



The Impact of Resource-Based Industries on the Maryland Economy

BEACON, the Business Economic and Community Outreach Network at Salisbury University, with the support of the Maryland Agricultural and Resource-Based Industries Development Corporation (MARBIDCO), has completed an economic impact study to measure the importance of resource-based industries (RBI) to the State of Maryland. ¹ The resource-based industries represent a significant and crucial segment of the Maryland economy.

The target Resource-based industries, which include agriculture, forestry, seafood, aquaculture, and horticulture, accounted for over \$20.1 billion in economic activity, 88,610 supported jobs, and over \$755 million in State and local tax revenue. This includes only a portion of the estimated \$2.06 billion economic impact of the equine industry.

A further break-down of the resource-based industries (RBI) showed agriculture (including agricultural-reliant “support industries”) contributed \$16.5 billion to the State’s economy (82.00% of RBI total), supported 73,009 jobs (82.39% of RBI total), and provided over \$610 million in State and local tax revenue (80.83% of RBI total). Please note that the total impact of the equine industry was not included in the agriculture sector. The equine industry represents a portion of the agriculture sector but impacts several other sectors that are not included, such as racing track operations and tourism. As noted before, the Equine industries contributed over \$2 billion to the State economy and supported 21,532 jobs.²

Forestry contributed over \$3.3 billion to the State’s economy (16.57% of RBI), supported 12,890 jobs (14.55% of RBI total), and over \$131 million in State and local tax revenue (17.41% of RBI total).

Seafood contributed nearly \$289 million to the State’s economy (1.43% of RBI total), supported 2,711 jobs (3.06% of RBI total), and over \$13 million in State and local tax revenue (1.77% of RBI total). Please note that the aquaculture industry has a growing number of animal producers; much of the aquaculture activity, such as finfish farming and shellfish farming, were captured under the agriculture sector “animal production” when analyzed for economic impact.

Resource-based Industries	Economy Contribution (\$)	% of total	Jobs Supported	% of total	State & Local Tax Revenue (\$)	% of total
Agriculture (including Agricultural Support industries and Aquaculture)	\$16,526,654,885	82.00%	73,009	82.39%	\$ 610,415,535	80.83%
Forestry	\$3,339,461,946	16.57%	12,890	14.55%	\$ 131,444,964	17.41%
Seafood	\$288,800,382	1.43%	2,711	3.06%	\$ 13,330,173	1.77%
RBI Total	\$20,154,917,213	100.00%	88,610	100.00%	\$755,190,673	100.00%
<i>Equine (partially represented in Agriculture and Support industries, but also included in sectors outside of the scope of this study)</i>	\$2,061,000,000		21,532			

NOTE: The total Equine impact was not included in the Agriculture Industry sector analysis. The value of equine impact includes industry sectors that include many other industries.

¹ The 2019 IMPLAN dataset was utilized in this study, rather than the 2020 dataset, in order to examine the most recent pre-COVID industry impacts.

² *Economic Impact of the Horse Industry in Maryland*. American Horse Council Foundation, 2018.

In addition, the impact of RBI industries on the Maryland Economy was analyzed at a State level and the regional level (i.e., Western Maryland, Central Maryland, Southern Maryland, and the Eastern Shore of Maryland).

In summary,

- Western Maryland contributed \$3.8 billion to the State economy (19.4% RBI total);
- Central Maryland contributed \$8.5 billion to the State economy (43.4% of RBI total);
- Southern Maryland contributed over \$1.7 billion to the State economy (8.8% of RBI total); and
- The Eastern Shore of Maryland contributed nearly \$5.6 billion to the State economy (28.5% of RBI total).

