

## Regional Quarterly Report

GDP, personal income, and more...

### Regional Estimates for the Third Quarter of 2017

By David G. Lenze

The regional statistics released by the Bureau of Economic Analysis (BEA) for the third quarter of 2017 provide insight into current economic trends for states. This report first discusses the range of growth rates in state gross domestic product (GDP), with a look at the contributions to growth of 21 industries. It then presents state personal income statistics, highlighting the contributions to growth of its seven major components.

#### Real GDP by State

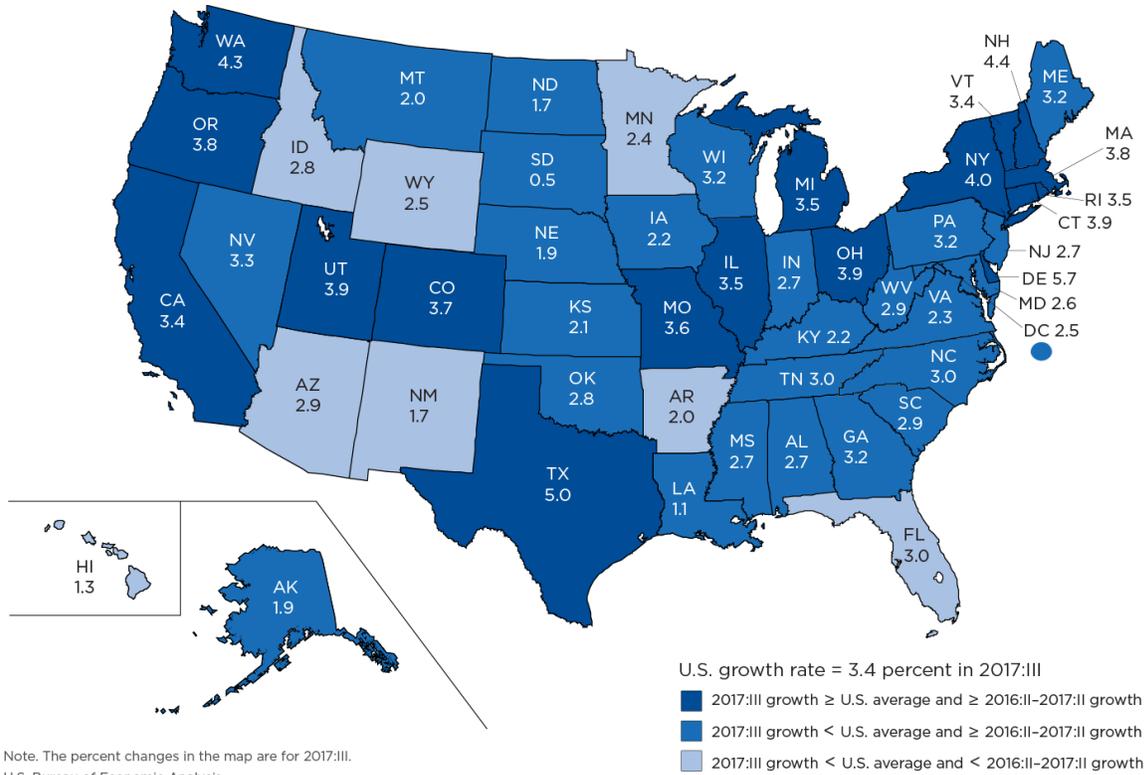
Real GDP growth averaged 3.4 percent in the third quarter of 2017, ranging from 5.7 percent in Delaware to 0.5 percent in South Dakota (table A).<sup>1</sup>

- In 17 states, growth was at least as fast as the average in the third quarter (chart 1). Two of these states (Utah and Washington) grew at the same pace as they did over the previous four quarters, while growth in 15 states accelerated.
- In eight of the states that grew slower than the U.S. in the third quarter, real GDP growth slowed, compared with growth in the previous four quarters. Real GDP in Hawaii, for example, grew 1.3 percent in the third quarter, down from an average 1.5 percent from the second quarter of 2016 to the second quarter of 2017.

- In the remaining states, third-quarter real GDP growth accelerated, compared with the average of the prior four quarters (or in the case of West Virginia, remained the same) but was below the national average.<sup>2</sup>

### Chart 1. Percent Change in Real Gross Domestic Product (GDP) by State

State Growth Rates for 2017:III Compared With the U.S. Average and With State's Recent Average Growth



## Industry contributions to GDP growth

Highlights include the following:

- Real GDP growth in Delaware (5.7 percent) was the fastest in the country and reflected strong growth in the finance industry, (table B). In contrast, the net contribution of all other industries to real GDP growth in Delaware was 1.1 percentage points. Almost one-third of Delaware's GDP is produced by the finance industry.
- Finance also contributed more than half of the real GDP growth in New York (2.6 percentage points), making it the fifth fastest growing state in the third quarter. The finance industry accounts for 18.0 percent of New York's GDP.
- Finance contributed 2.3 percentage points to real GDP growth in Iowa. However, declines primarily in agriculture, construction, and nondurable-goods manufacturing offset growth in other industries. The result was that Iowa's 2.2 percent growth was slower than average in the third quarter, ranking 39<sup>th</sup>.
- South Dakota was the slowest growing state in the third quarter; real GDP increased only 0.5 percent. Agriculture subtracted 2.7 percentage points, and construction subtracted 0.4 percentage point from real GDP growth.

