

News Release

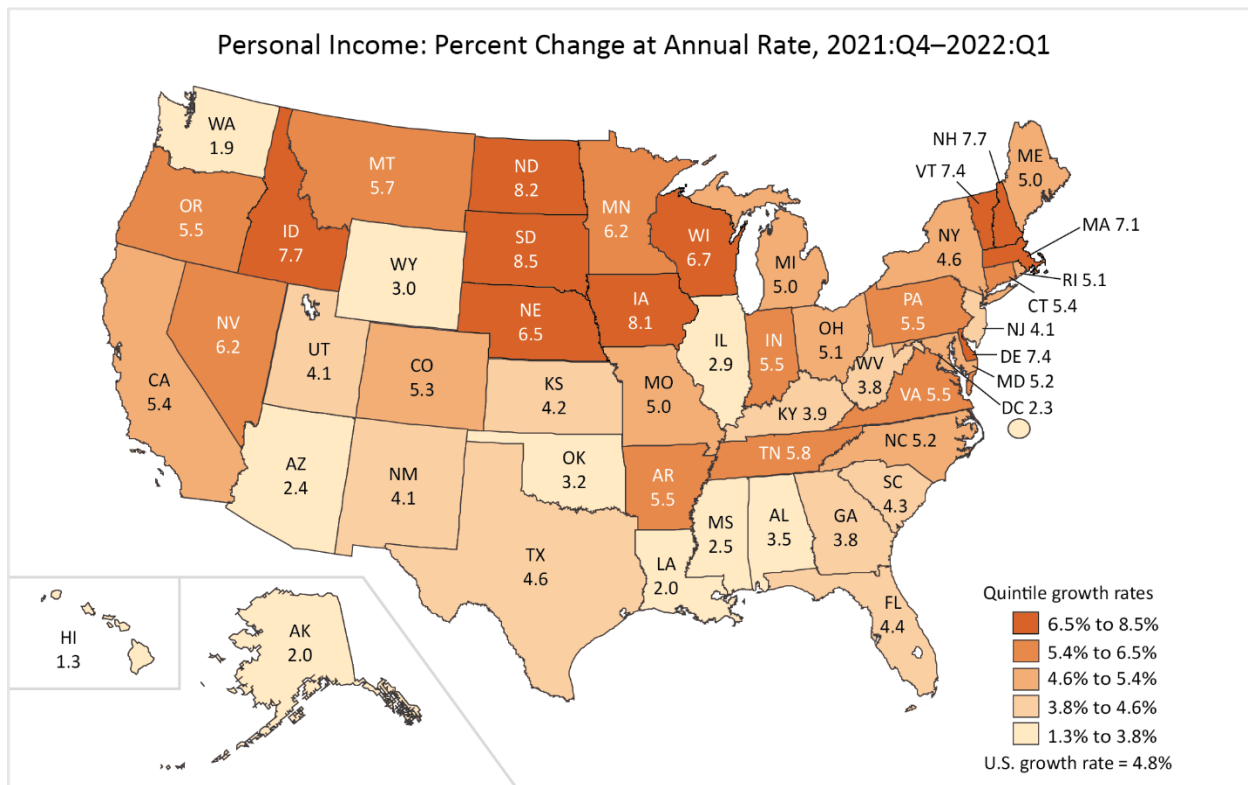
EMBARGOED UNTIL RELEASE AT 8:30 a.m., Wednesday, June 22, 2022

