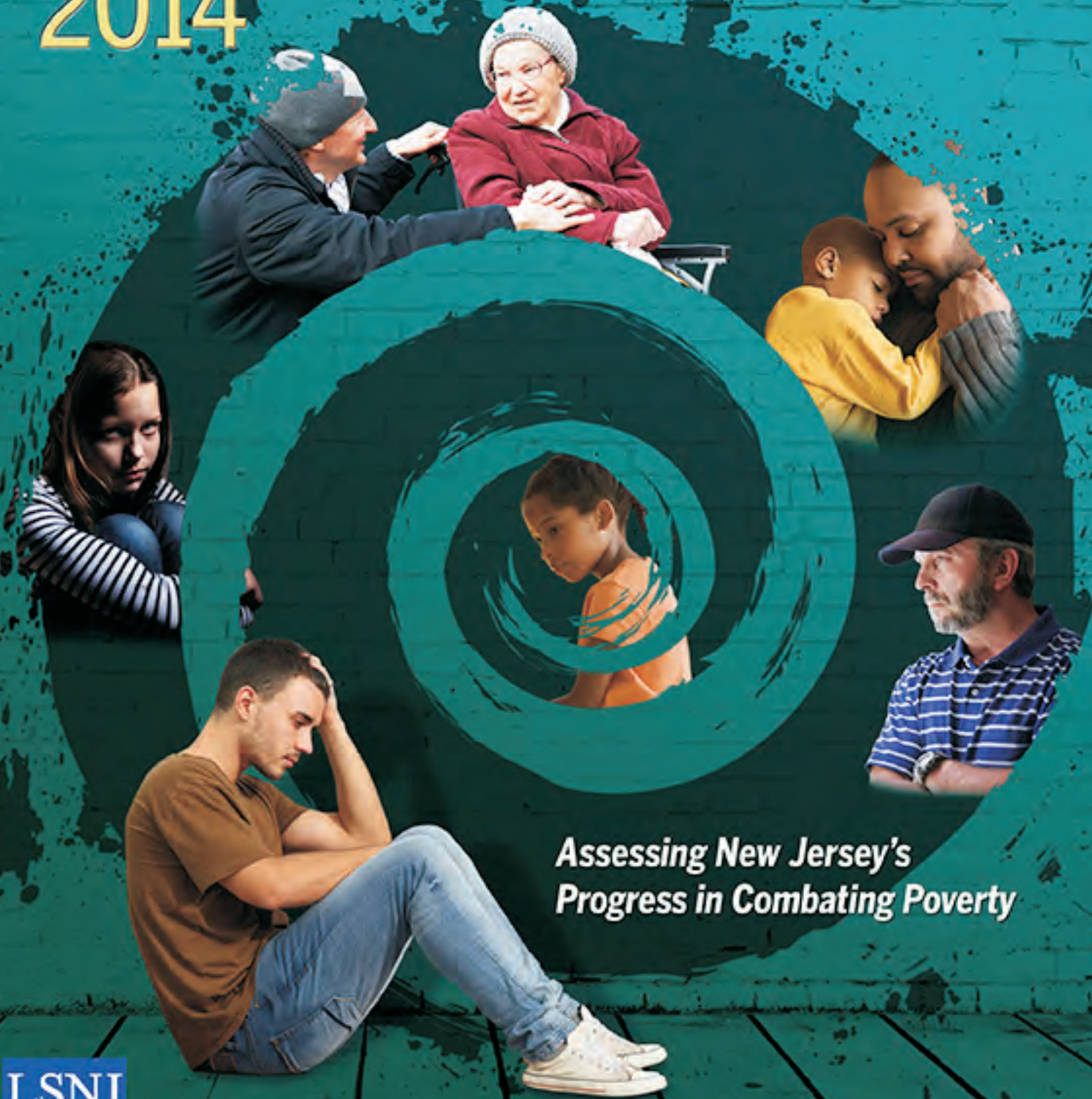


Poverty Benchmarks

2014



*Assessing New Jersey's
Progress in Combating Poverty*



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SEPTEMBER 2014

An Annual Report from the Legal Services of New Jersey Poverty Research Institute

Poverty Benchmarks 2014

Assessing New Jersey's Progress in Combating Poverty

The Eighth Annual Report from the
Legal Services of New Jersey
Poverty Research Institute

September 2014

**Support Provided
By the Fund for New Jersey**

About Legal Services of New Jersey and Its Poverty Research Institute

Legal Services of New Jersey (LSNJ) heads the 48-year-old statewide Legal Services system, providing free essential legal aid in civil matters to low-income people in all 21 counties. LSNJ created the Poverty Research Institute (PRI) in 1997 to assemble data and other information that would assist in its mission of providing civil legal aid. Such information can pinpoint the location, demographics, and other aspects of poverty, helping fashion more effective and efficient legal responses and solutions. Periodically, as a public service, LSNJ publishes reports and statistics gleaned from this data to enhance public awareness of poverty's scope, causes, consequences, and remedies. Greater knowledge about poverty can produce public policy decisions that alleviate some of the legal problems of those living in its grasp, and thereby further serve LSNJ's core mission. PRI is New Jersey's first and only entity exclusively focused on developing and updating information on poverty in the state.

To offer comments or ideas in response to this report, please email [*pri@lsnj.org*](mailto:pri@lsnj.org). For information on LSNJ itself, go to [*www.lsnj.org*](http://www.lsnj.org). To donate and support LSNJ's work, go to [*https://www.lsnj.org/SupportOurWork.aspx*](https://www.lsnj.org/SupportOurWork.aspx). To volunteer your time to assist LSNJ, go to [*http://www.lsnj.org/Volunteer.aspx*](http://www.lsnj.org/Volunteer.aspx).

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Introduction

The annual *Poverty Benchmarks* Report is an ongoing project of LSNJ's Poverty Research Institute (PRI). *Poverty Benchmarks 2014* is the eighth in the series.

The report is offered as a public service, providing a comprehensive single source for important information about poverty in New Jersey. Additional poverty data is updated continuously at LSNJ's PRI website, www.lsnj.org/pri. *Poverty Benchmarks'* annual reports enable tracking of poverty trends, analyze new evidence and perspectives, and monitor performance of governmental poverty programs and policies. Each year major external events affecting poverty are highlighted and assessed.

