

Brief Economic Facts

THE STATE OF MARYLAND

Maryland is at the center of the Boston-Atlanta Corridor on the Atlantic seaboard, and borders Washington, D.C., the nation's capital. Among the 50 states, Maryland ranks 42nd in size and 19th in population, and its median household income is the highest among the states. Major federal facilities in Maryland include the National Institutes of Health, National Institute of Standards and Technology, National Security Agency, Social Security Administration, Food and Drug Administration, Department of Homeland Security, and Census Bureau.



Maryland's diversified economy is rooted in high technology, biosciences and services, as well as revitalized manufacturing and international trade. The state is home to four Foreign-Trade Zones and 31 State Enterprise Zones. Transportation resources include the Port of Baltimore and the Baltimore/Washington International Thurgood Marshall Airport. Professional and technical workers constitute 28.3 percent of the state's work force—the highest concentration among states. Further, Maryland ranks third among the states in educational attainment—38.2 percent of Maryland's population age 25 and above hold a bachelor's degree or higher.

Maryland's 166,000 businesses employ over 2.1 million workers with an annual payroll of \$115 billion; 3,270 businesses have 100 or more workers. Companies headquartered in Maryland include Lockheed Martin, Marriott International, Discovery Communications, McCormick & Company, T. Rowe Price, Under Armour, W. R. Grace, Legg Mason, GEICO, MedImmune, Emergent Biosolutions, United Therapeutics, Colfax, Safenet, Tessco Technologies, Broadsoft, Coastal Sunbelt and Phillips Seafood.

LOCATION

| Driving distance from Central Maryland: | Miles | Kilometers |
|---|-------|------------|
| Atlanta, Georgia | 658 | 1,059 |
| Boston, Massachusetts | 397 | 639 |
| Chicago, Illinois | 688 | 1,108 |
| New York, New York | 186 | 299 |
| Philadelphia, Pennsylvania | 97 | 156 |
| Pittsburgh, Pennsylvania | 225 | 362 |
| Richmond, Virginia | 144 | 232 |
| Washington, DC | 39 | 63 |

POPULATION AND HOUSEHOLDS^{1,2}

| | Households | Population | Average Annual Growth Rate (Population) |
|------|------------|------------|---|
| 2000 | 1,980,859 | 5,296,486 | — |
| 2010 | 2,156,425 | 5,773,552 | .9% |
| 2015 | 2,247,775* | 6,006,401 | .4% |
| 2020 | 2,360,125* | 6,224,550* | .4% |

*Projections

CLIMATE AND GEOGRAPHY³

| | |
|---------------------------------------|--------------------|
| Average Yearly Precipitation (inches) | 44 |
| Average Yearly Snowfall (inches) | 26 |
| Average Summer Temperature | 74°F; 24°C |
| Average Winter Temperature | 35°F; 2°C |
| Average Days Below Freezing | 93 |
| Land Area (square miles) | 9,844 |
| Water Area (square miles) | 623 |
| Shoreline (miles) | 7,719 |
| Elevation (feet) | sea level to 3,360 |

POPULATION DISTRIBUTION^{1,2} (2015)

| Age | Number | Percent |
|-------------|-----------|------------|
| Under 5 | 369,035 | 6.1 |
| 5 - 19 | 1,134,444 | 18.9 |
| 20 - 44 | 2,003,311 | 33.4 |
| 45 - 64 | 1,650,040 | 27.5 |
| 65 and over | 849,571 | 14.1 |
| Total | 6,006,401 | 100.0 |
| Median Age | | 38.4 years |

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LABOR AVAILABILITY^{2,4} (BY PLACE OF RESIDENCE)

Civilian Labor Force (2015 avg.)

| | |
|----------------------------|-----------|
| Total civilian labor force | 3,151,929 |
| Employment | 2,988,101 |
| Unemployment | 163,828 |
| Unemployment rate | 5.2% |

