



# Racial And Ethnic Disparities In Household Wealth In Maryland



# RACIAL AND ETHNIC DISPARITIES IN HOUSEHOLD WEALTH IN MARYLAND

## Background

In June 2025, Maryland Governor Wes Moore announced several initiatives to address the state's racial wealth gap and promote equal economic opportunity. Central to these efforts is the *Just Community* program, which prioritizes investment in communities historically affected by redlining, urban renewal, high incarceration rates, and environmental hazards. Additional policy actions include programs supporting homeownership, access to business capital, and cannabis pardons. Collectively, these initiatives seek to address long-standing economic disadvantages and to support communities that have faced systemic barriers to wealth accumulation.

National data highlights the extent of wealth disparities by race and ethnicity. A 2023 report by Pew Research Center, using data from the Census Bureau's Survey of Income and Program Participation, found that the median wealth among non-Hispanic White households in the United States was nine times higher than that of non-Hispanic Black households, five times higher than Hispanic households, and three times higher than multiracial households. The analysis focused on the COVID-19 pandemic period and examined how the pandemic-related economic downturn affected household wealth. We acknowledge that there are other factors associated with wealth inequality, such as age, education, income level, marital status, and homeownership status. For instance, Hays and Sullivan (2022) reported greater wealth among households with higher educational attainment and income, those headed by married couples, and homeowners compared to their counterparts. However, the focus of this report will be on the differences in household wealth among racial and ethnic groups.

Maryland's population was estimated at approximately 6.27 million residents in mid-2025, according to the vintage 2025 estimates from the U.S. Census Bureau's Population Estimates

Program. The state ranks among the most diverse in the nation and has experienced continued growth in racial and ethnic diversity. The state’s diversity index (which describes how likely two people chosen at random will be from different race and ethnicity groups) increased from 65 percent in 2020 to 67 percent in 2024.<sup>1</sup> Despite this diversity, information on wealth gaps among racial and ethnic groups in Maryland remains limited.

Building on existing research, this report addresses three questions:

- To what extent does household wealth vary among racial and ethnic groups in Maryland?
- Are there disparities in asset ownership by racial and ethnic groups in Maryland?
- Are there disparities in the type of debt owed by racial and ethnic groups in Maryland?

The analysis uses pooled public-use data from the 2018-2024 Survey of Income and Program Participation (SIPP). Each SIPP file corresponds to the previous calendar year (e.g., the 2018 SIPP reflects 2017, and the 2024 SIPP reflects 2023).

After pooling and deduplicating the data, the analytic sample consists of 1,299 Maryland households.<sup>2</sup> The findings provide important evidence base for designing interventions targeted at disadvantaged racial and ethnic groups in the state.

## Findings

The results of the analysis, including disparities in wealth, asset ownership, and household debt by race and ethnicity are described in the following sections. Wealth, also referred to as net worth, is defined as total assets minus total debt. For this analysis, the racial and ethnic groups have been classified into four categories: Non-Hispanic White (NH White), Non-Hispanic Black/

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<sup>1</sup> The U.S. Census Bureau developed a racial and ethnic diversity index based on 2020 Census data. State Data & Analysis Center research staff updated the diversity index for a report titled [“Analysis of the 2024 Population Estimates for Maryland: Age, Sex, and Race Characteristics.”](#)