As was the case last year, the 2014 report comes out just a few days before the Census Bureau publishes its annual compilations of the Current Population Survey (CPS) and American Community Survey (ACS) 2013 poverty data. *Benchmarks 2014* is both a summary and retrospective on the key poverty data made available over the preceding 12 months, and a platform and context from which to assess the forthcoming Census data release. We also draw upon the most current non-Census poverty indicators to offer some modest predictions concerning what the new data is likely to reveal. This perspective can help avoid being overwhelmed by the multitude of Census data points.

In past years, by examining available current data, PRI correctly predicted increases in the poverty rate in New Jersey. PRI based its prediction on the strong correlation between unemployment and poverty. In 2013, however, the unemployment rate and the number of unemployed workers in New Jersey declined, although they remain above pre-recession levels. This fact suggests that the poverty level for 2013 will be high again, although likely a bit lower than the 2012 record high.

Approach

The report, as in past reports, draws from a variety of data sources. For consistency, and to allow comparison, we emphasize data extracted from the U.S. Census Bureau's American Community Survey (ACS). These data depict the state of poverty in New Jersey in 2012. We also draw on the PUMS (Public Use Microdata Sample) data produced by the Census Bureau to present various poverty data at 250% of the FPL. In addition, this report highlights poverty data at 50%, 100%, and 200% of the official poverty measure to allow for comparisons with reports of previous years.

In addition, we present extensive additional information concerning aspects and consequences of poverty, significant deprivations of basic human needs faced by many New Jersey residents. As in previous reports, *Poverty Benchmarks 2014* includes other data

sources, notably those relating to employment and hunger, to portray the hardships facing low-income residents.

With this report, we begin expanded use of data at 250% of the Federal Poverty Level (FPL). As we detailed in *What Is Poverty? Measuring Deprivation in New Jersey*, given New Jersey's real cost of living (most recently measured in our 2013 *Real Cost of Living in New Jersey: What It Takes To Meet Basic Needs and Avoid Deprivation* report), 250% of the FPL—and no lower amount—is the *conservative* marker for poverty in New Jersey. Nearly everyone with incomes below that level faces significant deprivation, the operational definition of poverty. Additional data at the 250% FPL level is available on our website.

This Report

The report commences by highlighting the major findings, and then offers four sections: (1) the basic poverty numbers, including the impact on particular populations and places; (2) an in-depth look at employment, along with education—the only practical tickets out of poverty; (3) a brief look at particular aspects and consequences of poverty; and (4) an examination of responses to poverty, highlighting major federal and state programs.

Prediction for the Census 2013 Data

As indicated, during much of 2013 and 2014 to date, New Jersey's unemployment rate has declined from its very high recession and immediate post-recession levels. Based upon the very close correlation between unemployment and poverty figures, it appears quite likely that the Census ACS numbers to be released next week, reflecting poverty in 2013, will show a leveling off of the previously increasing poverty rate, and perhaps even a slight decline.

Such news, while welcome, is hardly a cause for joy. While the poverty *rate* levels off and begins to decline, the poverty *level*—the total number in poverty, will remain near record highs, amounts not seen in several decades. At the same time, discouraging information concerning employment trends suggests such high levels may continue for a significant period. A regrettable, higher “new normal” of poverty may be in the offing.

As always, in understanding poverty statistics, both the absolute level and the rate of increase or decrease are important. In times of moderate economic growth, there may be little change in either. With more turbulent economic change can come dramatic change in both rate and level. Occasionally, however, as such major positive or negative change subsides, the end of the change period may leave the poverty level higher or lower for a sustained, long-term period: a new normal. Such a lasting reset is rare, but given the record high poverty levels now with us, it is fair to ask whether such an upheaval is happening now. We should have a better idea in another year or two.

Unfortunately, there is no reason to expect, or predict, any accelerated reduction in poverty for the groups and geographical areas most impacted by poverty. Their disproportionate hardships are likely to endure.

Acknowledgements

LSNJ is especially grateful to the Fund for New Jersey, which provided grant assistance for this report and has provided funding to LSNJ's Poverty Research Institute since its inception in 1997.

PRI staff members Shivi Prasad and Allan Lichtenstein were the primary researchers and reporters for this study. Key information was provided by LSNJ staff Kevin Liebkemann, Connie Pascale, Maura Sanders, Rosendo Socarras, Sarah Hymowitz and Joshua Spielberg.

As ever, LSNJ's Sue Perger provided the final layout and editing, and Harvey Fisher assisted in the editing. Cover design was provided by Laurel Ives of New York.

All opinions are those of Legal Services of New Jersey.

Melville D. Miller, Jr., President
Legal Services of New Jersey
Edison, New Jersey
September 2014

Benchmarks 2014's Main Highlights and Findings

To understand the data referenced below and in the remainder of the report, it is important to remember that employment and unemployment figures are much more current than Census data, which aggregates annually and therefore is a year behind. In contrast, unemployment and employment data is current as of July of this year. The Census figures in this report pertain to 2012.

Poverty Remained at Record High Levels In 2012

Poverty in New Jersey remains at record high levels. After spiking during the recession, both the rate and number of people in poverty in New Jersey continued to increase after the recession ended. This increase continued through 2012, reaching record highs. Child poverty, in particular, was disproportionately high.

- **Total population**—31.5% were below 250% FPL, the Real Poverty Level = 2.739 million people.
- **Total population**—10.8% were below 100% FPL = 934,943 people.
- **Children**—38.8% were below 250% FPL = almost 780,000 children.
- **Children**—15.4% were below 100% FPL = 310,226 children.
- Since the onset of the recession, in 2012 about 400,000 additional people lived in households with an income below 250% FPL.

Poverty Remains Especially High Among Vulnerable and At-Risk Population Groups and In Urban and Certain Southern Counties

Particular groups within the population and living in certain places are more likely to be living in poverty. In 2012, poverty rates in New Jersey were disproportionately higher among:

- **Young children** (under age 6)—More than 43% were below 250% FPL = 270,351 young children.
- **Young adults** (age 18 to 24)—40% were below 250% FPL = 285,049 young adults.
- The **very elderly** (above 75)—More than 40% were below 250% FPL = 227,367 very elderly.
- **Female-headed households**—One-quarter of all female-headed families (= 107,981 families) and more than one-third of all female-headed families with related children under the age of 18 (= 93,232 families) were below 100% FPL.