- Louisiana's 1.1 percent real GDP growth exceeded only South Dakota's growth in the third quarter, but it was enough to bring real GDP to its highest level in more than 5 years. Louisiana's real GDP was \$213.3 billion in the second quarter of 2012 and \$210.3 billion in the third quarter of 2017.
- Real GDP grew 5.0 percent in Texas in the third quarter. This was faster than its average over the previous four quarters (2.9 percent) and faster than the U.S. average (3.4 percent). Mining contributed 1.3 percentage points to Texas' real GDP growth in the third quarter, finance contributed 0.8 percentage point, durable-goods manufacturing contributed 0.7 percentage point, and wholesale trade contributed 0.5 percentage point. The broad-based growth in Texas, where multiple industries contributed a half percentage point or more to growth, contrasts with Delaware, where only two industries, finance and health care, contributed more than 0.2 percentage point to growth.
- Mining contributed 2.1 percentage points to real GDP growth in Wyoming, 1.9 percentage points in North Dakota, and 1.5 percentage points in West Virginia. Even so, all three states grew slower than the national average in the third quarter.
- The information industry contributed 1.3 percentage points to the state of Washington's 4.3 percent third-quarter real GDP growth rate. Retail trade and finance contributed 0.5 percentage point or more to real GDP growth. Not only did Washington grow faster than all but three states in the third quarter, its average growth over the previous four quarters was the highest of all states.
- Hawaii and New Mexico were two of the slowest growing states in the third quarter, with real GDP growing only 1.3 percent and 1.7 percent, respectively. Growth in both states slowed, compared with their average 1.5 percent and 1.9 percent growth rates, over the previous four quarters, rates which were also below the national average. In both states, third-quarter real GDP declined in the construction, nondurable-goods manufacturing, wholesale trade, real estate, accommodation services, and government industries.

**Table A. Real Gross Domestic Product (GDP) by State**  
**[Seasonally adjusted at annual rates]**

	Share of current-dollar U.S. GDP	Percent change in real GDP from previous quarter					
	2017:III	2016:II	2016:III	2016:IV	2017:I	2017:II	2017:III
United States	100.0	1.9	2.7	1.7	1.0	2.8	3.4
Alabama	1.1	2.4	0.0	2.5	4.1	2.5	2.7
Alaska	0.3	-7.6	-3.6	-3.9	-0.8	4.8	1.9
Arizona	1.7	2.7	8.1	-0.2	1.4	3.1	2.9
Arkansas	0.7	2.5	-2.6	4.8	4.0	3.5	2.0
California	14.2	3.7	5.0	2.9	0.6	2.1	3.4
Colorado	1.8	2.6	6.2	1.9	2.7	3.8	3.7
Connecticut	1.4	-0.4	-0.6	-2.1	-4.4	1.4	3.9
Delaware	0.4	4.9	6.4	2.2	2.5	0.4	5.7
District of Columbia	0.7	0.2	0.8	-0.2	5.1	2.2	2.5
Florida	5.0	4.1	5.2	1.5	2.0	3.6	3.0
Georgia	2.9	-1.0	4.3	3.7	1.1	3.0	3.2
Hawaii	0.5	1.9	1.3	0.3	3.0	1.5	1.3
Idaho	0.4	4.4	3.7	4.2	0.9	2.7	2.8
Illinois	4.3	0.5	0.6	2.3	-1.9	2.2	3.5
Indiana	1.9	2.3	4.5	3.7	-0.8	1.7	2.7
Iowa	1.0	2.7	2.5	-0.5	-1.6	-0.7	2.2
Kansas	0.8	2.6	1.3	0.3	-5.7	1.5	2.1
Kentucky	1.1	7.0	5.8	-0.3	-1.2	3.7	2.2
Louisiana	1.3	-0.3	0.1	-2.5	2.0	3.2	1.1
Maine	0.3	2.9	-0.2	-0.2	2.4	2.0	3.2
Maryland	2.1	4.8	3.0	3.0	-2.6	2.4	2.6
Massachusetts	2.7	1.7	5.1	-1.6	4.3	2.0	3.8
Michigan	2.7	5.5	3.2	4.1	-0.1	5.5	3.5
Minnesota	1.8	5.8	5.5	4.1	0.7	1.2	2.4
Mississippi	0.6	-0.8	0.2	1.7	1.2	3.0	2.7
Missouri	1.6	1.4	-0.7	1.8	-2.1	3.0	3.6
Montana	0.2	-1.2	1.3	5.4	-2.9	0.6	2.0
Nebraska	0.6	3.6	3.4	-1.8	-4.5	1.1	1.9
Nevada	0.8	0.7	10.0	-2.0	0.5	3.8	3.3
New Hampshire	0.4	1.1	2.3	-7.3	5.3	2.9	4.4
New Jersey	3.1	-2.2	4.0	-0.3	-2.1	2.3	2.7
New Mexico	0.5	1.1	0.0	2.0	1.2	4.5	1.7
New York	8.1	1.7	-4.2	3.3	2.3	1.2	4.0
North Carolina	2.8	0.7	2.6	4.8	-0.5	2.3	3.0
North Dakota	0.3	-2.5	-2.9	-0.4	-3.7	8.3	1.7
Ohio	3.4	3.4	4.8	0.2	1.3	2.0	3.9
Oklahoma	1.0	-2.2	-5.5	-1.5	4.9	5.5	2.8
Oregon	1.2	2.3	-0.1	5.4	-0.6	2.9	3.8
Pennsylvania	3.9	3.2	5.0	-0.5	0.3	2.5	3.2
Rhode Island	0.3	4.4	5.4	-4.3	0.8	2.3	3.5
South Carolina	1.1	2.1	0.7	5.0	1.5	2.4	2.9
South Dakota	0.3	5.2	1.5	-2.9	-5.9	-0.3	0.5
Tennessee	1.8	2.7	4.9	2.9	-1.1	3.0	3.0
Texas	8.8	-0.4	1.8	-0.7	4.5	6.2	5.0
Utah	0.9	1.2	5.9	4.5	1.3	3.9	3.9
Vermont	0.2	-1.5	2.4	-1.3	0.9	2.5	3.4
Virginia	2.7	2.3	2.0	1.3	1.7	1.5	2.3
Washington	2.6	1.0	3.6	8.3	2.7	2.7	4.3
West Virginia	0.4	-2.1	2.7	0.0	5.0	4.1	2.9
Wisconsin	1.7	0.3	5.4	-1.1	1.0	2.5	3.2
Wyoming	0.2	-11.0	-2.5	1.7	6.3	7.6	2.5