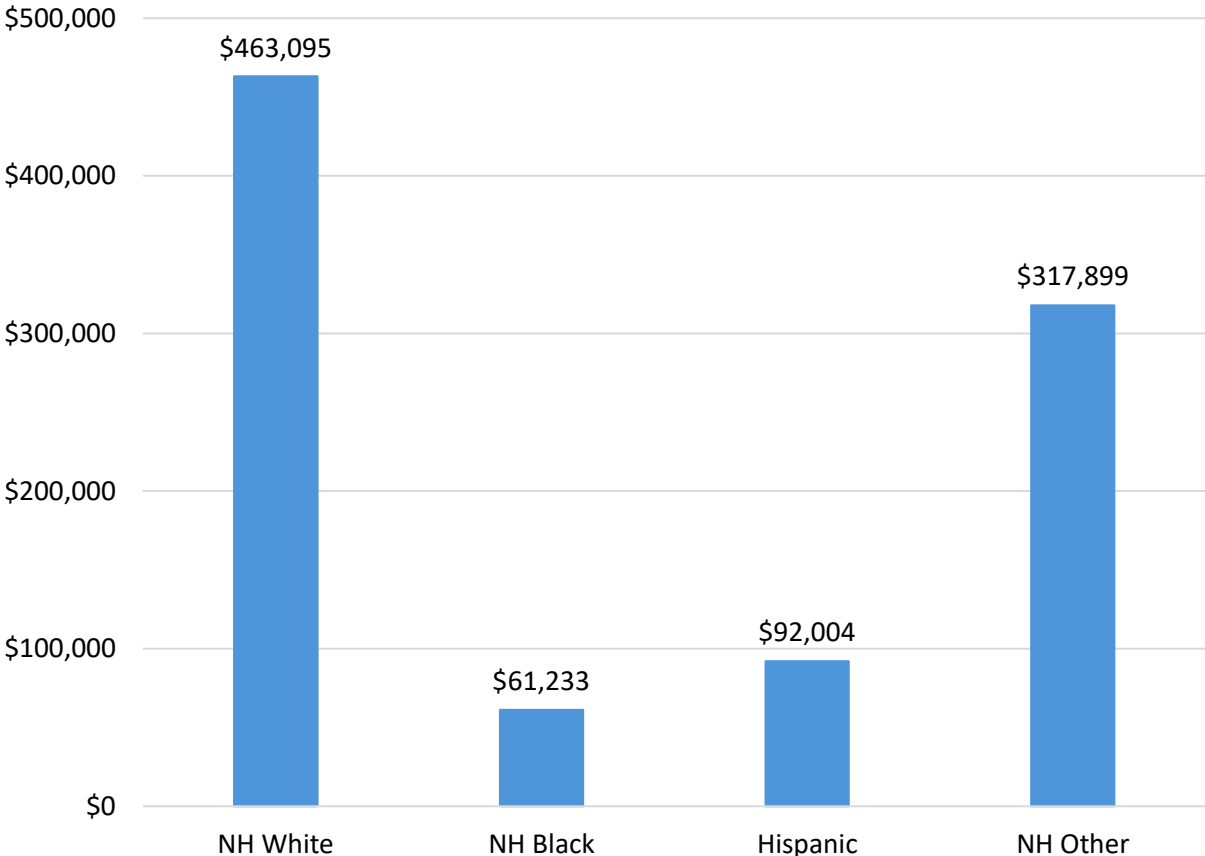
<sup>2</sup> “Pooling the data” means combining data for the years of survey (including the 2018 to 2024 SIPP panels) and treating them as one dataset, while recognizing that many of the same households were followed longitudinally across multiple years.

African American (NH Black), Non-Hispanic Other (NH Other), and Hispanic. NH Other consists of non-Hispanic individuals who are Asian Americans, Native Hawaiian and Other Pacific Islanders, American Indian, or Alaska Native, Multiracial individuals, and other races not specified elsewhere.<sup>3</sup> Hispanic group includes persons of Hispanic origin who may be of any race.

### Disparities in Household Wealth by Racial and Ethnic Groups

Household wealth is not evenly distributed among racial and ethnic groups in Maryland (see Figure 1).

**Figure 1.** Median household net worth by racial and ethnic groups in Maryland



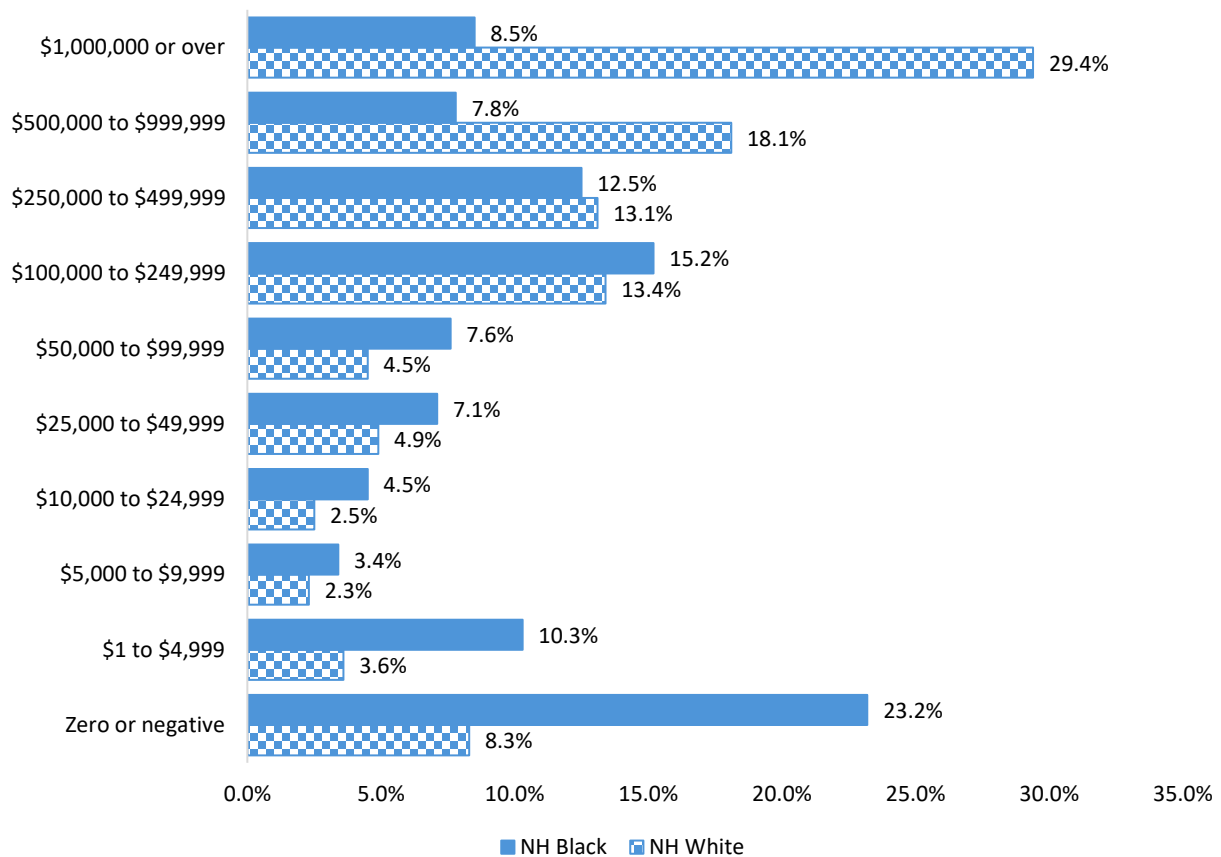
Source: U.S. Census Bureau, 2018-2024 Survey of Income Program and Participation, public-use data