- **Females**—Female poverty was more prevalent than male poverty and growing by larger numbers.
- The **less educated**—More than one-fifth of the residents who had not graduated high school lived below 100% of poverty = 150,116 people.
- **Blacks or African Americans and Hispanics or Latinos**—One-fifth of all black and Hispanic residents lived below 100% FPL = 238,829 blacks and 320,305 Hispanics.
- **Southern and historic urban counties**—More than 40% of the residents of Cumberland-Salem, and Atlantic-Cape May, Essex, Hudson, and Passaic counties lived in households with an income below 250% FPL.
- **Municipalities**—Poverty was concentrated in the urban centers along the Route 1 corridor in the north and in the urban centers serving the agricultural counties in the south.

Unemployment Remains Relatively High

Although the unemployment rate declined to 6.5% in July 2014, it is still above the level going into the recession, and evidence suggests disturbing and perhaps longer-term changes in employment patterns.

- **The employment-population ratio** (a measure revealing the percentage of people out of the workforce: The lower the percentage the higher the number not seeking work) remains at levels last experienced 30 years ago. As of July 2014 it stood at 59.5, a level last recorded in October 1983, during the midst of the largest recent downturn before the Great Recession.
- **The labor force as of July 2014** remains about the same size as at the onset of the recession in December 2007—just 7,700 people above the 2007 number.
- The gap between the **underemployment rate** and the official unemployment rate remains large—5.9 percentage points for the year between the 3rd quarter 2013 and the 2nd quarter 2014.
- **Duration of unemployment**—In 2012, more than one-third of the unemployed were out of work for one year or longer; almost one-half of the unemployed were out of work for six months or longer.

Unemployment Rates Highest for the Population Groups and Places with the Highest Poverty Rates

Unemployment rates have remained disproportionately and alarmingly high for the same population groups and in the same places with the highest poverty rates:

- **Young adults**—24.5% for young adults between the ages of 16 and 19 and 13.8% for adults between the ages of 20 and 24 in 2013.

- The **less educated**—11.3% in 2012 for workers with less than a high school diploma, 11.6% for high school graduates, and 9.8% for workers with some college education or an associate's degree.
- **Blacks or African Americans and Hispanics or Latinos**—15.1% for black males, 11.2% for black females, 9.8% for Hispanic females, and 7.0% for Hispanic males in 2013.
- Since the recession, the **male** unemployment rate has overtaken the female rate—8.7% for males and 7.5% for females in 2013.
- **Southern and historic urban counties**—12.0% or more in Cumberland, Atlantic, and Cape May counties and between 9.0% and 10.0% in Passaic, Essex, Camden, and Hudson counties in 2013.

New Jersey Employment Has Not Recovered, and the Recovery is Greater in Lower Wage Jobs

Almost five years have passed since the official end of the Great Recession, but the New Jersey economy has yet to return to the employment level at its onset. New Jersey has regained less than one-third of the jobs lost in the recession. The jobs regained are primarily low-wage service-providing jobs, while higher paying manufacturing jobs continue to leave the state.

- **As of July 2014, wage employment** is still 131,300 jobs below the December 2007 level.
- The **private service-providing sectors** have gained the most jobs: 24,300 jobs in retail trade; 41,300 jobs in administration, support, waste management, and remedial services; and 27,500 jobs in healthcare and social assistance, all for the most part low-wage occupations.

In 2012, about *one-third* of the total workforce was employed in predominantly service occupations that paid an average wage less than \$14.01 an hour, which amounts to the real cost of living for a single adult in New Jersey.

Wages Have Eroded Over the Last Decade

Adjusted for inflation, median hourly wages have eroded steadily over the last decade for different groups of wage earners:

- **Bottom 10%**—from \$9.51 in 2001 to \$8.96 in 2012
- **Bottom 25%**—from \$12.97 in 2001 to \$11.87 in 2012
- **Bottom 50%**—from \$20.28 in 2001 to \$19.17 in 2012.

Section One—Key Basic Data on Poverty in New Jersey

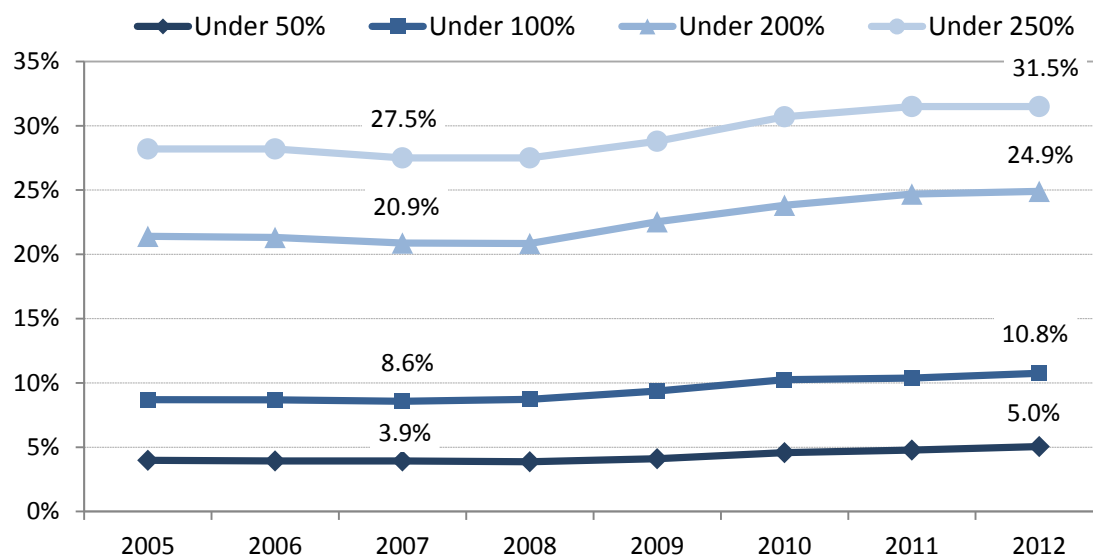
A. Poverty Generally

Poverty remains at record high levels, reaching new highs in 2012.

In 2012, Poverty in New Jersey remained entrenched at record high levels. Although the Great Recession concluded in late 2009, the percentages and numbers of people living in poverty continued to increase steadily, culminating in record highs in 2012. Child poverty, in particular, reached a record high in 2012.

- The percentage of New Jersey’s population living in households with an income below 250% of FPL remained at the same level in 2012—31.5%.
 - Since the onset of the recession, the percentage of residents living in households with an income below 250% FPL grew by 4.0 percentage points to 31.5%. In 2007, the rate was 27.5% (see figure 1.1).