**Table B. Contributions to Percent Change in Real GDP by Industry and by State, 2017:II–2017:III**

[Seasonally adjusted at annual rates]

	Percent change in real GDP	Percentage points																				
		Agriculture, forestry, and hunting	Mining	Utilities	Construction	Durable-goods manufacturing	Nondurable-goods manufacturing	Wholesale trade	Retail trade	Transportation and warehousing	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services	Management of companies and enterprises	Administrative and waste management services	Educational services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Other services, except government	Government
United States	3.4	-0.04	0.31	-0.19	-0.11	0.92	-0.44	0.43	0.73	0.06	0.85	2.09	0.11	0.38	0.15	0.26	0.07	0.72	0.10	0.04	0.14	0.07
Alabama	2.7	0.14	0.06	-0.17	0.04	0.85	-0.27	0.17	0.38	-0.02	0.15	0.76	-0.28	0.14	0.04	0.10	-0.02	0.36	0.01	0.08	0.09	0.13
Alaska	1.9	0.28	0.24	-0.05	0.31	0.02	0.00	-0.08	0.30	0.60	0.22	0.17	-0.57	0.05	0.06	0.31	-0.01	0.09	0.02	-0.01	0.08	-0.16
Arizona	2.9	0.15	0.03	-0.03	-0.14	0.58	-0.07	0.14	0.53	0.08	0.07	0.97	-0.42	0.28	0.02	0.18	0.06	0.34	-0.02	0.02	0.06	0.07
Arkansas	2.0	-0.44	0.00	-0.13	0.07	0.38	-0.08	0.48	0.51	0.02	0.27	0.47	-0.25	0.11	-0.01	0.12	0.06	0.40	0.00	0.05	0.06	-0.09
California	3.4	0.19	0.01	-0.07	-0.04	0.46	-0.25	0.18	0.39	0.00	0.94	0.67	0.05	0.12	0.07	0.11	0.04	0.33	0.08	0.01	0.08	0.04
Colorado	3.7	-0.11	-0.11	-0.07	-0.10	0.21	-0.06	0.18	0.42	0.02	0.77	0.85	0.42	0.36	0.05	0.20	-0.06	0.49	0.04	-0.07	0.06	0.22
Connecticut	3.9	0.02	0.00	-0.14	-0.19	0.58	-0.19	0.27	0.36	0.05	0.47	1.63	0.13	0.17	0.06	0.16	0.06	0.38	0.08	-0.02	0.09	-0.08
Delaware	5.7	(D)	(D)	-0.08	-0.06	0.13	-0.19	0.08	0.23	-0.10	0.13	4.57	0.04	0.19	0.07	0.09	0.01	0.35	0.02	0.02	0.04	0.08
District of Columbia	2.5	0.00	0.00	-0.06	-0.04	0.01	-0.01	0.03	0.10	-0.11	0.32	0.69	0.33	0.42	0.02	0.18	0.27	0.12	0.03	0.13	0.15	-0.09
Florida	3.0	-0.06	0.01	-0.11	0.01	0.26	-0.11	0.26	0.46	0.02	0.39	0.86	0.13	0.22	0.08	0.12	-0.01	0.37	0.02	-0.09	0.13	0.05
Georgia	3.2	0.10	0.01	-0.12	-0.26	0.29	-0.31	0.32	0.32	0.06	0.58	1.15	0.00	0.19	0.08	0.17	0.01	0.35	0.01	0.05	0.07	0.15
Hawaii	1.3	0.14	0.00	0.04	-0.28	0.05	-0.09	-0.14	0.87	0.05	0.01	0.28	-0.51	0.25	0.12	0.42	-0.01	0.56	0.00	-0.05	0.05	-0.48
Idaho	2.8	-0.22	0.05	-0.05	-0.05	0.54	-0.05	0.24	0.71	0.07	0.22	0.50	-0.27	0.11	0.03	0.20	0.03	0.34	0.04	-0.01	0.03	0.30
Illinois	3.5	0.12	0.02	-0.09	-0.06	0.41	-0.33	0.25	0.25	0.07	0.24	1.43	0.27	0.13	0.11	0.20	0.01	0.28	0.07	0.00	0.07	0.05
Indiana	2.7	-0.24	0.00	-0.11	0.01	1.45	-0.61	0.18	0.34	-0.04	0.11	0.90	-0.33	0.14	0.07	0.09	0.03	0.41	0.03	-0.02	0.08	0.24
Iowa	2.2	-1.63	0.01	-0.09	-0.39	0.89	-0.19	0.23	0.36	0.04	0.17	2.26	0.10	-0.03	0.02	0.13	0.02	0.25	0.04	0.06	0.00	-0.03
Kansas	2.1	-0.53	0.05	-0.09	0.08	0.50	-0.32	0.10	0.40	-0.03	0.15	0.88	0.10	0.14	0.07	0.20	0.00	0.34	-0.01	-0.05	0.07	0.11
Kentucky	2.2	-0.43	0.04	-0.07	0.02	0.56	-0.34	0.13	0.37	0.08	0.19	0.66	0.00	0.15	0.05	0.16	0.00	0.37	0.01	-0.01	0.08	0.17
Louisiana	1.1	-0.07	0.35	-0.10	0.05	0.20	-0.92	0.30	0.37	-0.19	0.26	0.55	-0.28	0.01	0.01	0.14	-0.01	0.33	0.03	0.11	0.07	-0.13
Maine	3.2	0.11	0.00	-0.14	-0.08	0.26	-0.12	0.21	0.50	0.01	0.15	0.81	0.20	0.18	0.09	0.22	0.02	0.54	0.11	0.10	0.02	0.00
Maryland	2.6	-0.03	0.00	-0.14	0.07	0.20	-0.18	0.06	0.32	-0.03	0.34	0.67	0.16	0.36	0.06	0.15	0.04	0.46	0.08	0.04	0.05	-0.10
Massachusetts	3.8	0.04	0.01	-0.14	-0.02	0.47	-0.15	0.21	0.27	-0.03	0.45	1.23	0.10	0.35	0.10	0.13	0.08	0.46	0.08	0.04	0.07	0.02