<u>Industry Sectors</u>	<u>Economy Contribution</u>		<u>Jobs Supported</u>		<u>State & Local Tax Revenue</u>	
	<i>Economic Impact: Output</i>		<i>Economic Impact: Employment</i>		<i>Economic Impact: State & Local Tax</i>	
RBI (excludes Equine)						
<i>including Agriculture, Forestry, Horticulture, Seafood, and Aquaculture</i>						
State of Maryland	\$20,154,917,213	100.00%	88,610	100.00%	\$755,190,673	100.00%
<i>Western Maryland</i>	<i>\$3,627,845,926</i>	<i>18.00%</i>	<i>19,186</i>	<i>21.65%</i>	<i>\$154,287,750</i>	<i>20.43%</i>
<i>Central Maryland</i>	<i>\$9,138,544,217</i>	<i>45.34%</i>	<i>33,126</i>	<i>37.38%</i>	<i>\$323,408,934</i>	<i>42.82%</i>
<i>Southern Maryland</i>	<i>\$1,803,602,328</i>	<i>8.95%</i>	<i>11,078</i>	<i>12.50%</i>	<i>\$96,906,204</i>	<i>12.83%</i>
<i>Eastern Shore of Maryland</i>	<i>\$5,584,924,742</i>	<i>27.71%</i>	<i>25,220</i>	<i>28.46%</i>	<i>\$180,587,786</i>	<i>23.91%</i>
<u>Agriculture - Total Ag Impact*</u>						
State of Maryland	\$16,526,654,885	100.00%	73,009	100.00%	\$610,415,535	100.00%
<i>Western Maryland</i>	<i>\$2,361,790,929</i>	<i>14.29%</i>	<i>14,064</i>	<i>19.26%</i>	<i>\$102,059,455</i>	<i>16.72%</i>
<i>Central Maryland</i>	<i>\$8,130,486,106</i>	<i>49.20%</i>	<i>29,283</i>	<i>40.11%</i>	<i>\$286,107,915</i>	<i>46.87%</i>
<i>Southern Maryland</i>	<i>\$1,363,893,641</i>	<i>8.25%</i>	<i>8,731</i>	<i>11.96%</i>	<i>\$74,941,651</i>	<i>12.28%</i>
<i>Eastern Shore of Maryland</i>	<i>\$4,670,484,210</i>	<i>28.26%</i>	<i>20,931</i>	<i>28.67%</i>	<i>\$147,306,514</i>	<i>24.13%</i>
<i>Equine (estimated)***</i>	<i>\$2,061,000,000</i>		<i>21,532</i>			
<u>Forestry</u>						
State of Maryland	\$3,339,461,946	100.00%	12,890	100.00%	\$131,444,964	100.00%
<i>Western Maryland</i>	<i>\$1,266,054,997</i>	<i>37.91%</i>	<i>5,122</i>	<i>39.73%</i>	<i>\$52,228,294</i>	<i>39.73%</i>
<i>Central Maryland</i>	<i>\$987,770,533</i>	<i>29.58%</i>	<i>3,486</i>	<i>27.04%</i>	<i>\$35,544,501</i>	<i>27.04%</i>
<i>Southern Maryland</i>	<i>\$419,238,126</i>	<i>12.55%</i>	<i>1,974</i>	<i>15.31%</i>	<i>\$20,127,600</i>	<i>15.31%</i>
<i>Eastern Shore of Maryland</i>	<i>\$666,398,290</i>	<i>19.96%</i>	<i>2,309</i>	<i>17.91%</i>	<i>\$23,544,569</i>	<i>17.91%</i>
<u>Seafood **</u>						
State of Maryland	\$288,800,382	100.00%	3,341	100.00%	\$13,330,173	100.00%
<i>Western Maryland</i>	<i>0</i>	<i>0.00%</i>	<i>0</i>	<i>0.00%</i>	<i>0</i>	<i>0.00%</i>
<i>Central Maryland</i>	<i>\$20,287,578</i>	<i>7.02%</i>	<i>357</i>	<i>10.69%</i>	<i>\$1,756,518</i>	<i>13.18%</i>
<i>Southern Maryland</i>	<i>\$20,470,562</i>	<i>7.09%</i>	<i>374</i>	<i>11.18%</i>	<i>\$1,836,953</i>	<i>13.78%</i>
<i>Eastern Shore of Maryland</i>	<i>\$248,042,243</i>	<i>85.89%</i>	<i>1,980</i>	<i>59.27%</i>	<i>\$9,736,702</i>	<i>73.04%</i>

*Total Ag Impact includes the following industry sectors: Agriculture and Agricultural-Reliant/Supporting Industries of Agriculture.

**Seafood does not include Finfish Farming and Fish Hatcheries, Shellfish Farming; and Other Seafood and Aquaculture. These industries are included in the Agricultural impacts.

*** Equine is only partially reflected in the Agriculture Industry sector analysis.