<sup>3</sup> NH Other was created because the sample sizes for the components of this group were too small to analyze separately.

In the 2017-2023 period, the median net worth<sup>4</sup> of NH White households was \$463,095, which was 7.6 times that of NH Black households (\$61,233), five times that of Hispanic households (\$92,004), and 1.5 times that of NH Other households (\$317,899).

Figures 2a to 2c show the percent distribution of household net worth by wealth category and racial and ethnic groups.

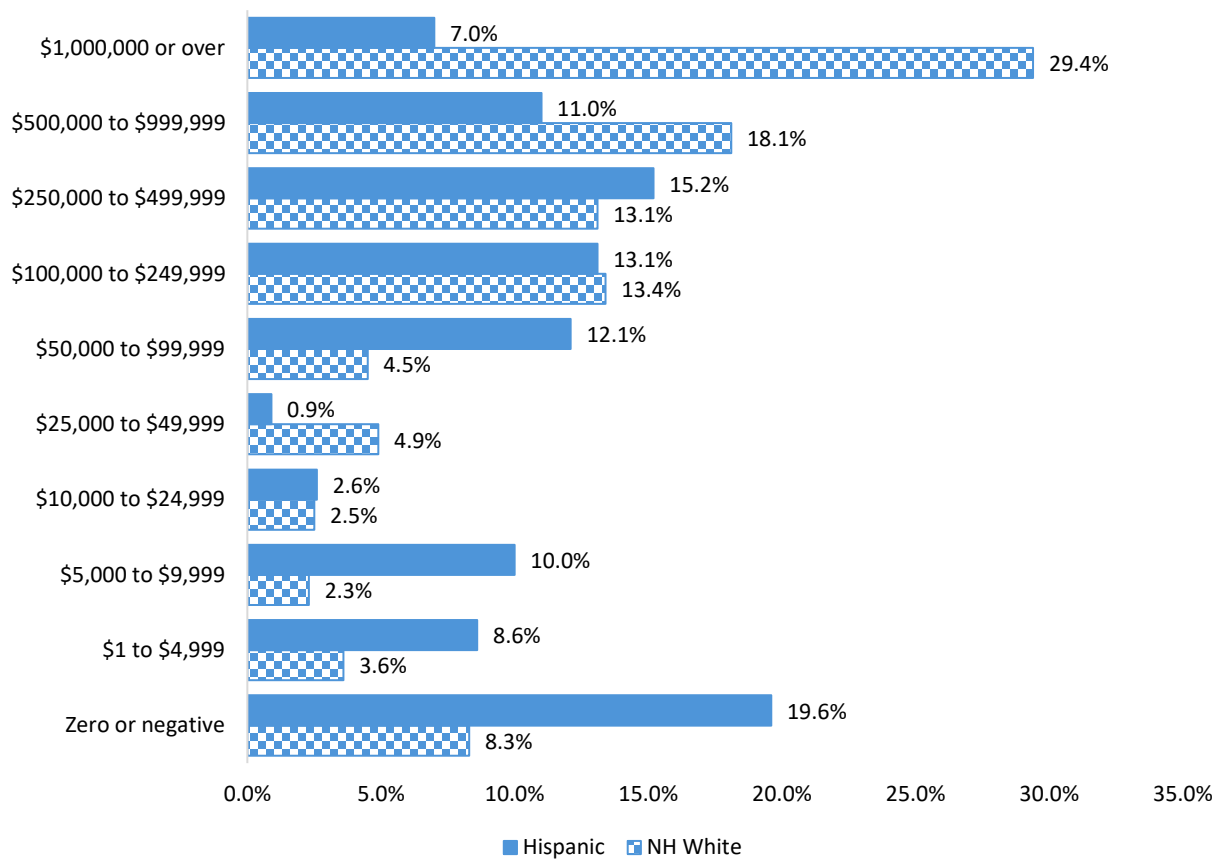
**Figure 2a.** The percent distribution of household net worth between NH Black households and NH White households