Michigan	3.5	-0.07	0.03	-0.10	-0.07	1.02	-0.29	0.23	0.41	0.12	0.21	0.80	0.24	0.28	0.07	-0.02	0.03	0.33	0.01	0.00	0.05	0.26
Minnesota	2.4	-0.62	0.07	-0.10	0.03	0.68	-0.23	0.10	0.38	0.09	0.20	1.04	-0.33	0.05	0.18	0.11	-0.04	0.52	0.04	0.06	0.06	0.07
Mississippi	2.7	-0.11	0.02	-0.17	0.06	0.76	-0.28	0.29	0.56	0.08	0.14	0.57	-0.17	0.06	0.04	0.08	0.04	0.38	0.04	0.02	0.01	0.23
Missouri	3.6	-0.11	0.02	-0.11	-0.06	0.53	-0.29	0.16	0.38	0.02	0.32	1.13	0.03	0.28	0.13	0.09	0.01	0.44	0.03	0.06	0.09	0.42
Montana	2.0	-0.53	0.20	-0.12	-0.03	0.10	-0.16	0.14	0.46	0.00	0.15	0.69	-0.15	0.15	0.02	0.10	0.01	0.49	0.11	0.04	0.02	0.34
Nebraska	1.9	-0.80	0.01	-0.23	-0.13	0.30	-0.19	0.06	0.31	0.05	0.17	1.44	-0.15	0.05	0.05	0.30	0.03	0.30	0.06	0.02	0.10	0.13
Nevada	3.3	-0.01	0.06	-0.11	0.37	0.30	-0.04	-0.12	0.43	-0.06	0.26	0.67	-0.25	0.31	0.20	0.34	-0.01	0.46	0.18	-0.17	0.06	0.40
New Hampshire	4.4	0.02	0.01	-0.07	0.04	0.66	-0.11	0.20	0.45	0.14	0.28	1.30	0.44	0.20	0.05	0.13	0.02	0.41	0.02	0.01	0.10	0.06
New Jersey	2.7	0.03	0.00	-0.15	0.04	0.21	-0.23	0.07	0.39	0.04	0.27	0.79	0.33	0.13	0.06	0.13	0.03	0.33	0.10	0.10	0.06	-0.04
New Mexico	1.7	0.16	0.35	-0.09	-0.26	0.14	-0.08	-0.01	0.52	0.02	0.25	0.45	-0.12	0.12	0.02	0.08	0.05	0.25	0.03	-0.05	-0.04	-0.14
New York	4.0	0.01	0.00	-0.12	-0.09	0.02	-0.16	0.09	0.21	0.13	0.59	2.58	-0.38	0.25	0.09	0.16	0.16	0.34	0.06	0.12	0.05	-0.10
North Carolina	3.0	0.07	0.01	-0.10	-0.11	0.59	-0.54	0.20	0.33	0.04	0.26	1.09	0.04	0.19	0.10	0.18	0.04	0.35	0.03	0.03	0.05	0.17
North Dakota	1.7	-1.02	1.92	-0.11	-0.54	0.06	-0.10	0.42	0.40	0.10	0.08	0.57	-0.48	-0.11	0.02	0.23	0.00	0.38	-0.01	-0.04	0.04	-0.06
Ohio	3.9	-0.09	0.06	-0.10	0.02	0.65	-0.33	0.25	0.31	0.05	0.17	1.35	0.53	0.08	0.14	0.15	0.01	0.43	0.09	0.03	0.06	0.05
Oklahoma	2.8	-0.29	0.50	-0.18	0.24	0.45	-0.39	0.03	0.49	0.07	0.21	0.67	0.17	0.06	-0.05	0.19	0.03	0.47	0.05	0.03	-0.07	0.05
Oregon	3.8	0.04	0.01	-0.06	0.21	1.81	-0.04	0.09	0.31	0.12	0.34	0.54	-0.55	0.16	0.11	-0.03	0.08	0.44	0.04	0.05	0.01	0.15
Pennsylvania	3.2	0.03	0.16	-0.09	-0.05	0.39	-0.24	0.19	0.30	0.01	0.50	0.91	-0.09	0.22	0.15	0.13	0.05	0.47	0.07	0.05	0.05	0.03
Rhode Island	3.5	(D)	(D)	-0.06	0.12	0.36	-0.13	0.30	0.36	-0.02	0.23	1.36	-0.04	0.08	0.20	0.14	-0.03	0.44	0.12	0.14	0.05	-0.18
South Carolina	2.9	-0.02	0.01	-0.12	-0.14	0.75	-0.25	0.25	0.42	0.00	0.22	0.59	0.16	0.15	0.04	0.22	0.02	0.34	0.01	0.03	0.07	0.19
South Dakota	0.5	-2.73	0.01	-0.10	-0.35	0.51	-0.12	0.19	0.35	0.16	0.28	1.73	-0.07	0.05	0.04	0.05	0.00	0.36	0.01	-0.04	0.08	0.12
Tennessee	3.0	-0.25	0.02	-0.04	-0.07	0.67	-0.31	0.27	0.47	0.04	0.26	0.72	0.04	0.11	0.10	0.17	0.02	0.45	0.13	0.04	0.07	0.02
Texas	5.0	0.12	1.30	-0.09	-0.21	0.74	-0.01	0.55	0.36	-0.03	0.18	0.83	0.43	0.26	0.02	0.11	0.00	0.24	0.01	-0.02	0.12	0.10
Utah	3.9	0.06	-0.05	-0.08	0.06	0.48	-0.14	0.18	0.49	-0.01	0.15	1.39	0.19	0.26	0.03	0.17	0.01	0.36	0.05	0.00	0.14	0.16
Vermont	3.4	0.04	0.06	-0.10	-0.04	0.40	-0.14	0.16	0.47	0.02	0.22	0.81	0.23	0.15	0.04	0.17	0.06	0.58	0.07	0.06	0.07	0.07
Virginia	2.3	-0.02	0.00	-0.07	-0.04	0.24	-0.24	0.14	0.29	-0.01	0.22	0.82	-0.26	0.37	0.09	0.12	0.02	0.35	0.02	0.03	0.08	0.11
Washington	4.3	0.18	0.01	0.01	0.06	-0.22	-0.06	0.36	0.61	0.02	1.29	0.50	0.45	0.25	0.09	0.04	0.01	0.35	0.03	-0.03	0.05	0.30
West Virginia	2.9	-0.21	1.48	-0.16	-0.07	0.11	-0.15	-0.13	0.29	-0.18	0.09	0.35	0.37	0.19	0.02	-0.05	0.04	0.53	-0.02	0.06	0.02	0.36
Wisconsin	3.2	-0.01	0.04	-0.11	-0.05	0.82	-0.30	0.16	0.36	0.08	0.23	1.11	0.03	0.03	0.12	0.12	0.05	0.39	0.02	0.04	0.06	-0.01
Wyoming	2.5	-0.85	2.08	-0.18	-0.20	0.08	-0.20	0.32	0.37	-0.05	0.07	0.48	0.49	0.01	-0.01	0.02	0.01	0.10	0.00	0.02	0.03	-0.14

