Household Income for States: 2009 and 2010

American Community Survey Briefs

Issued September 2011

ACSBR/10-02

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INTRODUCTION

The National Bureau of Economic Research stated that the recession began in December 2007 and ended in June 2009.[1] Estimates from the 2009 American Community Survey (ACS) and the 2010 ACS show the continuing effects of the recession, as no state showed an increase in household income while many showed declines.

This report presents data on median household income at the national and state levels based on the 2009 and 2010 ACS.[2] The ACS provides detailed estimates of demographic, social, economic, and housing characteristics for states, congressional districts, counties, places, and other localities every year. A description of the ACS is provided in the text box "What Is the American Community Survey?"

In the 2010 ACS, information on income was collected between January and December 2010 and people were asked about income for the previous 12 months (the income reference period). This yielded a total income time span covering 23 months (January 2009 to November 2010).[3] Therefore, adjacent ACS years have income reference months in common and comparing 2010 economic conditions with those in 2009 will not be precise.[4]

Household income: Includes income of the householder and all other people 15 years and older in the household, whether or not they are related to the householder.

Median: The point that divides the household income distribution into halves, one half with income above the median and the other with income below the median. The median is based on the income distribution of all households, including those with no income.

Gini index: Summary measure of income inequality. The Gini index varies from 0 to 1, 0 indicating perfect equality where there is a proportional distribution of income. A 1 indicates perfect inequality where one household has all the income and others do not have any.

[1] See <www.nber.org/cycles/sept2010.html> for more information.

[2] The text of this report discusses data for the United States, including the 50 states and the District of Columbia. Data for the Commonwealth of Puerto Rico, collected with the Puerto Rico Community Survey, are shown in the table, Figure 1, and Figure 2.

[3] All income data are inflation adjusted to 2010 dollars. "Real" refers to income after adjusting for inflation.

[4] For a discussion of this and related issues, see Hogan, Howard, "Measuring Population Change Using the American Community Survey," Applied Demography in the 21st Century, Steven H. Murdock and David A. Swanson eds., Springer Netherlands, 2008.

United States™ Census Bureau

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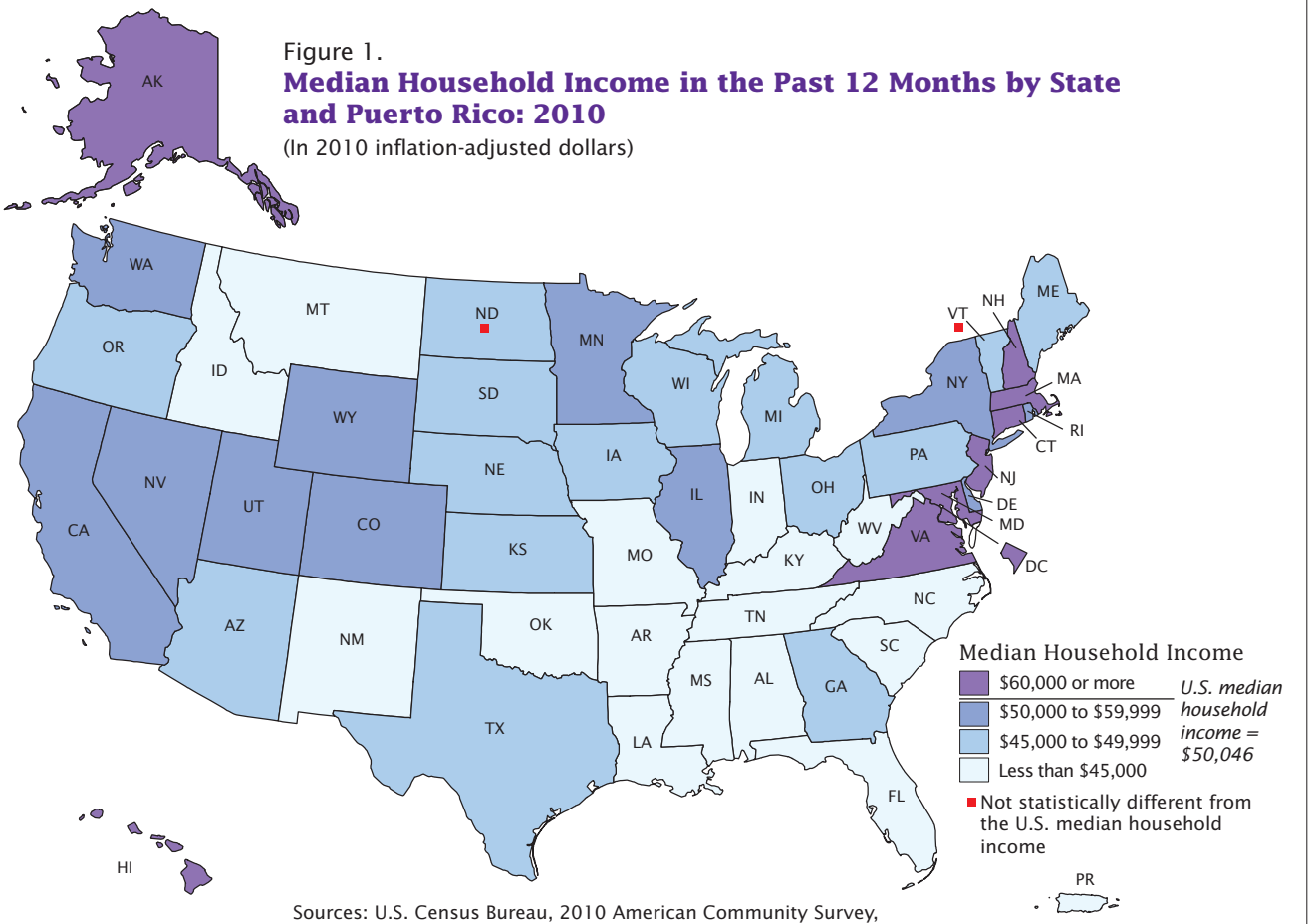
Figure 1.
Median Household Income in the Past 12 Months by State and Puerto Rico: 2010
(In 2010 inflation-adjusted dollars)