Source: U.S. Census Bureau, 2018-2024 Survey of Income Program and Participation, public-use data

<sup>4</sup> The terms net worth and median net worth are defined: Net worth is the sum of everything you own (total household assets) minus everything you owe (total household debt), while median net worth represents the value at which half of households have more and half have less net worth. Household assets are the sum of financial assets (including bank balances and investments), non-financial assets (including real estate, houses, businesses, and vehicles), and other assets. Household debt is the total of secured debts (like mortgages and vehicle loans) and unsecured debts, such as credit cards, educational loans, and other personal debts.

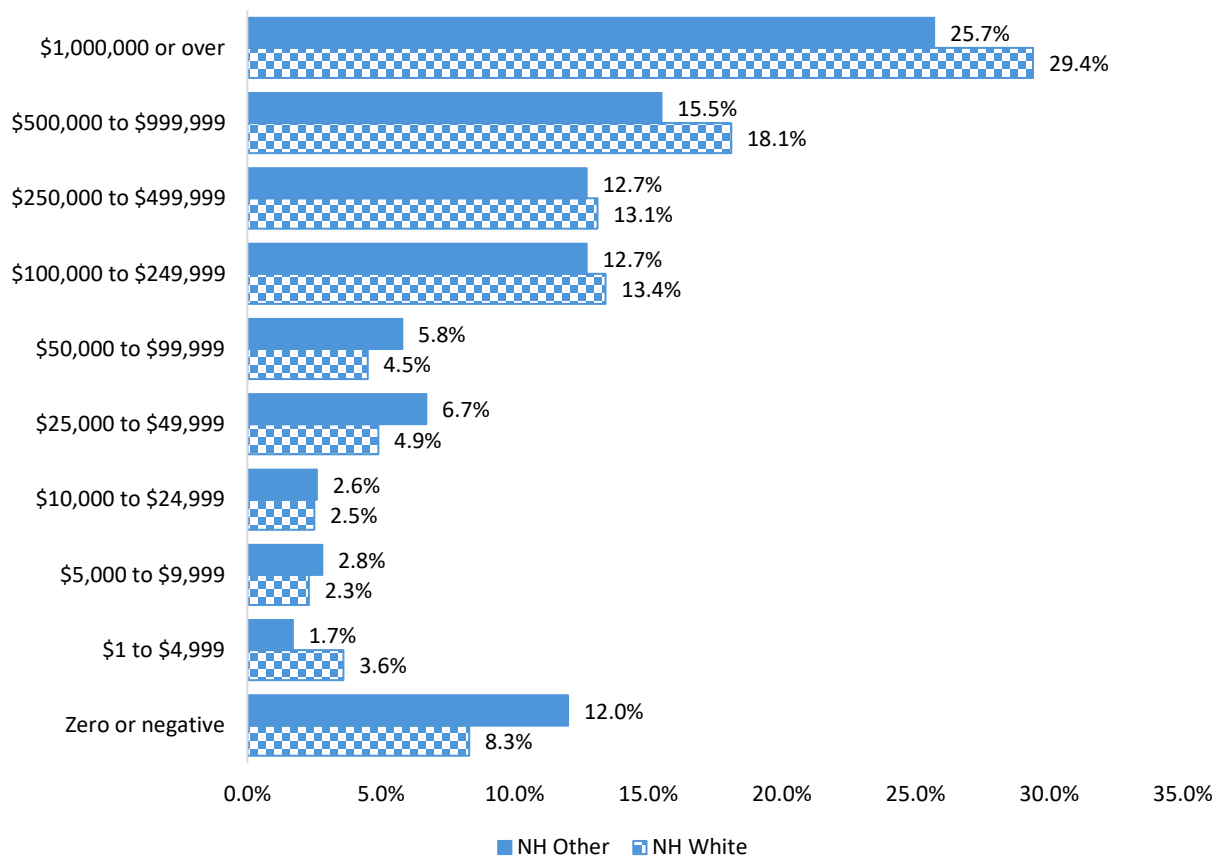
**Figure 2b.** The percent distribution of household net worth between Hispanic households and NH White households



Source: U.S. Census Bureau, 2018-2024 Survey of Income Program and Participation, public-use data

NH Black and Hispanic households were disproportionately concentrated in the lowest wealth categories (net worth below \$50,000) compared to NH White households. For example, 8.3 percent of NH White households had zero or negative net worth, compared to 23.2 percent of NH Black households, 19.6 percent of Hispanic households and 12.0 percent of NH Other households. Similarly, 3.6 percent of NH White households had net worth between \$1 and \$4,999, compared to 10.3 percent of NH Black households, 8.6 percent of Hispanic households and 1.7 percent of NH Other households.