BEA 22-25

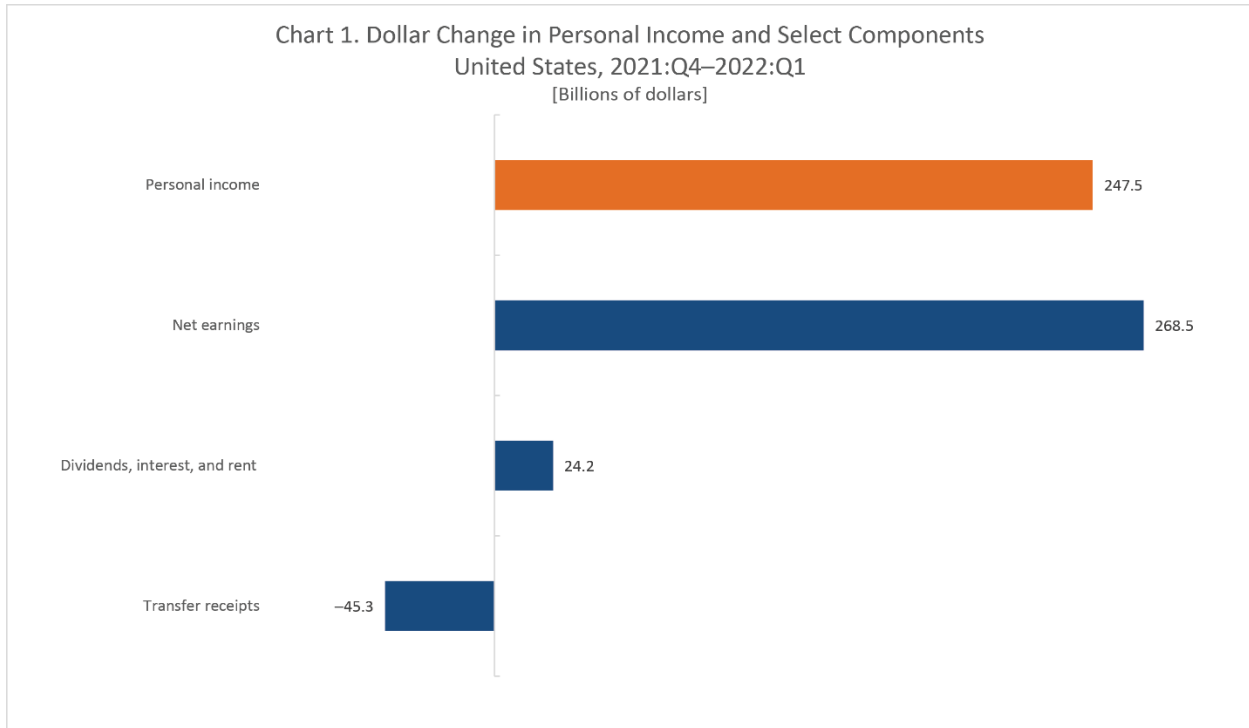
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Personal Income by State, 1st Quarter 2022

State personal income increased 4.8 percent at an annual rate in the first quarter of 2022 after increasing 3.6 percent in the fourth quarter of 2021, according to estimates released today by the U.S. Bureau of Economic Analysis (BEA) (table 1). The percent change in personal income across all states ranged from 8.5 percent in South Dakota to 1.3 percent in Hawaii.



In the first quarter of 2022, increases in earnings and property income (dividends, interest, and rent) more than offset a decrease in transfer receipts (chart 1).



U.S. Bureau of Economic Analysis

Coronavirus (COVID–19) Impact on First-Quarter 2022 State Personal Income

In the first quarter, an increase in COVID–19 cases related to the Omicron variant resulted in continued restrictions and disruptions in the operations of establishments in some parts of the country. Government assistance payments in the form of forgivable loans to businesses, grants to state and local governments, and social benefits to households all decreased as provisions of several federal programs expired or tapered off. The full economic effects of the COVID–19 pandemic cannot be quantified in the state personal income estimates for the first quarter, because the impacts are generally embedded in source data and cannot be separately identified. For more information, see [“Federal Recovery Programs and BEA Statistics.”](#)

For the nation, **earnings** increased 8.3 percent in the first quarter of 2022 after increasing 10.3 percent in the fourth quarter (table 2). The increase in earnings reflected the continued economic recovery following the partial economic shutdown that began in the first quarter of 2020 after the start of the COVID–19 pandemic.

- In South Dakota, North Dakota, Iowa, and Idaho, the states with the largest increases in personal income, an increase in farm earnings was the leading contributor to the increase in personal income in the first quarter (table 3).

- In New Hampshire, Vermont, and Massachusetts, an increase in professional, scientific, and technical services was the leading contributor to the increase in personal income in the first quarter (table 3).

Earnings increased in 23 of the 24 industries for which BEA prepares quarterly estimates (table 4). Professional, scientific, and technical services; construction; and administrative and support and waste management and remediation services were the leading contributors to the overall growth in earnings. The percent change in earnings across all states ranged from 13.5 percent in North Dakota to 3.0 percent in Hawaii (table 2).

Property income increased 2.6 percent for the nation in the first quarter of 2022 after increasing 6.5 percent in the fourth quarter. The percent change in property income across all states ranged from 5.2 percent in Utah to 1.0 percent in Rhode Island (table 2).

Transfer receipts decreased 4.5 percent for the nation in the first quarter of 2022 after decreasing 17.6 percent in the fourth quarter. The decrease in transfer receipts was due to decreases in state unemployment insurance compensation and all other transfer receipts partially offset by increases in Social Security, Medicare, and Medicaid benefits. The percent change in transfer receipts across all states ranged from 4.6 percent in Delaware to -11.2 percent in Arizona (table 2).

Updates to State Personal Income

Today, BEA also released revised quarterly estimates of personal income for the first quarter of 2021 through the fourth quarter of 2021. Updates were made to incorporate source data that are more complete and more detailed than previously available and to align the states with revised national estimates that were released on May 27, 2022.

BEA also released new estimates of per capita personal income for the first quarter of 2022, along with revised estimates for the first quarter of 2021 through the fourth quarter of 2021. BEA used Census population figures for the first quarter of 2021 through the first quarter of 2022, based on the 2020 decennial counts, to calculate per capita personal income estimates.