Sources: U.S. Census Bureau, 2010 American Community Survey, 2010 Puerto Rico Community Survey.

MEDIAN HOUSEHOLD INCOME

Real median household income in the United States fell between the 2009 ACS and the 2010 ACS, decreasing by 2.2 percent from $51,190 to $50,046 (see table).

State estimates from the 2010 ACS ranged from $68,854 in Maryland to $36,851 in Mississippi.[5] Median household incomes were lower than the U.S. median in 29 states and higher in 19 states and the District of Columbia. Vermont and North Dakota had median household incomes of $49,406 and $48,670 respectively, which were not significantly different from the U.S. median.

Between the 2009 ACS and the 2010 ACS, no state showed an increase in real median household income. Previously, North Dakota was the only state to experience an increase (5.1 percent) between the 2008 ACS and the 2009 ACS. Five states (Kansas, Louisiana, New York, New Jersey, and Texas) had increases between the 2007 ACS and the 2008 ACS and 33 states had increases between the 2006 ACS and the 2007 ACS.

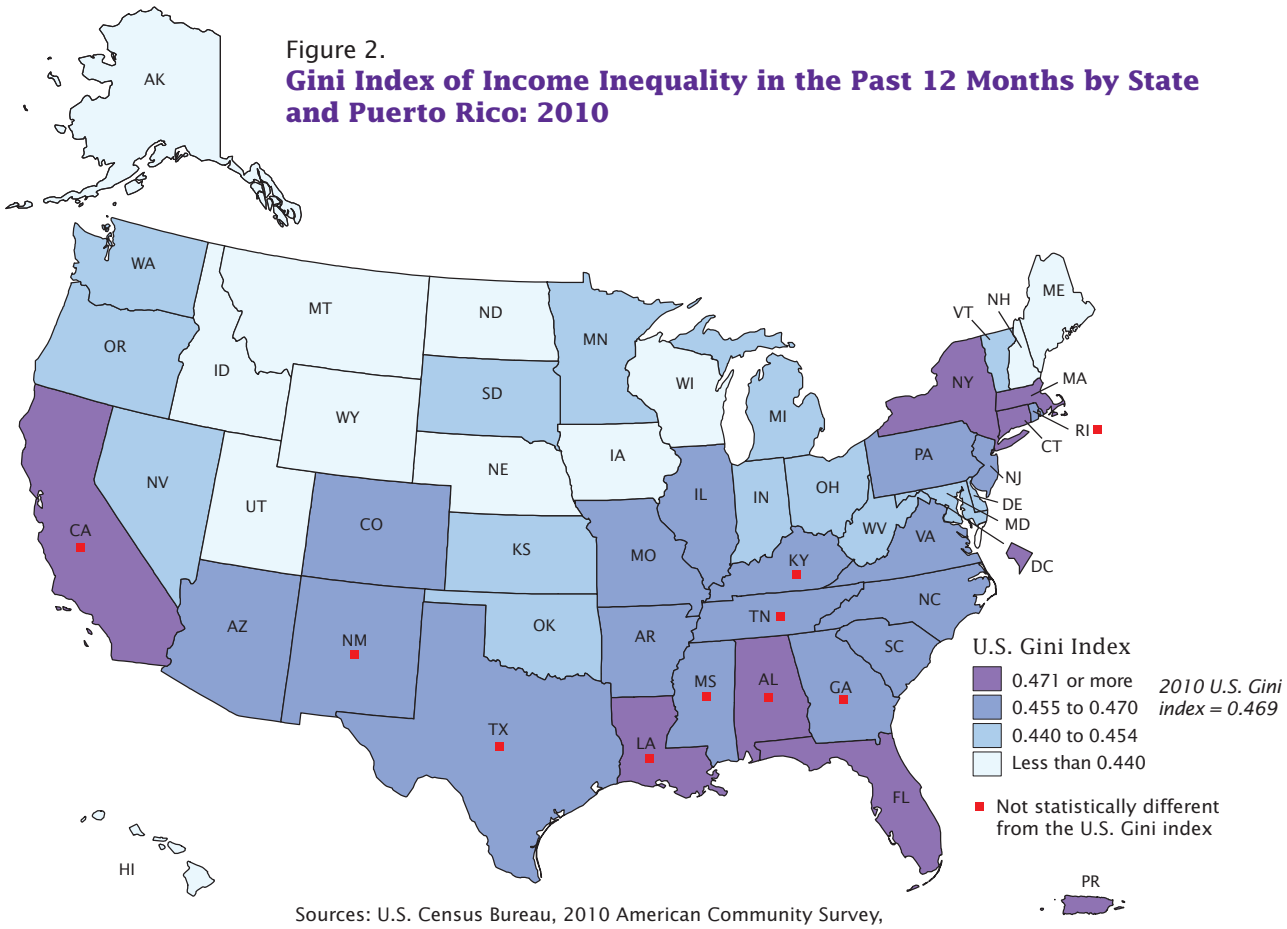
Real median household income decreased between the 2009 ACS and the 2010 ACS in 35 states. Texas was among the smallest decreases (1.0 percent) while Nevada, Connecticut, and Vermont were among the largest decreases (6.1 percent).[6] Between the 2008 ACS and the 2009 ACS, 34 states experienced decreases ranging from 1.4 percent in Pennsylvania to 6.2 percent in Michigan. Between the 2007 ACS and the 2008 ACS, five states had decreases ranging from 1.5 percent to 3.9 percent. Only one state, Michigan, had a decrease between the 2006 and the 2007 ACS (1.2 percent).

For 15 states and the District of Columbia, real median household income in the 2010

[5] The median household income for Maryland was not statistically different from the median household income for New Jersey.

[6] Decreases for Nevada, Connecticut, and Vermont were not significantly different from each other.