**Figure 2c.** The percent distribution of household net worth between NH Other households and NH White households



Source: U.S. Census Bureau, 2018-2024 Survey of Income Program and Participation, public-use data

NH Black households were more heavily represented than NH White households in the middle-wealth categories (\$50,000-\$249,999). About 4.5 percent (roughly 1 in 22) NH White households had net worth between \$50,000 and \$99,999, compared to 7.6 percent (approximately 1 in 13) of NH Black households. Similarly, 13.4 percent of NH White households had net worth between \$100,000 and \$249,999, compared to 15.2 percent of NH Black households.

Hispanic and NH Other households also exceeded NH White households in the \$50,000–\$99,999 range, with 12.1 percent of Hispanic households and 5.8 percent of NH Other

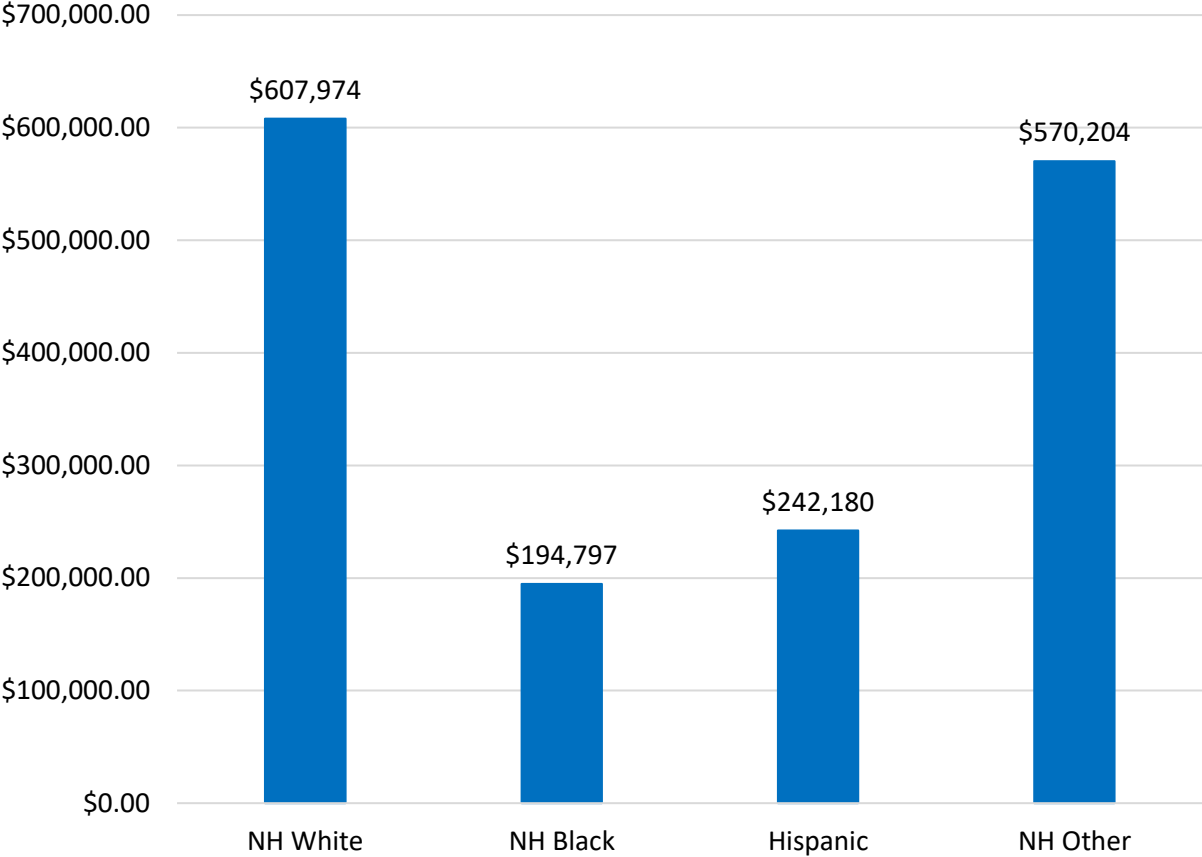
households falling into this category. However, both groups were less represented than NH White households in the \$100,000 – \$249,999 range.

NH White households were substantially more likely to occupy the upper wealth categories than NH Black and Hispanic households, while NH Other households exhibited similar patterns to those of NH White households. For instance, 18.1 percent of NH White households had net worth between \$500,000 and \$999,999, compared to 15.5 percent of NH Other households, 11.0 percent of Hispanic households, and 7.8 percent of NH Black households. The disparity widens further at the top of the distribution, where 29.4 percent of NH White households had net worth of \$ 1 million or more, compared to 25.7 percent of NH Other households, 8.5 percent of NH Black households, and 7.0 percent of Hispanic households.