Figure 1.1: Poverty Rates, 2005 to 2012



Source: U.S. Census Bureau, American Community Survey & PUMS, 2005 to 2012

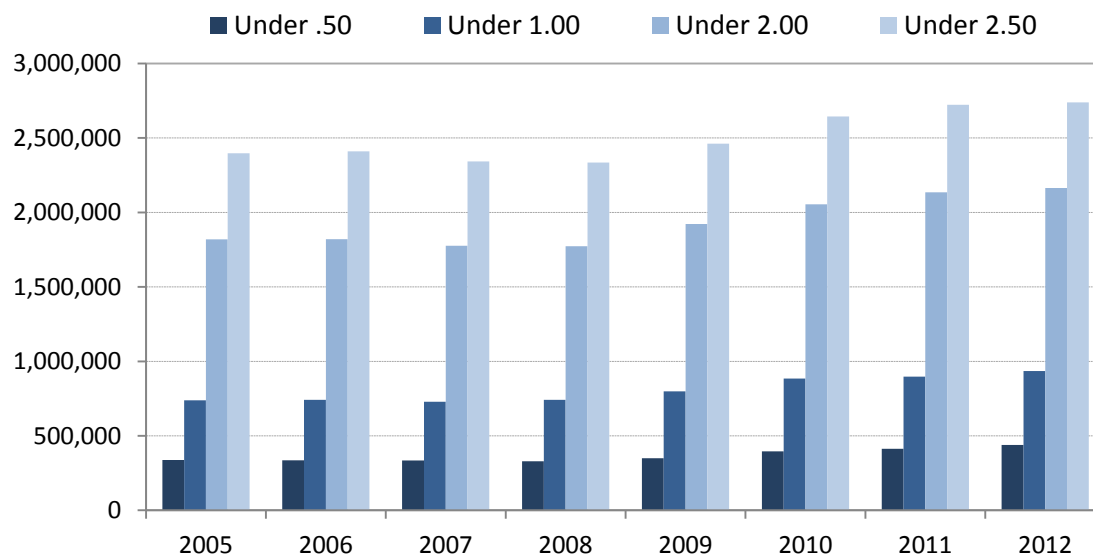
- The “official” poverty rate (100% FPL) again edged up slightly in 2012, surpassing the previous high in 2011.

- The poverty rate at 100% FPL was 10.8% in 2012, a slight increase over the 10.4% previous year. Since the beginning of the recession in 2007, when the poverty rate stood at its lowest level for the seven-year period (8.6%), the poverty rate has risen 2.2 percentage points.
- The percentage of the population living in “severe” poverty (below 50% FPL) also reached a new high in 2012.
 - The severe poverty level reached 5.0% in 2012. Since 2007, severe poverty has risen 1.1 percentage points.

Number of New Jersey residents living in poverty grew in 2012.

- More than 2.7 million New Jersey residents were living in households with an income below 250% FPL in 2012 (see figure 1.2).
 - At 2.739 million people, the number living in households with an income below 250% FPL was almost 17,000 higher than in 2011.

Figure 1.2: Number of People Living at Various Levels of Poverty, 2005 to 2012



Source: U.S. Census Bureau, American Community Survey & PUMS, 2005 to 2012

- More than 900,000 New Jersey residents were living below 100% of FPL in 2012.
 - The small rate increase from 2011 meant an additional 37,567 people fell below the official poverty level in 2012.
- Well over 400,000 New Jersey residents were living in severe poverty (below 50% of FPL) in 2012.

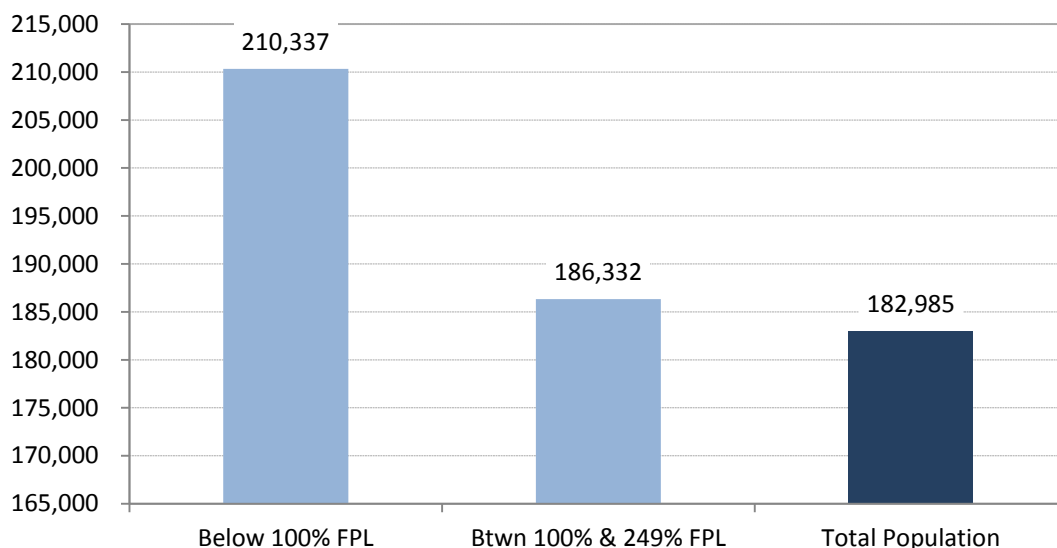
- Between 2007 and 2012, the number living in severe poverty increased by 31.1% (from 334,610 in 2007 to 438,665 in 2012); an additional 25,097 people fell into severe poverty in 2012.

Since the onset of the recession, almost 400,000 additional people lived in households with an income below 250% FPL.

Compared to the population as a whole, the Great Recession pushed a disproportionate number of people into poverty.

- Since the Great Recession, there has been a downward shift along the income scale as the number of people living in official poverty and in households with an income below 250% FPL has increased substantially (see figure 1.3).
 - While the overall population has grown by 182,985 since 2007, the number of additional people living in official poverty increased by 210,337.
 - In addition, the number of people living in households with an income between 100% FPL and 250% FPL increased by 186,332 people.
 - Overall, since the recession 396,669 additional people are living in households with an income below 250% FPL.