Figure 2.
Gini Index of Income Inequality in the Past 12 Months by State and Puerto Rico: 2010



Sources: U.S. Census Bureau, 2010 American Community Survey, 2010 Puerto Rico Community Survey.

ACS was not statistically different from that in the 2009 ACS.

INCOME INEQUALITY

Gini indexes from the 2010 ACS ranged 0.532 in the District of Columbia to 0.419 in Utah (Figure 2).[7] Four states and the District of Columbia had a Gini index higher than the United States—Florida, Massachusetts, Connecticut, and New York. There were 36 states with Gini indexes lower than the U.S. index. The remaining 10 states had a Gini index which was not statistically different from the U.S. index.

The Gini index for the United States (0.469) was not statistically different between the 2009 ACS and the 2010 ACS. However, it increased in nine states (Nevada, California, Vermont, Alaska, Florida, Massachusetts, New Mexico, Indiana, and Idaho) and decreased in three states (North Dakota, West Virginia, and Texas). The remaining 38 states were not statistically different between the 2009 ACS and the 2010 ACS.

[7] The Gini index for Utah was not statistically different from the Gini index for Iowa, New Hampshire, Wyoming, and Alaska.

SOURCE AND ACCURACY

Data presented in this report are based on state households selected to participate in the ACS in 2009 and 2010. The resulting estimates are representative of the entire population. All comparisons presented in this report have taken sampling error into account and are significant at the 90 percent confidence level unless otherwise noted. Due to rounding, some details may not sum to totals. For information on sampling and estimation methods, confidentiality, and sampling and nonsampling errors, please see the "2010 ACS Accuracy of the Data" document located at <www.census.gov/acs/www/Downloads/data_documentation/Accuracy/ACS_Accuracy_of_Data_2010.pdf>.