### Asset Ownership by Racial and Ethnic Groups

There are disparities in the value of household assets across racial and ethnic groups in Maryland (see Figure 3).

**Figure 3.** Median value of household assets by racial and ethnic groups in Maryland



Source: U.S. Census Bureau, 2018-2024 Survey of Income Program and Participation, public-use data

The median asset value for NH White households was \$607,974, 3.1 times that of NH Black households (\$194,797), 2.5 times that of Hispanic households (\$242,180), and slightly higher than NH Other households (\$570,204).

The assets are disaggregated into three major categories commonly held by U.S. households: housing, retirement savings, and financial market investments (See Table 1). About 71 percent of NH White households owned a primary residence, compared to 61 percent of NH Other households, 51 percent of Hispanic households, and 48 percent of NH Black households.

Similar disparities were observed for retirement assets. About 77 percent of NH White households held retirement accounts, compared to 73 percent of NH Other households, 69 percent of Hispanic households, and 64 percent of NH Black households.

Racial and ethnic differences are also evident in financial market investments. Approximately 41 percent of NH White households owned stocks or mutual funds, compared to 44 percent of NH Other households, 28 percent of Hispanic households, and 25 percent of NH Black households.

**Table 1.** Percent distribution of households with any housing, retirement savings, and financial market assets by racial and ethnic groups in Maryland

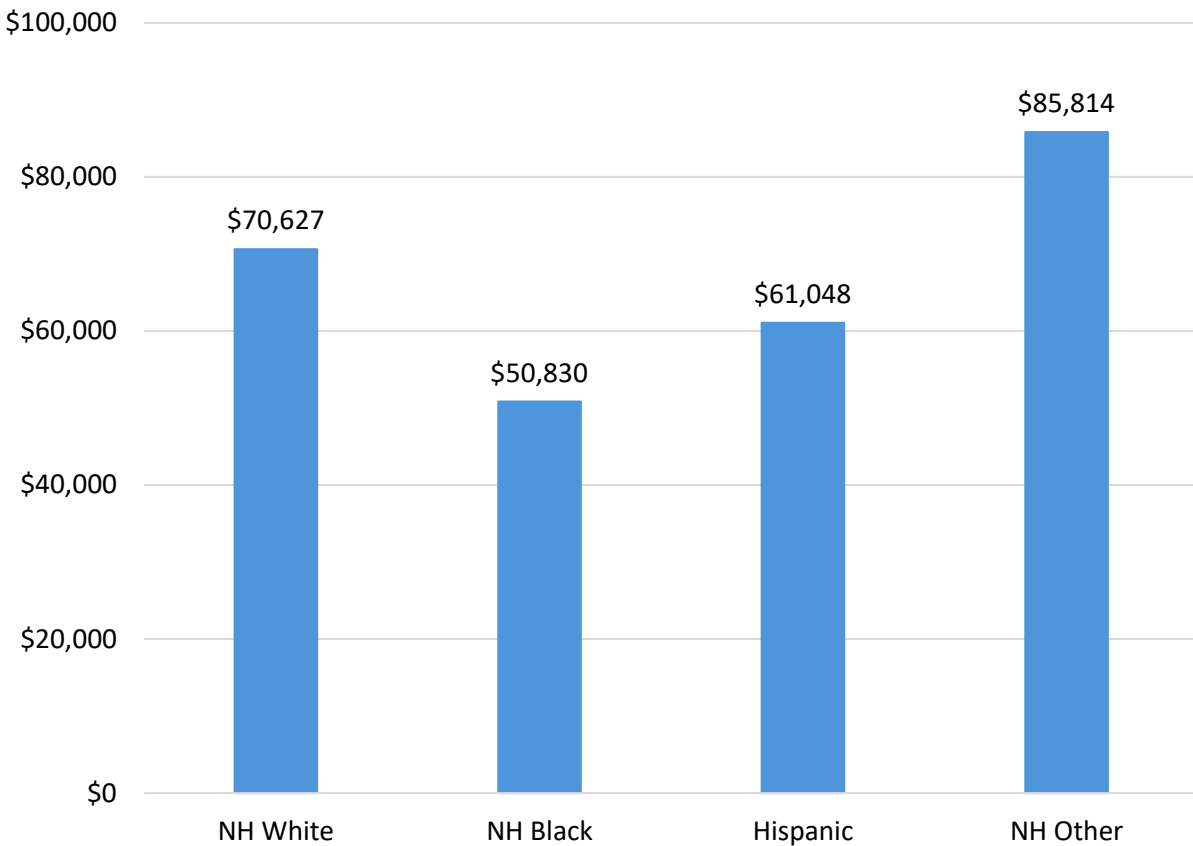
<b>Variables</b>	<b>NH White</b>	<b>NH Black</b>	<b>Hispanic</b>	<b>NH Other</b>
Primary residence	70.7 %	47.7%	51.3%	61.0%
Retirement accounts	76.9%	64.0%	68.6%	73.3%
Stocks and mutual funds	41.2%	25.0%	28.3%	43.6%
Number of Households in Sample	731	364	80	124

Source: U.S. Census Bureau, 2018-2024 Survey of Income Program and Participation, public-use data

## Household Debt by Racial and Ethnic Groups

Levels of household debt are not evenly distributed among racial and ethnic groups in Maryland (see Figure 4).

