

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 2014 period. **All income figures and changes in income are expressed in constant 2014 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 \$77,728, a rise of 3.4 percent from 1999 levels, but between 2007 and 2014 income declined by \$3,757 (-4.8%). As a result, Maryland's median household income in 2014 was \$1,172 (or -1.6%) *below* the 1999 level. (See [Chart 1](#) and [Table 1](#).)
- 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 2014 period. As such, the national median household income for 2014 of \$53,657 is \$6,030, or 10.1 percent, below where it was in 1999. (See [Chart 1](#).)
- 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 around 138 percent of U.S. income. (See [Chart 2](#).) In 2014, Maryland's median household income was the highest among all the states. In 1999 it was ranked third, behind New Jersey and Connecticut.
- Within Maryland, 13 of the 16 jurisdictions for which there is data had lower median household incomes in 2014 compared to 1999. The largest percentage declines occurred in Cecil (-13.7%), Allegany (-9.5%), Prince George's (-8.0%), and Baltimore (-5.2%) counties. (See [Chart 3](#).) The largest numeric declines were in Cecil (-\$9,851), Prince George's (-\$6,247) and Allegany (-\$4,154) counties. (See [Chart 4](#).) St. Mary's, Howard, Calvert and Charles counties had the largest numeric and percentage gains in that order over the 15-year period.
- 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 (+23.5%), Calvert (+15.9%) and Charles (+11.2%). (See [Table 1](#).)
- In general, it has been the more rural or previously fast growing outlying suburban counties that were hit the hardest by the Great Recession and the housing bust and which showed the

greatest percentage decline from peak incomes to 2014 (Cecil, Calvert, Wicomico, St. Mary's Washington and Carroll counties).¹

- Allegany County had the lowest median household income in the state in 2014 (\$39,653), below that of Baltimore City (\$42,665), although this difference is *NOT* statistically significant at the 90 percent level of confidence. (See [Chart 5](#) for values and [Chart 6](#) for values with margins of error.) Since 1999, Allegany has fared worse than the City, with an inflation-adjusted drop of 9.5 percent. Baltimore City, on the other hand had only a 0.2 percent drop over the same period, the smallest decline of the 12 jurisdictions which experienced a decline. Since 2010, the City's median household income has grown by a little over \$1,000, and though this increase was not statistically significant, it is part of an overall improving picture for the City which also includes a small population gain (1,672, 0.3%) between 2010 and 2014, the first recorded increase in the City since the 1950s.
- Howard County had the highest median household income in the state in 2014 (\$107,490) as it did in 1999. It is also one of only four counties in which its 2014 median income was actually higher than in 1999, and at a gain of \$2,074, or 2.0%, was both the second largest numeric and percentage increase over this period. However, the county's median household income actually peaked at \$116,080 in 2007 and experienced a nearly \$8,600 (-7.6%) decline between 2007 and 2014, although this was one of the smaller drops in the state from a peak period.
- Montgomery County had the second highest median household income in 2014 (\$97,783) as it did in 1999 (although Montgomery's 2014 median household income is not statistically different from Calvert County at \$94,082). Montgomery's 2014 median household income was \$3,932, or 3.9 percent below its 1999 income (\$101,697). It last peaked in 2007 at \$116,080.

¹ It should be mentioned that the decline for St. Mary's County is being measured against a peak value which occurred in 2010 (\$96,021). This 2010 value is an outlier of sorts, well above any year before or since.