(D) Data are suppressed to avoid disclosure of confidential information.

## State Personal Income

Personal income growth, which is adjusted for residence but not for price changes, accelerated in 25 states in the third quarter of 2017 (table C).<sup>3</sup> On average, state personal income grew 2.7 percent, up from 2.4 percent in the second quarter.<sup>4</sup> Growth rates ranged from 4.1 percent in the state of Washington to 0.3 percent in South Dakota.

- Compensation of employees, the largest component of personal income, grew 3.7 percent on average in the third quarter of 2017, up from 3.1 percent in the second quarter of 2017.<sup>5</sup> Compensation grew in every state in the third quarter, in contrast to the second quarter, when compensation fell in 14 states.
- Compensation grew 3.9 percent in Delaware after falling 10.3 percent in the second quarter. The small rebound left Delaware's compensation 0.7 percent below its year-ago level. Likewise, third-quarter compensation growth in the District of Columbia, New Hampshire, New Mexico, and West Virginia was not sufficient to offset declines in compensation in the second quarter.
- Compensation growth slowed in Idaho to 4.4 percent in the third quarter from 11.3 percent in the second quarter. About half the second-quarter gain was in state and local government. In the third quarter, the private sector accounted for 80 percent of compensation growth.
- Proprietors' income, which represents the income earned from current production by unincorporated businesses that is received by persons, rose 0.7 percent in the third quarter in the United States after falling 0.5 percent in the second quarter. In the third quarter, Nevada's proprietors' income grew the fastest (4.7 percent), while South Dakota's fell the most (10.6 percent). Farm proprietors' income fell in every state, while nonfarm proprietors' income rose in every state (table E).
- Property income growth (dividends, interest, and rent) slowed to 0.8 percent in the third quarter from 3.1 percent in the second quarter (table D). It fell 0.8 percent in Rhode Island but grew (or was unchanged) in every other state. Personal dividend income grew 1.7 percent, personal interest income fell 1.1 percent, and the rental income of persons increased 3.6 percent.
- Personal current transfer receipts, which consist primarily of Social Security, Medicare, and Medicaid benefits, grew 2.9 percent in the third quarter, an acceleration from the 0.7 percent growth in the second quarter. The growth was fastest in the state of Washington, where transfer receipts grew 6.3 percent. A 25.7 percent increase in Medicaid transfer receipts accounted for the bulk of the increase in Washington. Nevertheless, Medicaid transfer receipts remain below the peak reached in Washington in the fourth quarter of 2016.
- Transfer receipts also grew rapidly in the third quarter in Texas (5.2 percent) and Florida (4.7 percent). The estimate for Texas includes a \$2.0 billion special factor for disaster

assistance related to Hurricane Harvey. The estimate for Florida includes a \$1.6 billion special factor for Hurricane Irma.

