

Md. still richest state in the nation

2007 figures also show higher poverty rate, particularly in Harford County, but do not reflect recent increases in food, fuel

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While Maryland continues to be ranked as the richest state in the nation, according to estimates released by the U.S. census Tuesday, the state's poverty rate showed a slight increase.

In the Baltimore region, the increase in the rate of poverty was great enough to be statistically significant only in Harford County, according to state demographers.

Data released Tuesday painted a surprisingly rosy picture of the nation's economic picture in 2007. Median household income rose slightly, though the increase wasn't considered statistically significant, and the number of people without health insurance decreased by more than 1 million. Meanwhile, the nation's poverty rate remained steady at about 12.5 percent, though the childhood poverty rate increased.

Demographers and economists warned that the state and national picture that emerged in two separate surveys belies the circumstances to come. The data from 2007 do not take into account the current realities of soaring food and gas costs and a slowdown in the job market.

"From a demographic perspective, 2007 may really end up being the final good year of the decade," said Anirban Basu, chief executive of the Baltimore economic consulting firm Sage Policy Group Inc. "I think it will be said that 2007 will be the last year of American economic expansion."

Maryland is home to three of the 10 wealthiest counties in the nation. Howard County ranked third in the country with a median household income of \$101,672. Calvert County ranked sixth, while Montgomery came in at 10th.

The Washington region boasted the most concentrated pocket of wealth in the nation, with six of the 10 wealthiest counties, including three in Virginia: Loudoun and Fairfax counties, ranked first and second, respectively; and Arlington, which placed seventh.

Even in Howard County, officials warily eyed the future.

"It's confirmation that Howard county's location, business climate and quality of life combines to make it a compelling location for business," said Dick Story, CEO of the county's Economic Development Authority. He cautioned, however, that "the entire nation is on the precipice of a significant economic downturn, and Howard county is not immune."

In Maryland, median household income from July 2006 to July 2007 was \$68,080, compared with \$66,992 for the previous year, when adjusted for inflation. That's a 1.6 percent increase. The

state's poverty rate, meanwhile, went from 7.8 percent to 8.3 percent. In Baltimore, the rate rose from 19.5 percent to 20 percent. In Baltimore County, the rate decreased from 8.4 to 7.8 percent. Poverty advocates called the numbers embarrassing.

"How is it possible that the wealthiest state in the wealthiest nation in the world has a rising poverty rate and such a high poverty rate?" said Matthew Weinstein, Baltimore regional director of Progressive Maryland.

The figures came from the American Community Survey, which includes jurisdictions with 65,000 inhabitants or more. Unlike the census figures, which are tallied every decade, the ACS numbers are an estimate based on a sample.

In Harford County, the poverty rate rose to 5.4 percent, compared with 3.3 percent in 2006.

Jerome Reyerson, director of Social Services in Harford County, said he sees it. On Monday, he came to work and found a packed room. "I was astonished to find about 50 people, representing a wide range of ages from young mothers to seniors, all waiting to apply for some type of benefits," he said.

A striking indicator has been requests for food stamps. In 2000, Harford had 2,149 households using food stamps. In April of this year, that number exceeded 4,700 households, Reyerson said.

"People are having to make choices about whether to put food on the table or buy gas to go to work," he said.

The number of Marylanders without health insurance showed a slight decrease, but it wasn't statistically significant. Last year, 762,000 people didn't have health insurance, or 13.7 percent of the population, compared with 776,000 in 2006, or 13.8 percent of Marylanders.

Neil Bergsman, director of the Maryland Budget and Tax Policy Institute, said there are still about 250,000 more Marylanders without health insurance than there were in 2000. "With the wealth in this state we should be making better progress on poverty, and we should be making better progress on insurance coverage," he said.

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