**Figure 4.** Median value of household debt by racial and ethnic groups in Maryland



Source: U.S. Census Bureau, 2018-2024 Survey of Income Program and Participation, public-use data

NH White households held a median debt of \$70,627, which was 1.4 times higher than that of NH Black households (\$50,830), and 1.2 times higher than that of Hispanic households (\$61,048). In contrast, NH Other households carried the highest median debt at \$85,814, approximately 22 percent higher than that of NH White households.

Table 2 shows the common forms of household debt, including debt on primary residence (mortgage debt), vehicle debt, and credit card or store bill debt. The percentage of NH White

households who owed mortgage debt was highest at 49.1%, followed by NH Other households (47.8%), Hispanic households (46.5%), and NH Black households (37.0%).

In contrast, NH White households were less likely to owe debt on vehicles (42.8%) than NH Black households (50%) and Hispanic households (51.8%) and had a similar proportion to NH Other households (42.6%). Likewise, NH White households were less likely to owe credit card or store bill debt (49.2%) than NH Black households (64.6%) and Hispanic households (54.8%), though slightly more likely than NH Other households (48.6%).

**Table 2.** Percent distribution of households with any debt, by type of debt and by racial and ethnic groups in Maryland

<b>Variables</b>	<b>NH White</b>	<b>NH Black</b>	<b>Hispanic</b>	<b>NH Other</b>
Debt against primary residence	49.1%	37.0%	46.5%	47.8%
Debt against all vehicles	42.8%	50.0%	51.8%	42.6%
Credit card debt and store bills	49.2%	64.6%	54.8%	48.6%
Number of Households in Sample	731	364	80	124

Source: U.S. Census Bureau, 2018-2024 Survey of Income Program and Participation, public-use data

## Summary and Implications

Using pooled data from the SIPP, this report highlights racial and ethnic differences in household wealth in Maryland. NH White and NH Other households had substantially higher median net worth and were more likely to be concentrated in the highest wealth categories than NH Black and Hispanic households. Conversely, NH Black and Hispanic households were disconcertingly concentrated in the lowest wealth categories.

Larger shares of NH White and NH Other households held assets, including primary residences, retirement accounts, and financial investments, than NH Black and Hispanic households.

Although NH White and NH Other households generally carried higher levels of debt, important differences emerged by debt type. For example, NH White and NH Other households were more likely to have mortgage debt (which can be a tool for wealth building), but less likely to owe debt on vehicle or credit card and store bills, compared to NH Black and Hispanic households.

Overall, it was the disparities in asset ownership, rather than debt levels, that drove racial and ethnic wealth gaps in Maryland over the time-period.

In response to persistent racial and ethnic wealth gaps, the Moore-Miller Administration has implemented several initiatives aimed at expanding economic opportunity and supporting long-term wealth accumulation among historically marginalized communities. The Just Community program prioritizes state investment in census tracts affected by exclusionary policies, with the potential to improve infrastructure and services, attract economic activity, increase property values, and expand access to quality schools and employment opportunities.

The Moore-Miller Administration has also introduced homeownership support programs to reduce barriers to mortgage financing, initiatives to expand access to business capital for minority-owned enterprises, and cannabis pardon and expungement reforms. Together, these efforts seek to reduce legal, financial, and structural barriers that limit labor market participation and access to credit, thereby increasing the ability of households to save and acquire wealth.

## **Methodology**

### **Data and Sample**

This report has utilized the 2018-2024 public-use panel data from the SIPP. These files contain information for calendar reference years 2017 through 2023. In the modern SIPP design, each file is labeled by its release year but corresponds to an earlier reference year: the 2018 SIPP reflects 2017, the 2019 SIPP reflects 2018, and so on, with the 2024 SIPP corresponding to calendar year 2023.

The SIPP is a nationally representative household survey conducted by the U.S. Census Bureau. It provides data on wealth, income and earnings, employment, and participation in government assistance programs, including the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Medicaid. A household comprises people who occupy a housing unit as their usual place of residence regardless of their relationship with

one another. Comprehensive information on the SIPP data including its sampling design, technical documentation and user guide is available on the U.S. Census Bureau’s webpage providing [guidance for SIPP data users](#).

The total number of households in the 2018-2024 SIPP data are presented in Table 3.

**Table 3.** Total households by survey year

<b>SIPP Year of Data Release</b>	<b>Number of households</b>
2018	26,215
2019	20,922
2020	21,982
2021	24,040
2022	17,448
2023	17,584
2024	15,877

Because the SIPP is longitudinal, a household is uniquely identified by the combination of the sample unit identifier (SSUID) and the interview address identifier (SHHADID). After stacking all years and deduplicating households using this identifier, the pooled national sample contains 74,790 unique households. Restricting the pooled sample to households residing in Maryland yields an analytic sample of 1,299 households.

