a statistically significant increase since 2008.
- The percent of Marylanders with **health insurance** increased to 89.8 percent in 2013, 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 2013 (73.6%) is 4.5 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 five years, and now stands at 28.2 percent, over five percentage points higher

than in 2008. As a result of these changes, the percent of residents **without any insurance** has dropped to 10.2 percent in 2013, 0.6 percentage points 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 2013 the share of Maryland residents ages 25 and older with a bachelor's degree or higher was 37.4 percent, above 2012's 36.9 percent, (but not a statistically significant change), and well above the 35.2 percent share in 2008 (which is a statistically significant change). Also, the percent of the adult population with a graduate or professional degree in 2013 (17.1%) is statistically different from 2008 (15.5%).
- There was no statistically significant increase in Maryland's **foreign born population** between 2012 and 2013. The 2013 foreign born share of 14.2 percent, though, was up from the 12.4 percent share in 2008.
- In 2013, 6.3 percent of Maryland residents spoke English less than very well. The Census Bureau reports, however, that because of a change in wording on the questionnaire, comparisons with prior years are not valid, but the 2013 share is roughly the same as was reported last year for 2012.

HOUSING:

- The **average household size** in Maryland has increased from 2.62 in 2008 to 2.68 in 2013 as household formation has been stymied by the Great Recession.
- The increase in **average family size** has been equally pronounced, rising from 3.21 in 2008 to 3.27 in 2013 as young adults moved back home. There was no statistically significant change between 2012 and 2013.
- The **overall vacancy rate** showed a statistically insignificant increase between 2012 (9.9%) and 2013 (10.1%), but is still well below what it was at its peak in 2011 (10.7%). **Homeowner vacancy rates** are relatively low in 2013 (1.5%), 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 2013 rate of 7.0 percent was the same as in 2012.
- The **median value of owner-occupied homes** did not decline for the first time since 2008. The 2013 self-reported median value of \$280,200 was \$300 above the \$279,900 value of 2012, a statistically insignificant change. Overall, median values of owner-occupied homes are off by \$66,000, or 19.1 percent, from 2008 when measured in 2013 constant dollars.

- **Median monthly owner costs** for units with a mortgage continued to fall in 2013, with the \$1,867 median monthly value \$75, or 4.0 percent, below 2012 figures. Median monthly costs peaked in 2009 at \$2,216. Since 2009, these costs have fallen by \$349, or 15.7 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 generally been up. The 2013 median rental cost of \$1,210 is (a statistically significant) increase from 2012 \$(1,184) and up by \$49 (4.2%) since 2008.
- **The percent of “cost burdened” owners with a mortgage** continues to fall. The percent of homeowners with a mortgage paying 35 percent or more of their income for housing was 23.1 percent in 2013, a statistically significant drop from each of the previous five years. In 2008, 29.8 percent of homeowners were “cost burdened.”
- 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 2013 share of 42.1 percent is up one percentage point from 2012 but below the peak of 43.9 percent in 2011. The 2013 share is also above the 2008 share (40.0%).