- Contributions for government social insurance, a subtraction in the derivation of personal income, grew 3.8 percent in the third quarter after rising 3.1 percent in the second quarter. The largest increase was in the state of Washington (5.1 percent), the state with the largest increase in compensation.<sup>6</sup> The smallest increase was in New Mexico (1.8 percent), which had the smallest percentage increase in compensation.
- The residence adjustment for the District of Columbia fell \$397 million in the third quarter after rising \$623 million in the second quarter (table E). The residence adjustment for the District of Columbia typically falls over time. The relatively large second-quarter increase reflected the 3.4 percent fall in compensation in the District (reducing outflows) at the same time that compensation continued to grow in Maryland (4.3 percent) and Virginia (2.0 percent) (increasing flows into the District).

# Table C. Percent Change in Personal Income and Select Components by State

[Seasonally adjusted at annual rates]

	Personal income		Compensation <sup>1</sup>		Proprietors' income with IVA and CCAdj	
	2017:II	2017:III	2017:II	2017:III	2017:II	2017:III
United States	2.4	2.7	3.1	3.7	-0.5	0.7
Alabama	1.5	2.6	1.8	3.1	-4.8	0.9
Alaska	0.1	3.2	-2.1	3.7	-2.1	3.4
Arizona	0.5	2.8	-1.6	3.6	-0.3	1.0
Arkansas	1.5	2.2	1.9	3.7	-7.9	-6.2
California	5.2	2.4	7.7	3.3	1.5	1.1
Colorado	2.8	2.0	4.0	2.5	-1.3	0.7
Connecticut	2.1	2.2	3.0	3.6	1.7	1.3
Delaware	-3.3	2.7	-10.3	3.9	-1.1	-0.3
District of Columbia	0.2	2.6	-3.4	3.3	2.4	1.8
Florida	1.7	2.8	0.0	3.3	-0.2	0.6
Georgia	1.4	2.6	0.8	3.7	-1.0	0.1
Hawaii	1.3	2.1	0.5	2.1	-1.8	1.5
Idaho	6.2	2.8	11.3	4.4	0.8	-1.9
Illinois	1.2	2.3	2.0	3.5	-2.8	0.5
Indiana	1.1	2.7	-0.7	4.1	-7.6	-3.5
Iowa	0.7	1.3	4.3	3.5	-14.6	-9.1
Kansas	0.5	1.3	-0.1	2.9	-4.4	-5.7
Kentucky	1.2	2.6	1.6	3.6	-6.3	-0.1
Louisiana	0.3	2.2	-1.2	3.3	-3.3	0.4
Maine	-1.0	2.1	-2.6	3.4	-2.6	1.3
Maryland	2.8	2.6	4.3	3.8	-0.2	0.7
Massachusetts	1.8	3.0	2.6	3.9	0.7	3.3
Michigan	-0.1	2.8	-1.3	3.7	-0.2	0.6
Minnesota	0.7	1.9	1.1	2.8	-8.2	-4.0
Mississippi	-2.0	2.5	-3.4	4.0	-8.8	-3.5
Missouri	2.9	2.9	5.0	4.5	-5.3	-0.8
Montana	3.3	2.7	5.8	4.5	-3.2	-2.9
Nebraska	2.3	1.0	6.1	3.6	-10.4	-8.9
Nevada	3.3	3.4	3.2	4.3	5.4	4.7
New Hampshire	-0.6	2.9	-4.5	3.9	3.5	4.0
New Jersey	3.6	2.4	5.5	2.5	0.2	3.0
New Mexico	-1.6	0.9	-3.4	1.7	2.3	-0.7
New York	2.3	2.9	2.4	3.5	0.5	2.2
North Carolina	3.2	2.8	4.4	4.0	-1.2	-0.1
North Dakota	7.1	1.9	15.2	3.5	-12.3	-5.8
Ohio	0.7	3.2	2.1	3.9	2.8	1.0
Oklahoma	3.5	2.6	5.2	4.1	1.5	1.3
Oregon	5.5	2.9	9.7	3.8	1.9	2.8
Pennsylvania	2.8	3.3	3.2	4.0	3.9	1.9
Rhode Island	2.7	2.5	4.9	3.7	0.0	4.2
South Carolina	1.7	2.6	1.4	3.9	1.1	0.6
South Dakota	1.6	0.3	2.7	3.1	-3.5	-10.6
Tennessee	2.6	2.3	3.1	3.6	-0.7	3.1
Texas	2.2	3.8	4.5	4.9	0.2	1.3
Utah	1.7	3.2	1.3	4.0	1.4	2.5
Vermont	-0.8	2.2	-3.0	3.8	0.6	1.6
Virginia	1.6	2.8	2.0	3.7	0.2	2.6
Washington	4.5	4.1	6.6	5.2	-1.5	1.1
West Virginia	-1.9	2.4	-4.7	3.4	4.2	1.4
Wisconsin	0.4	2.3	-0.8	3.6	0.2	-0.9
Wyoming	3.5	1.5	6.5	3.0	-1.2	-1.2