Revised annual state personal income estimates for 2017 to 2021 will be released on September 30, 2022. In addition, revised estimates for the first quarter of 2017 through the first quarter of 2022 and preliminary estimates for the second quarter of 2022 will also be released. In November 2022, the *Survey of Current Business* will publish an article describing the results.

Starting on September 30, 2022, BEA will begin regularly publishing quarterly statistics for state gross domestic product and state personal income together in a single news release, providing a fuller picture of the economies of all states and the District of Columbia. The combined news release will replace the publication of two separate releases issued on different days.

Next release: September 30, 2022, at 10:00 a.m.

Gross Domestic Product and Personal Income by State, 2nd Quarter 2022 and Annual Update 2021

Additional Information

Resources

- Information on COVID-19 and recovery impacts is available on our [website](#).
- Stay informed about BEA developments by reading [The BEA Wire](#), signing up for BEA's [email subscription service](#), or following BEA on Twitter [@BEA_News](#).
- Historical time series for these estimates can be accessed in BEA's [Interactive Data Application](#).
- Access BEA data by registering for BEA's [Data Application Programming Interface](#).
- For more on BEA's statistics, see our online journal, the [Survey of Current Business](#).
- For upcoming economic indicators, see BEA's [news release schedule](#).
- BEA Regional Facts ([BEARFACTS](#)) is a narrative summary of personal income, per capita personal income, components of income, and gross domestic product for counties, metropolitan statistical areas, and states.
- For complete information on the sources and methods used to estimate BEA's state personal income and employment statistics, see our [guide](#).

Definitions

Personal income is the income received by, or on behalf of, all persons from all sources: from participation as laborers in production, from owning a home or business, from the ownership of financial assets, and from government and business in the form of transfers. It includes income from domestic sources as well as the rest of world. It does not include realized or unrealized capital gains or losses.

Per capita personal income is calculated as the total personal income of the residents of a state divided by the population of the state. In computing per capita personal income, BEA uses midquarter population estimates based on unpublished Census Bureau data.

Earnings by place of work is the sum of wages and salaries, supplements to wages and salaries, and proprietors' income. BEA's industry estimates are presented on an earnings by place-of-work basis.

Net earnings by place of residence is earnings by place of work less contributions for government social insurance plus an adjustment to convert earnings by place of work to

a place-of-residence basis. BEA presents net earnings on an all-industry level.

Property income is rental income of persons, personal dividend income, and personal interest income.

Personal current transfer receipts are benefits received by persons from federal, state, and local governments and from businesses for which no current services are performed. They include retirement and disability insurance benefits (mainly social security), medical benefits (mainly Medicare and Medicaid), income maintenance benefits, unemployment insurance compensation, veterans' benefits, and federal education and training assistance.

Personal income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

The estimate of personal income for the United States is the sum of the state estimates and the estimate for the District of Columbia; it differs slightly from the estimate of personal income in the National Income and Product Accounts because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data.

Statistical conventions

Quarter-to-quarter percent changes are calculated from unrounded data and are annualized. Annualized growth rates show the rate of change that would have occurred had the pattern been repeated over four quarters (1 year). Annualized rates of change can be calculated as follows: $((\text{level of later quarter} / \text{level of earlier quarter})^4 - 1) * 100$. Quarterly estimates are expressed at seasonally adjusted annual rates unless otherwise specified. Quarter-to-quarter dollar changes are differences between published estimates.

BEA regions

BEA groups all 50 states and the District of Columbia into 8 distinct regions for purposes of presentation and analysis as follows:

New England (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont)

Mideast (Delaware, District of Columbia, Maryland, New Jersey, New York, and Pennsylvania)

Great Lakes (Illinois, Indiana, Michigan, Ohio, and Wisconsin)

Plains (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota)

Southeast (Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia)

Southwest (Arizona, New Mexico, Oklahoma, and Texas)

Rocky Mountain (Colorado, Idaho, Montana, Utah, and Wyoming)

Far West (Alaska, California, Hawaii, Nevada, Oregon, and Washington)

Uses of state personal income statistics

State personal income statistics provide a framework for analyzing current economic conditions in each state and can serve as a basis for decisionmaking. For example:

- Federal government agencies use the statistics as a basis for allocating funds and determining matching grants to states. The statistics are also used in forecasting models to project energy and water use.
- State governments use the statistics to project tax revenues and the need for public services.
- Academic regional economists use the statistics for applied research.
- Businesses, trade associations, and labor organizations use the statistics for market research.

News Release Tables

Table 1. Personal Income, by State and Region, 2020:Q4–2022:Q1

Table 2. Personal Income Change by Component, by State and Region, 2021:Q4–2022:Q1

Table 3. Contributions of Earnings to Percent Change in Personal Income, by Industry and State and Region, 2021:Q4–2022:Q1

Table 4. Earnings Growth, by Industry and State and Region, 2021:Q4–2022:Q1