Annual Estimates for Maryland from the 2008 to 2013 American Community Survey

	Estimates						Statistical Significance				
	2013	2012	2011	2010	2009	2008	2013 - 2012	2013 - 2011	2013 - 2010	2013 - 2009	2013 - 2008
ECONOMIC											
LABOR FORCE											
Percent Unemployed	7.4%	8.3%	8.9%	8.8%	8.0%	5.3%	*	*	*	*	*
Labor Force Participation Rate	68.6%	68.8%	68.9%	69.5%	69.9%	70.4%			*	*	*
COMMUTING TO WORK											
Car, truck, or van -- drove alone	74.0%	73.4%	73.3%	73.0%	73.4%	73.2%	*	*	*	*	*
Car, truck, or van -- carpoled	9.0%	9.8%	10.1%	10.7%	10.0%	10.8%	*	*	*	*	*
Public transportation (excluding taxicab)	9.1%	8.9%	9.2%	8.6%	8.8%	8.6%			*		*
Worked at home	4.2%	4.2%	4.1%	4.3%	4.1%	3.8%					
Mean travel time to work (minutes)	32.5	31.9	32.2	31.8	31.3	31.5	*		*	*	*
INCOME											
Median Household Income (in 2013\$)	\$72,483	\$71,818	\$72,507	\$73,538	\$75,346	\$75,764				*	*
Households with earnings	82.2%	81.8%	82.0%	82.8%	83.4%	84.2%			*	*	*
Households with Social Security	26.3%	26.1%	25.5%	24.9%	24.6%	23.8%		*	*	*	*
Households with Food Stamp/SNAP benefits in the past 12 months	11.1%	11.1%	9.9%	8.4%	7.0%	5.5%		*	*	*	*
POVERTY RATE											
All people	10.1%	10.3%	10.1%	9.9%	9.1%	8.0%				*	*
Related Children under 18 years	13.3%	13.5%	13.2%	12.7%	11.3%	9.7%				*	*
Related Children under 5 years	16.4%	16.1%	15.7%	15.4%	14.5%	11.6%					*
Related Children 5 to 17 years	12.1%	12.5%	12.3%	11.7%	10.0%	9.0%			*		*
Ages 65 and over	8.0%	7.6%	7.5%	7.7%	7.9%	8.2%					
HEALTH INSURANCE COVERAGE											
With health insurance coverage	89.8%	89.7%	89.6%	88.7%	88.9%	89.2%			*	*	*
With private health insurance	73.6%	73.5%	74.0%	74.2%	76.0%	78.1%			*	*	*
With public coverage	28.2%	27.6%	26.6%	25.7%	24.1%	22.6%	*	*	*	*	*
No health insurance coverage	10.2%	10.3%	10.4%	11.3%	11.1%	10.8%			*	*	*

Annual Estimates for Maryland from the 2008 to 2013 American Community Survey

	Estimates						Statistical Significance				
	2013	2012	2011	2010	2009	2008	2013 - 2012	2013 - 2011	2013 - 2010	2013 - 2009	2013 - 2008
SOCIAL											
EDUCATIONAL ATTAINMENT											
Percent high school graduate or higher	89.1%	89.1%	88.9%	88.1%	88.2%	87.9%			*	*	*
Percent bachelor's degree or higher	37.4%	36.9%	36.9%	36.1%	35.7%	35.2%			*	*	*
Graduate or professional degree	17.1%	16.9%	16.5%	16.4%	16.0%	15.5%		*	*	*	*
HOUSEHOLD SIZE											
Average household size	2.68	2.66	2.67	2.65	2.65	2.62	*		*	*	*
Average family size	3.27	3.26	3.27	3.23	3.26	3.21			*		*
NATIVITY											
Total number of foreign born	842,250	839,336	811,701	803,695	730,400	700,950		*	*	*	*
Percent foreign Born	14.2%	14.3%	13.9%	13.9%	12.8%	12.4%				*	*
LANGAUGE SPOKEN AT HOME											
Language other than English	17.0%	(X)	(X)	(X)	(X)	(X)					
Speak English less than very well	6.3%	(X)	(X)	(X)	(X)	(X)					
HOUSING											
VACANCY											
Vacant housing units	10.1%	9.9%	10.7%	10.6%	10.5%	10.3%		*	*		
Homeowner vacancy rate	1.5%	1.8%	2.1%	2.3%	2.2%	2.1		*	*	*	*
Rental vacancy rate	7.0%	7.0%	7.1%	7.5%	9.1%	8.8				*	*
MEDIAN VALUE (in 2013\$)											
Owner Occupied Units	\$280,200	\$279,900	\$287,100	\$301,400	\$318,700	\$346,260			*	*	*
Monthly Owner Costs (with Mortgage)	\$1,867	\$1,942	\$2,037	\$2,156	\$2,216	\$2,153	*	*	*	*	*
Monthly renter consts	\$1,210	\$1,184	\$1,183	\$1,205	\$1,194	\$1,161	*	*		*	*
HOUSING COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME (SMOCAPI)											
35.0 percent or more for owners w/mortgage	23.1%	24.9%	27.7%	28.6%	28.8%	29.8%	*	*	*	*	*
35.0 percent or more for renters	42.1%	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 2013. An "(X)" indicates the data is unavailable.

Source: 2013 American Community Survey, Tables CP02, CP03, CP04, U.S. Census Bureau, release date September 18, 2014

Prepared by the Maryland Department of Planning