Employment in selected occupations (2011-2015)

| | | |
|---|-----------|-------|
| Management, business, science and arts | 1,326,578 | 44.6% |
| Service | 511,841 | 17.2% |
| Sales and office | 671,460 | 22.6% |
| Natural resources, construction and maintenance | 233,352 | 7.8% |
| Production, transp. and material moving | 233,273 | 7.8% |

MAJOR EMPLOYERS⁵ (2016)

| Employer | Product/Service | Employment |
|--|--------------------------------|------------|
| Fort George G. Meade | Military installation; intell. | 54,000 |
| Univ. System of Maryland | Higher education | 38,140 |
| Johns Hopkins University | Higher education | 33,000 |
| Univ. of Md. Medical System | Hospitals; health services | 24,185 |
| Johns Hopkins Hospital and Health System | Hospitals; health services | 23,810 |
| Aberdeen Proving Ground | Military installation | 21,000 |
| National Inst. of Health | Federal agency | 17,940 |
| Joint Base Andrews | Military installation | 17,500 |
| U.S. Food and Drug Admin. | Federal agency | 13,855 |
| MedStar Health | Hospitals; health services | 13,570 |
| U.S. Social Security Admin. | Federal agency | 12,600 |
| Naval Support Act. Bethesda | Military installation | 12,000 |
| Naval Air Station Pax. River | Military installation | 11,725 |
| Marriott International | Food and lodging services | 10,400 |
| Northrop Grumman | Electronic systems | 10,365 |
| LifeBridge Health | Hospitals; health services | 7,200 |
| United Parcel Service (UPS) | Mail and package delivery | 7,000 |
| Genesis HealthCare | Nursing care | 6,500 |
| Verizon Maryland | Communications services | 6,500 |
| Fort Detrick | Military installation | 6,400 |
| T. Rowe Price Group | Financial services | 5,770 |
| Exelon | Electric power generation | 5,200 |
| U.S. Internal Revenue Serv. | Revenue collection | 4,735 |
| U.S. Census Bureau | Demographic research | 4,605 |
| Amazon.com | Fulfillment center | 4,500 |

Excludes state and local governments, national retail and national foodservice; includes higher education

Federal and military employers exclude contractors to the extent possible; embedded contractors may be included; Fort George G. Meade includes employees of the National Security Agency

EMPLOYMENT⁴ (2015, BY PLACE OF WORK)

| Industry | Estab-lishments | Annual Avg. Empl. | Emp. % | Avg. Wkly. Wage |
|----------------------------|-----------------|-------------------|--------------|-----------------|
| Federal government | 1,002 | 144,128 | 5.6 | \$1,864 |
| State government | 442 | 98,833 | 3.8 | 1,100 |
| Local government | 2,063 | 242,724 | 9.4 | 1,042 |
| Private sector | 165,754 | 2,105,175 | 81.3 | 1,054 |
| Natl. resources and mining | 706 | 6,473 | 0.2 | 759 |
| Construction | 16,230 | 154,047 | 5.9 | 1,157 |
| Manufacturing | 3,735 | 103,896 | 4.0 | 1,410 |
| Trade, transp. and util. | 33,224 | 458,015 | 17.7 | 850 |
| Information | 2,616 | 38,449 | 1.5 | 1,615 |
| Financial activities | 14,916 | 138,896 | 5.4 | 1,662 |
| Prof. and business svcs. | 40,733 | 430,326 | 16.6 | 1,424 |
| Educ. and health services | 19,615 | 417,845 | 16.1 | 995 |
| Leisure and hospitality | 14,448 | 267,202 | 10.3 | 415 |
| Other services | 19,420 | 90,025 | 3.5 | 753 |
| Total | 169,261 | 2,590,860 | 100.0 | 1,100 |

Includes civilian employment only

Businesses by Employment Size Class (4th Q 2015)

| No. of employees | 0-9 | 10-49 | 50-99 | 100-499 | 500+ |
|-------------------|---------|--------|-------|---------|------|
| No. of businesses | 126,199 | 31,891 | 4,593 | 3,036 | 233 |