Figure 1.3: Increase in Number of People Living in Poverty, 2007 to 2012

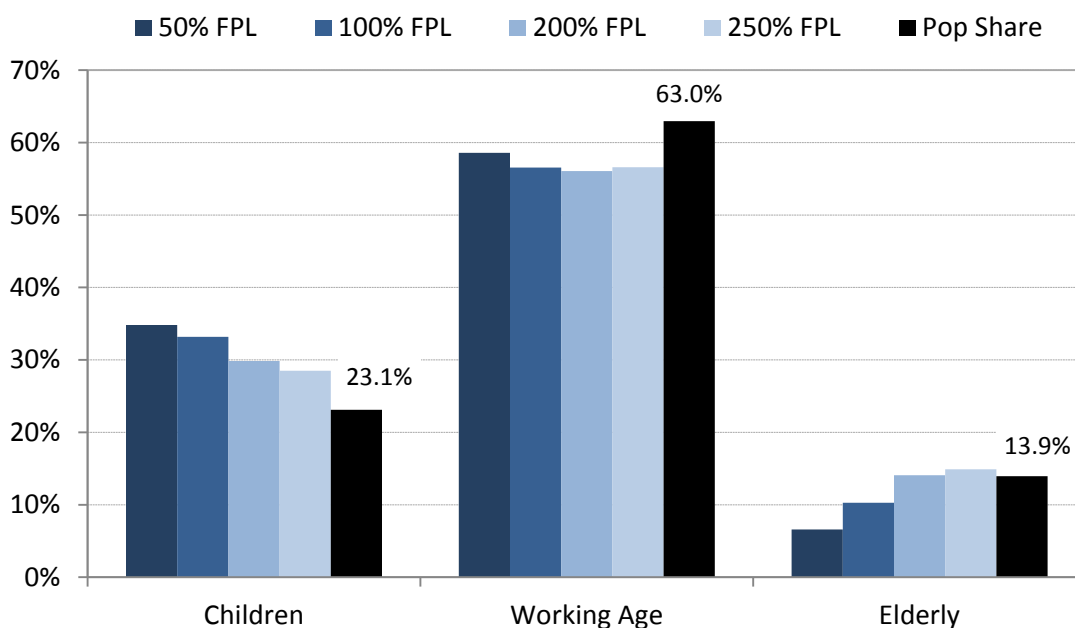


Source: U.S. Census Bureau, PUMS, 2007 & 2012

Children are disproportionately represented among people living in poverty.

- In 2012 children made up a higher percentage within each poverty measure than their share of the total population (see figure 1.4).
 - While children represented 23.1% of the total population, they made up 28.5% of all people living in households with an income below 250% FPL, 33.2% of all people living in households in official poverty, and 34.8% of all people living in households with severe poverty.
 - In comparison, working-age adults were 63% of the total population, but only 56.6% of all people living in households with an income below 250% FL and 56.1% of those living in official poverty.
 - The elderly were 13.9% of the population; they made up a slightly larger share of the population living in households with an income below 250% FPL—14.9%. They represented 10.3% of the population living in official poverty and just 6.6% living in severe poverty.

Figure 1.4: Share in Poverty and Share of Population by Age Group, 2012

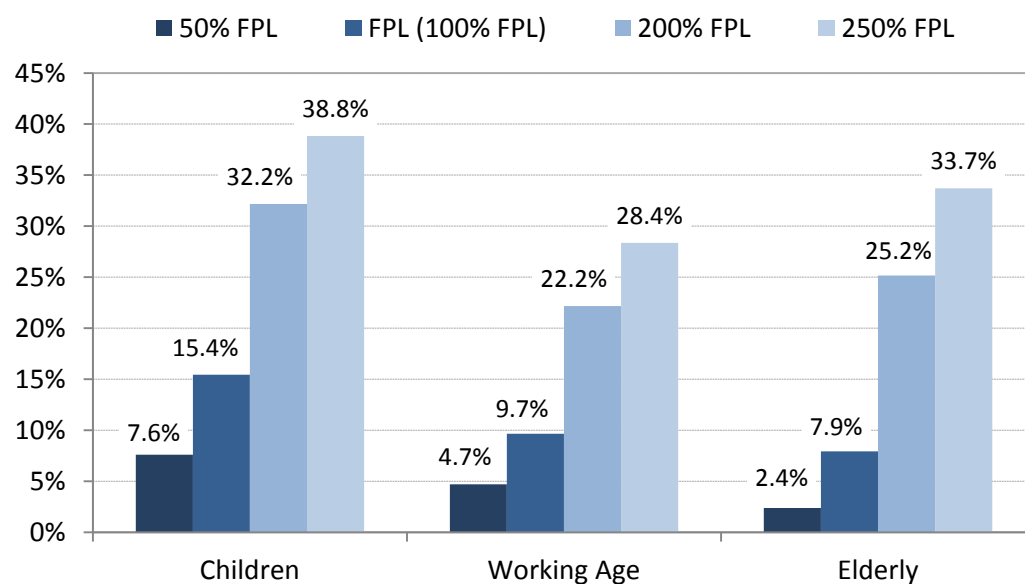


Source: U.S. Census Bureau, American Community Survey & PUMS, 2012

Poverty rates are much higher for children than for working-age adults or the elderly.

- In 2012, poverty rates for children were substantially higher than for either working-age or elderly residents (see figure 1.5).
 - While the official poverty rate for children under the age of 18 in 2012 stood at 15.4% (310,226 children), 38.8% of all children were living in households with an income below 250% FPL—a record high of 779,691 children.
 - The 28.4% of working-age residents living in households with an income below 250% FPL in 2012 was the equivalent of almost 1.6 million people.
 - One-third of New Jersey’s elderly were living in households with an income below 250% FPL in 2012.

Figure 1.5: Poverty Level by Age Group, 2012



Source: U.S. Census Bureau, American Community Survey & PUMS, 2012

B. Vulnerable Population Groups and Places

Poverty Especially High Among Certain Population Groups and in Particular Places

Particular groups within the population and living in certain places are much more likely to be in poverty than others. In 2012 in New Jersey, poverty rates were disproportionately higher among:

- Young children;
- Young adults;
- The very elderly;
- Female-headed households;
- Females;
- The less educated;
- Blacks or African Americans and Hispanics or Latinos;
- Southern and historic urban counties; and
- Particular municipalities

Since the onset of the recession in 2007, the poverty rate has increased steadily for all these population groups, except the very elderly.