WHAT IS THE AMERICAN COMMUNITY SURVEY?

The American Community Survey (ACS) is a nationwide survey designed to provide communities with reliable and timely demographic, social, economic, and housing data for nation, state, congressional districts, counties, places, and other localities every year. It has an annual sample size of about 3 million addresses across the United States and Puerto Rico and includes both housing units and group quarters (e.g., nursing homes and prisons). The ACS is conducted in every county throughout the nation, and every municipio in Puerto Rico, where it is called the Puerto Rico Community Survey. Beginning in 2006, ACS data for 2005 were released for geographic areas with populations of 65,000 and greater. For information on the ACS sample design and other topics, visit <www.census.gov/acs/www>.

Median Household Income and Gini Index in the Past 12 Months by State and Puerto Rico: 2009 and 2010

(In 2010 inflation-adjusted dollars. Data are limited to the household population and exclude the population living in institutions, college dormitories, and other group quarters)

Area	2009 ACS median household income (dollars)		2010 ACS median household income (dollars)		Change in median income		2009 ACS Gini index		2010 ACS Gini index		Change in Gini index	
					Percent							
	Estimate	Margin of error (±)[1]	Estimate	Margin of error (±)[1]	Estimate	Margin of error (±)[1]	Estimate	Margin of error (±)[1]	Estimate	Margin of error (±)[1]	Estimate	Margin of error (±)[1]
United States	**51,190**	**67**	**50,046**	**64**	***–2.2**	**0.2**	**0.469**	**0.002**	**0.469**	**–**	**–**	**0.002**
Alabama	41,291	485	40,474	472	*–2.0	1.6	0.471	0.005	0.472	0.004	0.001	0.007
Alaska	68,084	2,543	64,576	2,085	*–5.2	4.7	0.402	0.014	0.422	0.010	*0.020	0.017
Arizona	49,677	541	46,789	531	*–5.8	1.5	0.451	0.005	0.455	0.004	0.004	0.006
Arkansas	38,441	692	38,307	643	–0.3	2.5	0.461	0.006	0.458	0.007	–0.003	0.009
California	60,198	247	57,708	354	*–4.1	0.7	0.467	0.002	0.471	0.002	*0.004	0.003
Colorado	56,366	650	54,046	729	*–4.1	1.7	0.453	0.005	0.457	0.005	0.004	0.007
Connecticut	68,174	1,133	64,032	1,092	*–6.1	2.2	0.480	0.006	0.486	0.007	0.006	0.009
Delaware	57,938	1,551	55,847	1,499	–3.6	3.7	0.434	0.010	0.440	0.010	0.006	0.014
District of Columbia	60,433	1,462	60,903	1,540	0.8	3.5	0.532	0.010	0.532	0.011	–	0.015
Florida	45,577	294	44,409	324	*–2.6	0.9	0.469	0.003	0.474	0.003	*0.005	0.004
Georgia	48,314	475	46,430	470	*–3.9	1.4	0.469	0.004	0.468	0.003	–0.001	0.005
Hawaii	65,216	1,662	63,030	1,556	–3.4	3.4	0.425	0.009	0.433	0.008	0.008	0.012
Idaho	45,791	900	43,490	1,005	*–5.0	2.9	0.421	0.008	0.433	0.009	*0.012	0.012
Illinois	54,992	412	52,972	439	*–3.7	1.1	0.469	0.004	0.465	0.003	–0.004	0.005
Indiana	46,273	428	44,613	452	*–3.6	1.3	0.434	0.004	0.440	0.004	*0.006	0.006
Iowa	48,864	498	47,961	647	*–1.8	1.7	0.431	0.005	0.427	0.005	–0.004	0.007
Kansas	48,678	757	48,257	870	–0.9	2.4	0.444	0.005	0.445	0.004	0.001	0.007
Kentucky	40,840	536	40,062	502	*–1.9	1.8	0.464	0.005	0.466	0.005	0.002	0.007
Louisiana	43,472	622	42,505	707	*–2.2	2.1	0.473	0.006	0.475	0.006	0.002	0.008