INCOME² (2011-2015)

| Distribution | Percent Households | |
|-------------------------|--------------------|-------------|
| | Maryland | U.S. |
| Under \$25,000 | 15.3 | 23.0 |
| \$25,000 - \$49,999 | 17.9 | 23.5 |
| \$50,000 - \$74,999 | 17.1 | 17.8 |
| \$75,000 - \$99,999 | 13.4 | 12.1 |
| \$100,000 - \$149,999 | 18.2 | 13.1 |
| \$150,000 - \$199,999 | 9.0 | 5.1 |
| \$200,000 and over | 9.2 | 5.3 |
| Median household | \$74,551 | \$53,889 |
| Average household | \$97,801 | \$75,558 |
| Per capita | \$36,897 | \$28,930 |
| Total income (millions) | \$211,875 | \$8,834,710 |

HOUSING^{1,2,6}

Occupied Units (2011-2015) 2,166,389 (66.8% owner occupied)

| Housing Transactions | Units | Median Selling Price |
|--|--------|----------------------|
| All arms-length transactions (2015) | 65,919 | \$291,000 |
| All multiple-listed properties (2016)* | 79,956 | \$267,431 |

*Excludes auctions and FSBO

TRANSPORTATION

Maryland is centered in one of the nation's most comprehensive transportation networks along the eastern seaboard.

Highways: Maryland offers a safe, efficient network of interstate roads; I-68, I-70, I-81, I-83, I-95, I-97, I-195, I-270, I-370, I-395, I-495, I-695, I-795, and I-895.

Rail: Served primarily by CSX Transportation and Norfolk Southern Railway; five additional short line or terminal freight railroads provide service mainly in rural areas of the state.

Mass Transit: State-owned rail commuter service (MARC) in the Baltimore-Washington area; metropolitan light rail in the Baltimore area, and subway systems in Baltimore and the Washington, D.C. suburbs. Amtrak passenger rail offers convenient access to U.S. cities in the Northeast, and Metroliner service connects Baltimore to New York in 2-1/2 hours.

Truck: 1,459 local and long-distance trucking establishments transport general or specialized cargo.

Water: Port of Baltimore is located closer to the Midwest than any other Atlantic seaport; a leading U.S. automobile port and one of the nation's top RO-RO ports; state-of-the-art Seagirt Marine Terminal and Intermodal Container Transfer Facility provide convenient, economical access to national and international markets; one of only three ports on the East Coast able to accommodate super Post-Panamax ships.

Air: Maryland is as close by air to London as it is to Los Angeles; Baltimore/Washington International Thurgood Marshall Airport (BWI), the state's major commercial airport, provides nonstop service to 84 domestic and overseas destinations and is served by 36 airlines, including commuter, charter and cargo; passenger flights to and from BWI average over 680 daily. BWI offers a full array of cargo support services, including 24-hour air cargo and customs services, a 395,000 square foot Air Cargo Center and a 214-acre Foreign-Trade Zone. A light rail line connects BWI's international terminal with Baltimore City and its northern suburbs, and Amtrak and MARC train service are available to Washington, D.C.

UTILITIES

Electricity: Electricity in Maryland is available and dependable; the state's major electric utilities are part of the PJM Interconnection, the country's largest and most integrated power pool. The amount of power available at any particular place varies, but the 13 electric utilities that serve Maryland provide ample power on demand. Customers of investor-owned utilities and major cooperatives may choose their electric supplier.

Gas: Natural gas is available in most urban and surrounding areas. Maryland receives bulk natural gas from four interstate pipelines: Transco, Columbia Gas Transmission, Consolidated Natural Gas, and Eastern Shore Natural Gas. Seven natural gas companies operate in Maryland, as well as two companies which supply propane gas through street mains. Customers of major gas companies may choose their gas supplier.