**IVA** Inventory valuation adjustment

**CCAdj** Capital consumption adjustment

1. Compensation is by place of work.

**Table D. Percent Change in Select Components of Personal Income by State**  
[Seasonally adjusted at annual rates]

	Dividends, interest, and rent		Personal current transfer receipts		Contributions for government social insurance	
	2017:II	2017:III	2017:II	2017:III	2017:II	2017:III
United States	3.1	0.8	0.7	2.9	3.1	3.8
Alabama	2.4	0.2	2.0	3.9	1.7	3.2
Alaska	2.7	0.4	6.3	5.1	-2.5	4.2
Arizona	2.6	0.6	4.1	3.5	-1.3	3.8
Arkansas	4.6	1.7	0.7	2.1	2.2	3.8
California	3.3	1.1	1.3	2.1	7.7	3.4
Colorado	3.0	0.8	0.4	2.8	3.6	2.7
Connecticut	2.0	0.0	-0.1	1.5	4.5	3.7
Delaware	2.8	0.9	3.3	2.6	-8.9	3.8
District of Columbia	1.9	0.8	1.8	2.6	-2.9	3.4
Florida	3.4	0.9	3.8	4.7	0.2	3.4
Georgia	3.8	1.2	1.9	1.7	0.8	3.7
Hawaii	2.4	0.9	4.1	4.0	0.1	2.4
Idaho	4.0	1.2	-0.5	3.6	10.5	4.4
Illinois	2.5	0.1	-1.5	1.1	2.2	3.7
Indiana	3.9	1.0	8.5	2.8	-0.8	4.1
Iowa	3.3	0.8	-4.9	0.0	4.1	3.6
Kansas	3.4	0.8	0.5	0.6	-0.7	3.1
Kentucky	3.5	1.0	0.6	2.1	1.0	3.7
Louisiana	3.1	0.2	3.1	1.8	-0.7	3.6
Maine	2.6	0.6	0.6	0.5	-2.0	3.6
Maryland	1.8	0.3	5.7	2.3	4.2	3.9
Massachusetts	3.3	0.9	-2.8	2.0	1.6	4.1
Michigan	4.9	2.1	-1.0	1.9	-1.5	3.7
Minnesota	4.0	1.1	-1.0	2.7	0.8	2.9
Mississippi	2.6	0.2	-0.8	2.9	-3.2	4.1
Missouri	3.9	1.3	0.1	1.6	4.6	4.5
Montana	2.7	0.2	1.5	4.5	6.1	4.5
Nebraska	3.3	0.5	1.2	2.4	6.2	3.7
Nevada	3.7	1.2	2.5	3.2	3.6	4.4
New Hampshire	2.8	1.1	2.5	0.5	-4.4	4.0
New Jersey	2.8	0.8	1.8	3.1	4.6	2.7
New Mexico	2.9	0.9	-2.1	-0.6	-2.7	1.8
New York	2.4	0.5	2.5	4.3	2.8	3.7
North Carolina	2.5	0.4	2.2	2.9	4.0	4.1
North Dakota	4.7	1.8	-1.8	1.2	15.4	3.6
Ohio	3.7	1.0	-6.2	3.7	2.1	4.1
Oklahoma	3.2	0.5	1.3	1.7	5.7	4.4
Oregon	3.3	1.1	-1.3	2.2	9.6	3.8
Pennsylvania	2.6	0.5	1.9	4.7	3.3	4.1
Rhode Island	1.3	-0.8	0.1	1.7	4.6	3.8
South Carolina	3.3	1.1	0.9	1.2	1.2	3.9
South Dakota	3.1	0.4	0.7	1.4	2.5	3.1
Tennessee	2.6	1.0	3.4	-0.5	2.8	3.7
Texas	3.0	0.7	-5.0	5.2	4.7	4.9
Utah	3.2	0.6	1.4	3.8	0.9	4.1
Vermont	3.5	1.2	0.1	-0.2	-2.5	4.0
Virginia	2.3	0.6	1.5	2.4	2.0	3.8
Washington	3.3	1.1	1.5	6.3	7.0	5.1
West Virginia	2.5	0.7	-2.1	1.6	-4.6	3.3
Wisconsin	4.1	1.2	0.9	1.0	0.2	3.7
Wyoming	2.7	0.6	-0.7	1.0	6.7	3.2

**Table E. Change in Personal Income by Component and by State**  
 [Change from previous quarter (millions of dollars), seasonally adjusted at annual rates]