Maine	46,507	873	45,815	953	–1.5	2.8	0.432	0.008	0.437	0.007	0.005	0.011
Maryland	70,477	644	68,854	922	*–2.3	1.6	0.448	0.004	0.443	0.004	–0.005	0.006
Massachusetts	65,254	596	62,072	408	*–4.9	1.1	0.468	0.005	0.475	0.004	*0.007	0.006
Michigan	46,078	340	45,413	306	*–1.4	1.0	0.453	0.004	0.451	0.003	–0.002	0.005
Minnesota	56,592	507	55,459	457	*–2.0	1.2	0.439	0.004	0.440	0.005	0.001	0.006
Mississippi	37,144	618	36,851	635	–0.8	2.4	0.470	0.008	0.468	0.006	–0.002	0.010
Missouri	46,047	491	44,301	507	*–3.8	1.5	0.450	0.004	0.455	0.005	0.005	0.006
Montana	43,238	1,161	42,666	1,130	–1.3	3.7	0.431	0.009	0.435	0.008	0.004	0.012
Nebraska	48,092	807	48,408	904	0.7	2.5	0.440	0.007	0.432	0.007	–0.008	0.010
Nevada	54,313	962	51,001	792	*–6.1	2.2	0.433	0.006	0.448	0.008	*0.015	0.010
New Hampshire	61,723	1,369	61,042	1,147	–1.1	2.9	0.431	0.009	0.425	0.007	–0.006	0.012
New Jersey	69,569	775	67,681	763	*–2.7	1.5	0.465	0.004	0.464	0.004	–0.001	0.005
New Mexico	43,954	1,033	42,090	734	*–4.2	2.8	0.453	0.007	0.464	0.008	*0.011	0.010
New York	55,718	387	54,148	376	*–2.8	1.0	0.502	0.003	0.499	0.003	–0.003	0.004
North Carolina	44,467	358	43,326	370	*–2.6	1.1	0.464	0.004	0.464	0.004	–	0.005
North Dakota	48,453	1,122	48,670	1,575	0.4	4.0	0.450	0.013	0.433	0.011	*–0.017	0.017
Ohio	46,241	344	45,090	294	*–2.5	1.0	0.453	0.003	0.452	0.003	–0.001	0.004
Oklahoma	42,515	528	42,072	407	–1.0	1.6	0.460	0.005	0.454	0.005	–0.006	0.007
Oregon	49,290	684	46,560	542	*–5.5	1.7	0.443	0.005	0.449	0.005	0.006	0.007
Pennsylvania	50,473	289	49,288	433	*–2.3	1.0	0.460	0.003	0.461	0.003	0.001	0.004
Rhode Island	55,084	1,606	52,254	1,244	*–5.1	3.6	0.457	0.011	0.467	0.009	0.010	0.014
South Carolina	43,302	568	42,018	424	*–3.0	1.6	0.462	0.005	0.461	0.006	–0.001	0.007
South Dakota	45,696	1,171	45,904	1,215	0.5	3.7	0.452	0.015	0.442	0.012	–0.010	0.019
Tennessee	42,623	474	41,461	403	*–2.7	1.4	0.467	0.005	0.468	0.004	0.001	0.007
Texas	49,123	289	48,615	347	*–1.0	0.9	0.474	0.003	0.469	0.002	*–0.005	0.004
Utah	56,228	801	54,744	625	*–2.6	1.8	0.414	0.008	0.419	0.007	0.005	0.010
Vermont	52,589	1,053	49,406	1,483	*–6.1	3.4	0.428	0.009	0.444	0.009	*0.016	0.013
Virginia	60,493	465	60,674	457	0.3	1.1	0.456	0.003	0.459	0.003	0.003	0.005
Washington	57,416	489	55,631	550	*–3.1	1.3	0.439	0.004	0.441	0.004	0.002	0.006
West Virginia	38,031	752	38,218	896	0.5	3.1	0.463	0.008	0.451	0.007	*–0.012	0.011
Wisconsin	50,973	414	49,001	500	*–3.9	1.3	0.432	0.004	0.430	0.004	–0.002	0.006
Wyoming	53,829	1,807	53,512	1,894	–0.6	4.8	0.415	0.014	0.423	0.017	0.008	0.022
Puerto Rico	18,654	335	18,862	324	1.1	2.5	0.532	0.007	0.537	0.007	0.005	0.009

– Represents or rounds to zero.

*Statistically different from zero at the 90 percent confidence level.

[1]Data are based on a sample and are subject to sampling variability. A margin of error is a measure of an estimate's variability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number when added to and subtracted from the estimate forms the 90 percent confidence interval.

Sources: U.S. Census Bureau, 2009 and 2010 American Community Surveys, 2009 and 2010 Puerto Rico Community Surveys.