1. Young Children, Young Adults, and Very Elderly

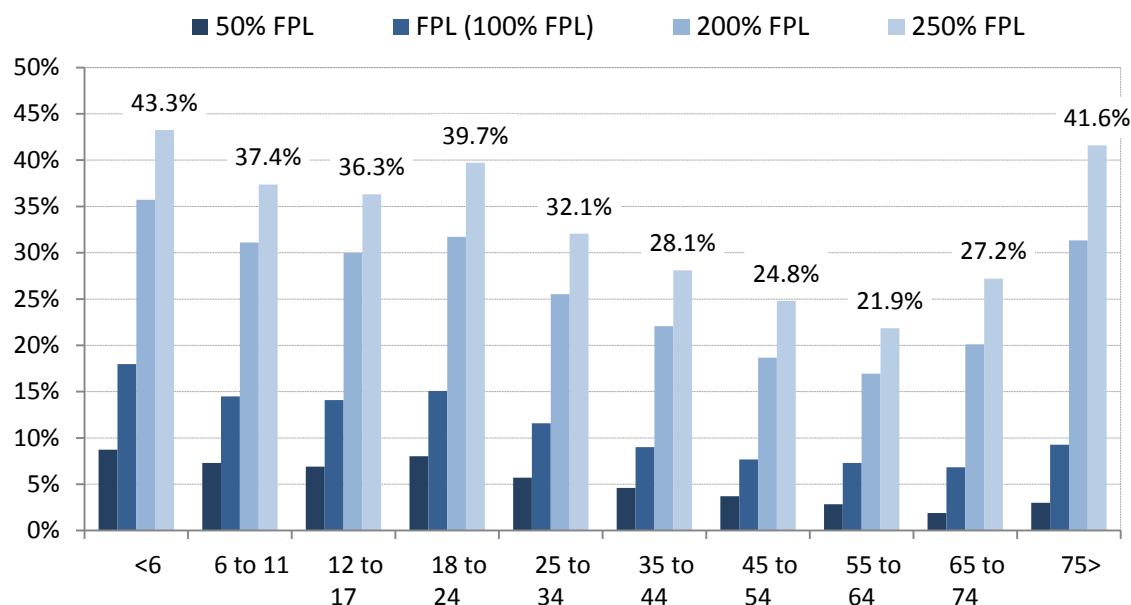
Breaking down the population by age group shows especially higher levels of poverty at the two ends of the age range—the very young and the very old. Children, in general, are more likely to be living in households in poverty than either the working-age or the elderly. The poverty rate is also especially high for young adults, many of whom have faced a tough labor market since the onset of the recession.

Poverty rates especially high for very young children, young adults, and the very elderly

- In 2012, the percentage of people below 250% FPL was 40% or higher for three age groups—very young children, young adults, and the very elderly (see figure 2.1).
 - For children under the age of six, the poverty rate was 43.3%, the equivalent of 270,351 children. The official poverty rate for this age group stood at 18.0%.
 - Among young adults between 18 and 24 years of age, 39.7% were living in households with an income below 250% FPL, the equivalent of 285,049 young adults. For this group, the official poverty rate was 15.1%.

- Among the 75 years and over elderly, 41.6% were living in households with an income below 250% FPL, or 227,367 elderly. Their official poverty rate was 9.3%.

Figure 2.1: Poverty Level by Age Group, 2012

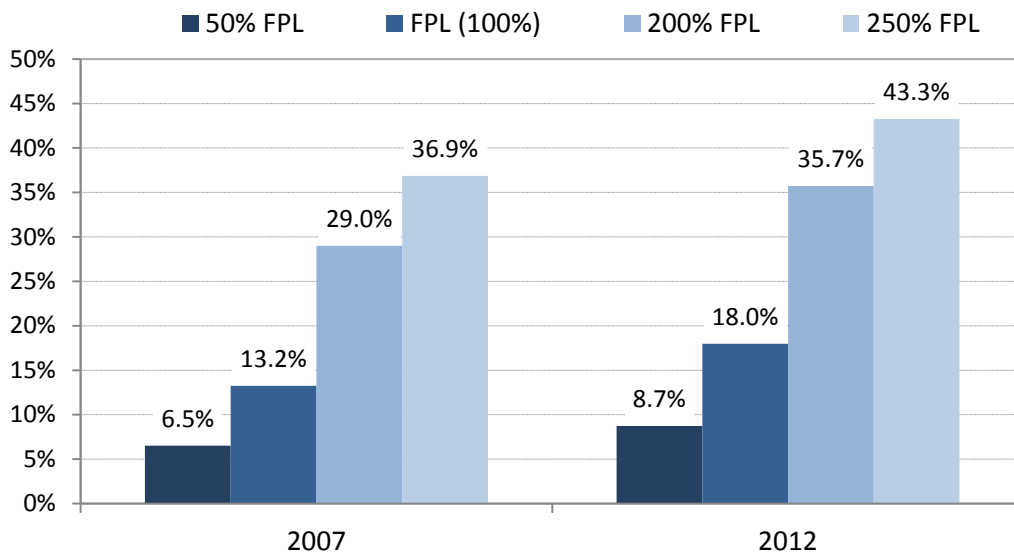


Source: U.S. Census Bureau, American Community Survey & PUMS, 2012

Poverty rates for very young children have risen sharply.