Telecommunications: Heavily served by digital and fiber optics, the state's telecommunications network is state-of-the-art. Verizon Maryland is the largest provider of communications services in the state; its fiber network infrastructure is very robust with nearly 18,000 fiber miles. Verizon services include FTTP, FiOS, Business Ethernet and Secure Gateway. Other major providers include Comcast, Level 3 and XO Communications.

TAX RATES AND INCENTIVES

Corporate Income Tax: 8.25% on net income attributable to business transacted within Maryland. Local jurisdictions do not levy a corporate income tax.

Personal Income Tax: Graduated rate ranging from 2.0% to 5.75% on taxable income over \$300,000 for joint filers. Each of the counties and the City of Baltimore impose a personal income surtax ranging from 1.75% to 3.20% of taxable income.

Sales and Use Tax: 6% on tangible personal property sold at retail or used in Maryland. This tax does not apply to sales for resale. It does not apply to a manufacturer's purchase of raw materials nor manufacturing machinery and equipment. Tax exemptions for research and development firms include: purchases of materials and equipment used in R&D and testing of finished products, and purchases of computer programs for re-production or incorporation into another computer program for resale. Local jurisdictions do not levy a general sales tax.

Real Property Tax: Real property in Maryland is assessed at 100% of market value. Property is valued once every three years. The state tax rate for 2016-2017 is 11.2 cents per \$100 of assessed value. Local jurisdictions and incorporated municipalities tax at varying rates.

Personal Property Tax: Maryland does not impose a state personal property tax on business. Local jurisdictions and incorporated municipalities tax at varying rates. Rates are based on depreciated value. Seven counties and several municipalities exempt all personal property from taxation. The remaining counties and most municipalities offer complete or partial exemptions on manufacturing and research and development machinery and equipment, and on manufacturing, R&D and warehousing inventories.

Major State Tax Incentives

- Biotechnology Investment Incentive Tax Credit
- Brownfields Tax Incentive
- Cybersecurity Investment Incentive Tax Credit
- Enterprise Zone Tax Credits
- Job Creation Tax Credit
- One Maryland Tax Credit
- Regional Institution Strategic Enterprise (RISE) Zone Program
- Research and Development Tax Credit

BUSINESS AND INDUSTRIAL PROPERTY

Maryland offers a variety of buildings, sites and business park settings located throughout the state. Commercial and industrial properties are available for research and development, office, warehouse/distribution, heavy/light industrial, and manufacturing uses. Properties with wet lab, clean room and secure/SCIF space are available. The state is also home to over 30 new-business incubators for technology-driven companies.

An abundance of properties have ready access to highway, rail, airport and port facilities. Most properties are served with utilities. Purchase or lease of properties can be arranged, or buildings can be built new to suit tenant's specifications or can be retrofitted.

To begin exploring the range of available properties in Maryland, please visit our searchable Buildings & Sites database at Commerce.Maryland.gov. You may also contact a state economic development representative at 1.888.ChooseMD. These qualified economic developers offer confidential and professional site-selection services free of charge.

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SCHOOLS AND COLLEGES^{2,8}

Educational Attainment - age 25 & over (2015)

| | |
|--------------------------------|-------|
| High school graduate or higher | 89.6% |
| Bachelor's degree or higher | 38.8% |
| Advanced degree | 17.7% |

Public Schools

Number: 787 elementary; 305 middle/combined; 205 high; 49 charter; 78 other

Enrollment: 886,221 (Sept. 2016)

Cost per pupil: \$13,893 (2014-2015)

Students per teacher: 14.7 (Oct. 2016)

High school career / tech enrollment: 86,142 (2016)

High school graduates: 58,239 (July 2015)

Nonpublic Schools

Number: 1,433 (Sept. 2016)

SAT Scores

490 Critical Reading; 490 Math; 476 Writing

Includes public and non-public high school graduates in 2016; most recent score through January 2016

Career and Technical Education (Secondary): Over 200 secondary schools and career/technology centers throughout the state offer a wide variety of occupational programs including electronics, mechanics, health, and business.