	2017:II								2017:III							
	Personal income	Compensation <sup>1</sup>	Proprietors' income with IVA and CCAj		Dividends, interest, and rent	Personal current transfer receipts	Contributions for government social insurance	Adjustment for residence	Personal income	Compensation <sup>1</sup>	Proprietors' income with IVA and CCAj		Dividends, interest, and rent	Personal current transfer receipts	Contributions for government social insurance	Adjustment for residence
			Farm	Nonfarm							Farm	Nonfarm				
United States	94,703	77,145	-4,949	3,242	23,931	5,056	9,703	-20	109,980	92,704	-5,624	8,052	6,585	20,337	12,057	-16
Alabama	703	515	-51	-112	199	223	63	-7	1,256	875	-84	113	17	430	121	25
Alaska	10	-144	-1	-18	48	104	-20	1	329	240	-1	31	8	85	32	-2
Arizona	349	-706	-51	36	358	603	-73	37	2,023	1,573	-61	108	88	514	213	13
Arkansas	453	320	-195	20	299	53	50	6	669	624	-191	58	114	152	89	-1
California	28,879	26,415	-538	1,343	3,811	1,123	3,170	-104	13,935	11,680	-495	1,079	1,341	1,815	1,467	-18
Colorado	2,078	1,866	-25	-68	471	38	211	6	1,464	1,164	-95	148	127	270	158	8
Connecticut	1,315	1,021	-1	110	271	-12	186	113	1,395	1,217	-5	91	3	125	154	118
Delaware	-390	-848	-9	-1	58	79	-94	237	313	294	-12	9	19	63	38	-23
District of Columbia	31	-786	0	41	45	30	-77	623	340	728	0	31	21	44	87	-397
Florida	4,000	-3	-31	1	2,177	1,853	28	31	6,740	4,327	-352	424	607	2,278	576	32
Georgia	1,518	597	-107	15	709	360	72	18	2,902	2,689	-132	139	232	325	337	-15
Hawaii	241	57	1	-24	91	117	1	0	380	247	-1	21	35	115	36	0
Idaho	1,035	1,031	-41	56	138	-15	140	6	488	419	-83	45	44	113	62	13
Illinois	2,040	2,191	-183	-161	839	-389	281	24	3,774	3,865	-177	240	43	284	480	0
Indiana	834	-330	-428	-93	419	1,157	-49	60	1,936	1,861	-306	71	109	405	242	38
Iowa	268	958	-335	-140	219	-316	122	3	471	793	-307	28	55	2	108	8
Kansas	188	-30	-49	-117	223	26	-20	113	442	604	-258	48	54	31	83	46
Kentucky	538	455	-72	-94	236	68	35	-19	1,123	980	-86	83	69	222	136	-9
Louisiana	156	-355	-134	-10	263	352	-23	17	1,096	978	-90	108	14	212	125	0
Maine	-151	-229	-9	-20	68	20	-24	-4	313	297	-12	27	15	18	42	10
Maryland	2,439	2,256	-21	7	307	705	276	-539	2,282	1,985	-39	92	43	296	261	166
Massachusetts	2,045	1,968	-4	68	704	-474	142	-76	3,287	2,915	-6	285	198	328	356	-79
Michigan	-108	-935	-93	80	925	-242	-141	16	3,118	2,544	-116	157	396	455	339	23
Minnesota	506	553	-401	-58	529	-114	53	50	1,424	1,370	-368	149	151	311	185	-4
Mississippi	-543	-509	-142	-59	105	-56	-67	51	665	585	-140	64	7	208	84	24
Missouri	1,886	2,085	-153	-96	463	9	250	-174	1,893	1,904	-163	128	159	209	249	-94
Montana	370	355	-70	33	71	34	57	4	311	281	-59	25	6	100	43	1
Nebraska	552	876	-342	-33	146	44	117	-22	246	530	-346	36	23	85	72	-10
Nevada	1,073	643	-7	100	278	139	91	11	1,120	872	-10	92	94	184	110	-3
New Hampshire	-113	-509	-6	65	93	74	-64	106	545	425	-5	73	38	14	56	56
New Jersey	4,915	4,265	-6	38	720	355	471	13	3,402	1,957	-7	392	202	628	277	506
New Mexico	-320	-421	12	16	110	-103	-45	20	182	204	-29	20	36	-27	30	8
New York	6,782	4,843	-34	164	1,457	1,308	662	-294	8,640	7,045	-76	628	330	2,233	888	-632
North Carolina	3,439	2,986	-44	-60	495	484	369	-54	3,072	2,768	-189	183	78	631	376	-23
North Dakota	713	977	-131	-7	105	-25	141	-65	192	243	-63	2	41	16	36	-12
Ohio	863	1,772	-314	592	754	-1,671	216	-54	4,125	3,303	-233	334	213	960	423	-28
Oklahoma	1,460	1,206	-15	94	245	105	174	0	1,102	981	-104	176	40	136	135	8
Oregon	2,558	2,803	-8	81	309	-123	398	-108	1,364	1,154	-30	139	102	198	166	-33
Pennsylvania	4,571	3,085	-29	611	724	628	425	-22	5,366	3,909	-83	378	153	1,504	529	34
Rhode Island	360	395	-1	1	31	2	52	-16	337	300	-1	38	-19	46	44	16
South Carolina	830	410	-27	62	278	104	47	50	1,286	1,150	-45	64	99	136	158	39
South Dakota	169	154	-55	3	72	11	20	3	29	181	-177	17	10	23	25	0
Tennessee	1,869	1,393	-71	-2	264	495	161	-49	1,704	1,592	-65	367	109	-70	213	-17
Texas	7,145	9,230	-476	550	1,655	-2,617	1,144	-53	12,217	9,982	-131	636	421	2,561	1,216	-36
Utah	551	287	-17	52	191	58	25	4	1,017	868	-9	73	38	163	115	-1
Vermont	-65	-144	0	4	56	2	-17	-1	176	173	-11	20	20	-3	26	4
Virginia	1,853	1,463	-34	48	525	232	184	-197	3,149	2,664	-56	218	142	371	344	153
Washington	4,559	4,194	-145	29	745	225	593	104	4,218	3,361	-128	209	260	936	443	23
West Virginia	-324	-462	-1	41	63	-105	-64	76	400	314	-13	27	16	80	44	21
Wisconsin	293	-346	-42	52	497	107	11	37	1,596	1,556	-154	113	149	113	211	31
Wyoming	281	276	-13	2	69	-8	42	-3	126	133	-24	14	14	11	21	-1

IVA Inventory valuation adjustment  
 CCAj Capital consumption adjustment

1. Compensation is by place of work.

1. Quarterly estimates and percent changes are expressed at seasonally adjusted annual rates, which reflect the rate of activity for the quarter as if it were maintained for a year. The state GDP estimates for the third quarter of 2017 are aligned with the estimates in the January 19, 2018, release of GDP by industry.
2. Real GDP growth in the District of Columbia was less than the national average in the third quarter, but growth accelerated, compared with growth over the last four quarters.
3. The state personal income estimates for the third quarter of 2017 are aligned with the national estimates that were released in November 2017. State personal income, which is measured in current dollars, is the sum of compensation, proprietors' income, property income, and personal current transfer receipts, less contributions for government social insurance, plus an adjustment for residence. Quarterly estimates in dollars are expressed at seasonally adjusted annual rates; quarter-to-quarter percent changes are annualized.
4. Price inflation, as measured by the national price index for personal consumption expenditures, was 1.5 percent in the third quarter, up from 0.3 percent in the second quarter.
5. Compensation accounted for 53 percent to 69 percent of state personal income in the third quarter of 2017.
6. The information industry accounted for 39.0 percent of the increase in compensation in Washington in the third quarter of 2017. The estimate for the information industry reflected the vesting of employee stock grants.



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