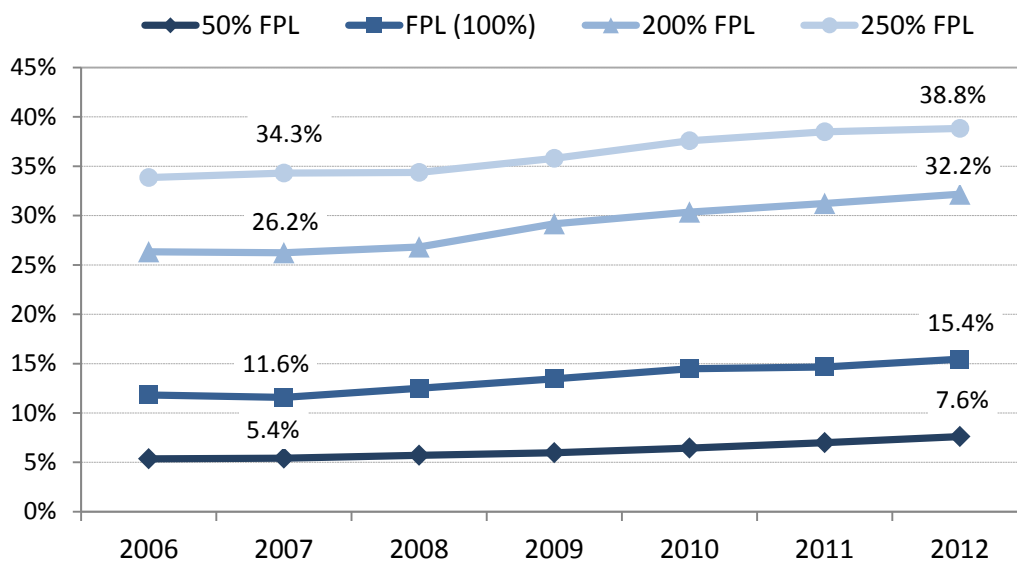
- Child poverty, especially, is widespread in New Jersey. Since the onset of the recession, the percentage and number of children living in poverty has risen steadily. For very young children, in particular, the poverty rate has grown sharply (see figure 2.2).
 - Since the recession, the percentage of very young children living in households with an income below 250% FPL has grown by 6.4 percentage points.
 - The official poverty rate for children under the age of six rose from 13.2% in 2007 to 18.0% in 2012.
 - Between 2007 and 2012, the percentage of all children living in households with an income below 250% FPL rose 4.5 percentage points, increasing from 34.3% in 2007 to 38.8% in 2012 (see figure 2.3).
 - During the same period, the official child poverty rate increased from 11.6% to 15.5%, while the severe child poverty rate rose from 5.4% to 7.6%.

Figure 2.2: Poverty Rates for Very Young Children (under 6), 2007 and 2012



Source: U.S. Census Bureau, American Community Survey & PUMS, 2007 & 2012

Figure 2.3: Child Poverty Rates at Various Multiples of Poverty, 2006 to 2012



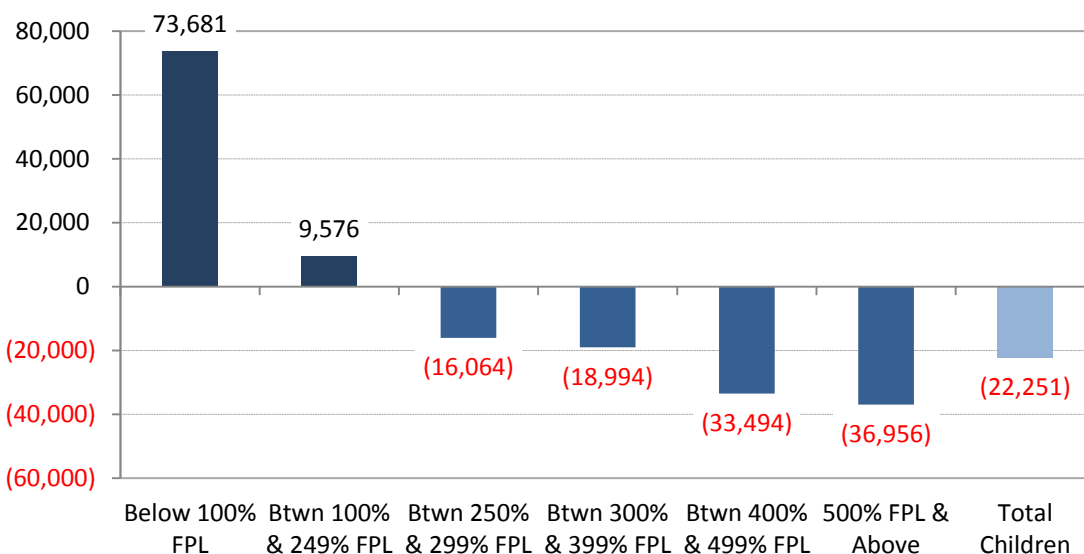
Source: U.S. Census Bureau, American Community Survey & PUMS, 2006 to 2012

Since the beginning of the recession, an additional 83,000 children are living in households with incomes below 250% FPL.

- Although the child population has declined since 2007, the number of children living in poverty has increased as more households with children have fallen into poverty (see figure 2.4).

- While the total child population decreased by 22,251, the number of children living in households with an income below 250% FPL increased by 83,257 between 2007 and 2012—an increase made up of 73,681 children below the official poverty level and another 9,576 children between the official poverty level and 250% FPL.
- Overall, the total number of children living in households with an income below 250% FPL increased from 696,434 children in 2007 to 779,691 in 2012.
- Between 2007 and 2012, only the number of very young children (below six years of age) living in households with an income below 250% FPL increased, while at all income intervals above 250% FPL, the number of children declined.
 - While 237,016 very young children were living in households with an income below 250% FPL in 2007, by 2012 this number had grown to 270,351, an increase of 33,335 or 14%.
 - In contrast, the number of children under the age of six living in households with an income greater than 250% FPL declined by 51,461.

Figure 2.4: Change in Number of Children Living at Various Multiples of Poverty, 2007 to 2012



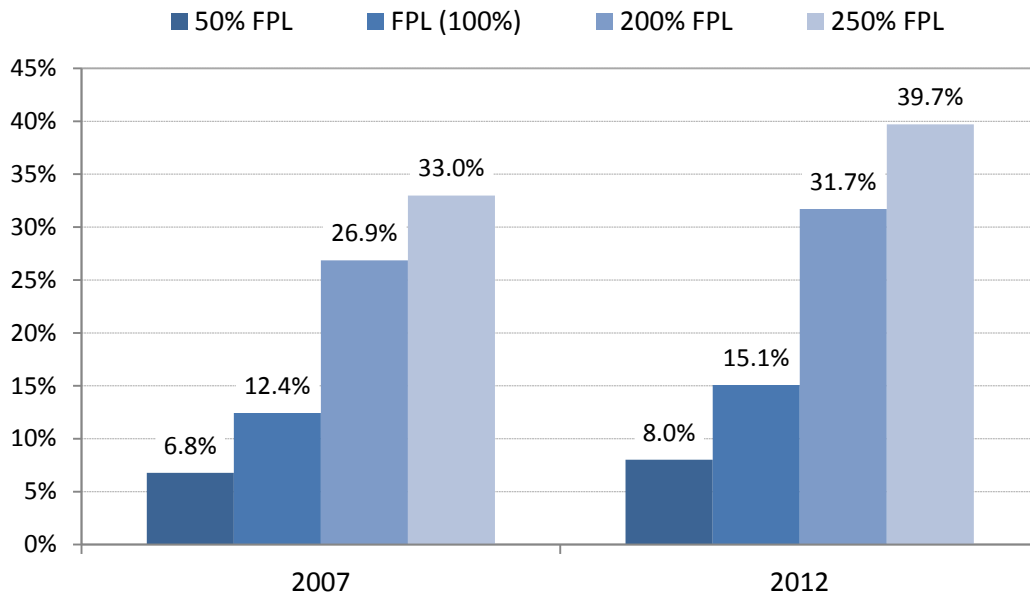
Source: U.S. Census Bureau, PUMS, 2007 & 2012

Poverty rates for young adults have risen steeply.