Workforce Training: Through the Maryland WorkSmart program, the state's 16 community colleges offer an array of customized, relevant workforce training solutions by identifying or building workforce training to meet the needs of business. Training takes place at a business' location or at a college, during convenient hours, using state-of-the-art equipment, and at a reasonable price.

Higher Education: 57 accredited institutions (39 four-year and 18 two-year) with total enrollment of over 360,000. Twelve institutions of the University System of Maryland as well as the Johns Hopkins University and the U.S. Naval Academy provide outstanding resources. Over 32,900 bachelor's degrees, 18,200 master's, and 2,900 doctorates and professional degrees were awarded in Maryland in the 2015 academic year. In neighboring Washington, D.C. there are 18 colleges and universities.

In addition to traditional campuses, 8 regional higher education centers throughout the state offer degrees locally through partnerships between Maryland community colleges and in- and out-of-state colleges and universities.

Links to Business: University of Maryland Biotechnology Institute, Maryland Technology Enterprise Institute and Fraunhofer Center-Maryland at College Park; and the Applied Physics Laboratory, Information Security Institute and Space Telescope Science Institute at Johns Hopkins.

RECREATION AND CULTURE

Maryland is naturally endowed with the surf and sand of Atlantic beaches, a sailing paradise on the Chesapeake Bay, and the mountain sports of Western Maryland.

Sports: Baltimore Orioles and Ravens; Washington Redskins, Wizards, and Capitals; the Preakness Stakes—the second leg of racing's Triple Crown—and other thoroughbred and harness racing; sailing regattas; and a host of collegiate athletics. Both Washington and Baltimore regularly host events on the professional tennis and golf circuits.

Cultural: American Film Institute Silver Theatre, Hippodrome Theatre, Baltimore Symphony Orchestra, Maryland Science Center, Baltimore Museum of Art, American Visionary Art Museum, Reginald F. Lewis Museum, Chesapeake Bay Maritime Museum, Ward Museum of Wildfowl Art, Ladew Topiary Gardens, and National Aquarium in Baltimore; seven wine trails connect dozens of local vineyards.

Historical: 13 Heritage Areas, 18 Scenic Byways including the Star-Spangled Banner Trail and Historic National Road; Antietam and Monocacy National Battlefields; Fort McHenry; the National Museum of Civil War Medicine; Hampton National Historic Site; covered bridges and lighthouses.

Vacation Cruises: The 65,000-square-foot Baltimore Cruise Terminal is located just off I-95, 10 minutes from BWI Airport. Up to ten cruises a month on ships from major cruise lines sail to Bermuda, the Caribbean, New England and Canada.

GOVERNMENT⁹

State Capital: Annapolis

Statehood: April 28, 1788, the seventh state

Government: The Governor is the chief executive of the state. Maryland's legislature consists of a 47-member Senate and a 141-member House of Delegates. The state consists of 23 counties and the independent City of Baltimore.

Larry Hogan, Governor

Boyd K. Rutherford, Lt. Governor

Website: www.maryland.gov

Bond Rating: AAA (S&P); Aaa (Moody's); AAA (Fitch)

Maryland Department of Commerce

Mike Gill, Secretary

Benjamin H. Wu, Deputy Secretary

Sources:

1 Maryland Department of Planning

2 U.S. Bureau of the Census

3 National Oceanic and Atmospheric Administration (average of 1981-2010 normals); Maryland Geological Survey

4 Maryland Department of Labor, Licensing and Regulation, Office of Workforce Information and Performance

5 Maryland Department of Commerce

6 Maryland Association of Realtors

7 Maryland State Department of Assessments and Taxation; Comptroller of the Treasury

8 Maryland State Department of Education; Maryland Higher Education Commission

9 Maryland State Archives