### Racial and Ethnic Groups

In the SIPP data, Hispanic status and race were self-reported as two distinct variables. For this report, the two variables were combined to assess racial and ethnic groups, which include non-Hispanic White, non-Hispanic Black/ African American, Hispanic, and non-Hispanic Other. Non-Hispanic Other consists of non-Hispanic individuals who are Asian Americans, Native Hawaiian and Other Pacific Islanders, American Indian or Alaska Native, Multiracial individuals, and other races not specified elsewhere. This group was created to ensure adequate sample sizes for

reliable statistical estimation and to avoid unstable estimates that can arise from small cell counts. While this approach improves statistical reliability, it may mask important differences among the racial and ethnic populations included in the non-Hispanic Other category.

## **Wealth Variables**

Household wealth was measured using the SIPP household-level net worth variable, defined as total household assets minus total household debt (see the appendix for a description of each wealth variable). Total household assets include financial assets, non-financial assets, and other (mixed) assets. Financial assets consist of balances held in financial institutions such as checking or savings accounts, stocks and mutual funds, bond, retirement accounts, and educational savings accounts. Non-financial assets include the values of rental properties, other real estate excluding primary residence, businesses, primary residence and vehicles.

Household debt is the sum of secured debts and unsecured debts. Secured debt includes debts on the primary residence, vehicles, rental properties, other real estate and businesses.

Unsecured debt includes credit card debt and store bills, educational debt, and amount owed on other debt. Medical debt is a form of unsecured debt but is not available in the public-use SIPP files.

## **Statistical Analysis**

Household participation varied across calendar years, with households appearing between one and four times in the pooled dataset. To ensure equal representation of households in the analysis, two steps were taken. First, wealth observations were adjusted for inflation using the Consumer Price Index for All Urban Consumers (CPI-U, U.S. city average, all items, 1982–84 = 100) and expressed in constant 2023 dollars, the most recent reference year in the pooled data. Second, CPI-adjusted wealth values were averaged within households, producing one observation per household for analysis.

Because the distributions of household net worth, assets, and debt in the SIPP are highly skewed and contain extreme outliers, median values were used to summarize these measures by racial-ethnic groups. To further characterize the distribution of wealth, household net worth was categorized into ten brackets: zero or negative; \$1-\$4,999; \$5,000-\$9,999; \$10,000-

\$24,999; \$25,000-\$49,999; \$50,000-\$99,999; \$100,000-\$249,999; \$250,000-\$499,999; \$500,000-\$999,999; and \$1,000,000 or more. Percentage distributions across these categories were used to identify where households from different racial-ethnic groups were concentrated within the wealth distribution.

In addition, percentage distributions were used to describe ownership of asset types that are commonly held by most Americans (including housing, retirement savings, and financial market investments), as well as major forms of household debt (including debt on primary residence, vehicle debt, and credit card/ store bill debt). Survey weights were used so that estimates reflect Maryland households that were represented by the survey rather than the unweighted sample.

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## Appendix: Measures of Household Wealth in the SIPP Dataset

Variable	Description
<b>THNETWORTH</b>	<b>Household-level net worth</b>
<b>THVAL_AST</b>	<b>Household-level sum of all asset values</b>
THVAL_BANK	Household-level sum of value of assets held at financial institutions
THVAL_STMF	Household-level sum of value of stocks and mutual funds
THVAL_BOND	Household-level sum of value of other interest-earning assets
THVAL_RENT	Household-level sum of value of rental properties
THVAL_RE	Household-level sum of value of other real estate
THVAL_OTH	Household-level sum of value of other assets
THVAL_RET	Household-level sum of value of retirement accounts
THVAL_BUS	Household-level sum of value of businesses
THVAL_HOME	Household-level sum of value of primary residence.
THVAL_VEH	Household-level sum of value of all vehicles.
THVAL_ESAV	Household-level sum of value of educational savings accounts.
<b>THDEBT_AST</b>	<b>Household-level sum of all debt</b>
<b>THDEBT_SEC</b>	<b>Household-level sum of all secured debt</b>
THDEBT_HOME	Household-level sum of debt against primary residence.
THDEBT_VEH	Household-level sum of debt against all vehicles.
THDEBT_RENT	Household-level sum of debt against rental properties
THDEBT_RE	Household-level sum of debt against other real estate
THDEBT_BUS	Household-level sum of debt against businesses.
<b>THDEBT_USEC</b>	<b>Household-level sum of value of amount owed on all unsecured debt</b>
THDEBT_CC	Household-level sum of amount owed on credit card debt and store bills
THDEBT_ED	Household-level sum of value of educational debt
THDEBT_OT	Household-level sum of amount owed on other debt