- Since the onset of the recession, poverty levels for the working-age have increased substantially. With the increase in, and consistently high, unemployment after the onset of the recession, larger numbers of working-age residents have seen their

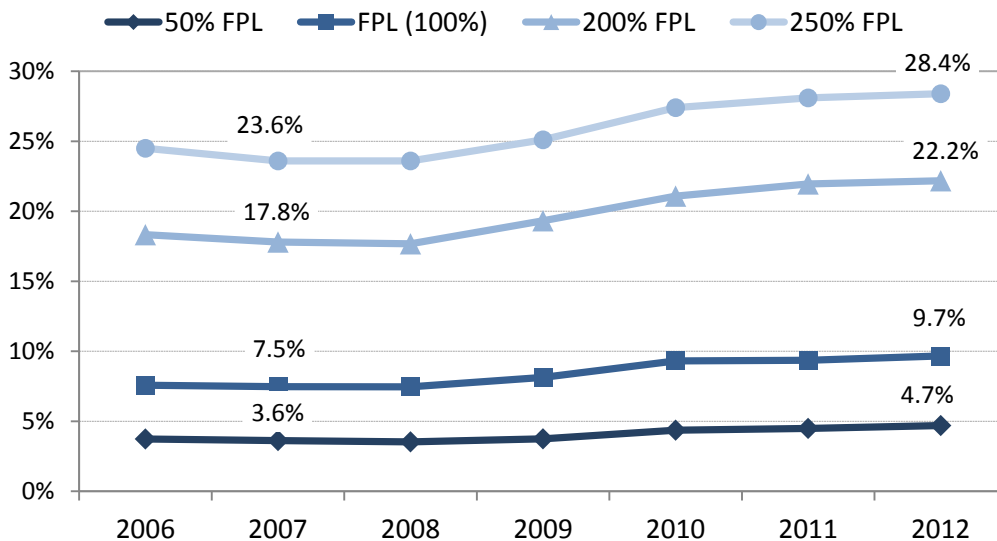
incomes fall below the poverty level. Young adults, in particular, have been most susceptible to the slumping job market. As a result, poverty rates for young adults have risen steeply.

Figure 2.5: Poverty Rates for Young Adults (18 to 24), 2007 and 2012



Source: U.S. Census Bureau, American Community Survey & PUMS, 2007 & 2012

Figure 2.6: Working Age Poverty Rates at Various Multiples of Poverty, 2006 to 2012



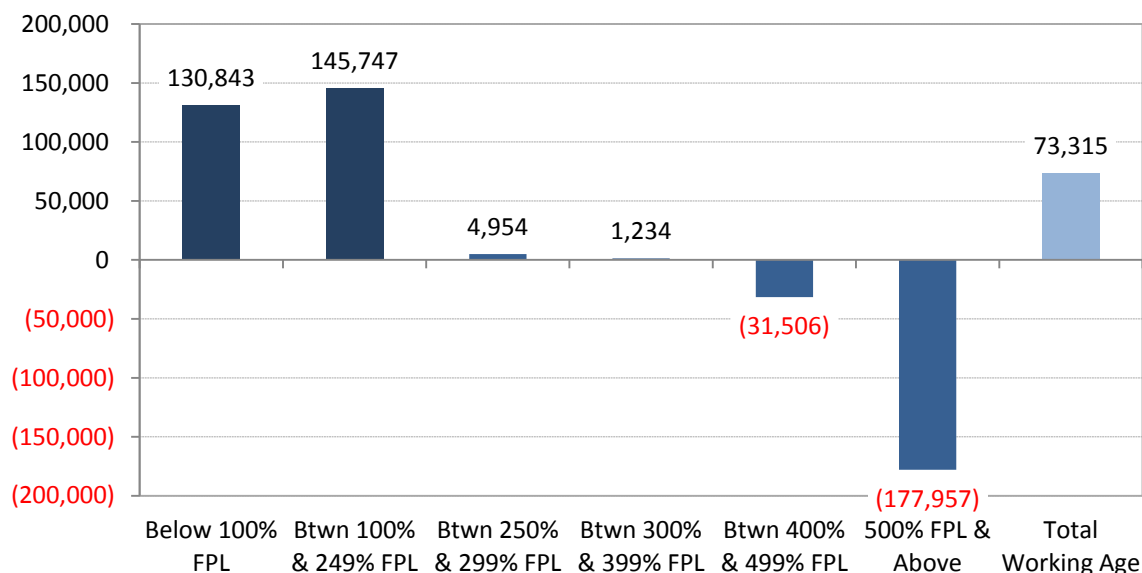
Source: U.S. Census Bureau, American Community Survey & PUMS, 2006 to 2012

- Since the recession, the percentage of young adults between the ages of 18 and 24 living in households with an income below 250% FPL increased by 6.7 percentage points (see figure 2.5).
- The official poverty rate for the 18- to 24-year-olds grew from 12.4% to 15.1%, while the severe poverty rate increased from 6.8% to 8.0%.
- The percentage of the total working age population living in households with an income below 250% FPL grew from 23.6% in 2007 to 28.4% in 2012 (see figure 2.6).
- The official poverty rate for the working-age grew from 7.5% to 9.7%, while the severe poverty rate increased from 3.6% to 4.7%.

Since the beginning of the recession, more than 276,000 additional working-age residents lived in households with incomes below 250% FPL.

- Since the beginning of the recession, there has been a downward shift in the working-age population along the income scale, with the income of more and more households falling below the official poverty level or below 250% FPL (see figure 2.7).
 - From 2007 to 2012, the total working-age population grew by 73,315 people. During the same period almost 131,000 additional working-age people fell into official poverty, while almost 146,000 additional working-age people were living in households with an income between 100% FPL and 250% FPL.

Figure 2.7: Change in Number of Working-Age Population Living at Various Multiples of Poverty, 2007 to 2012



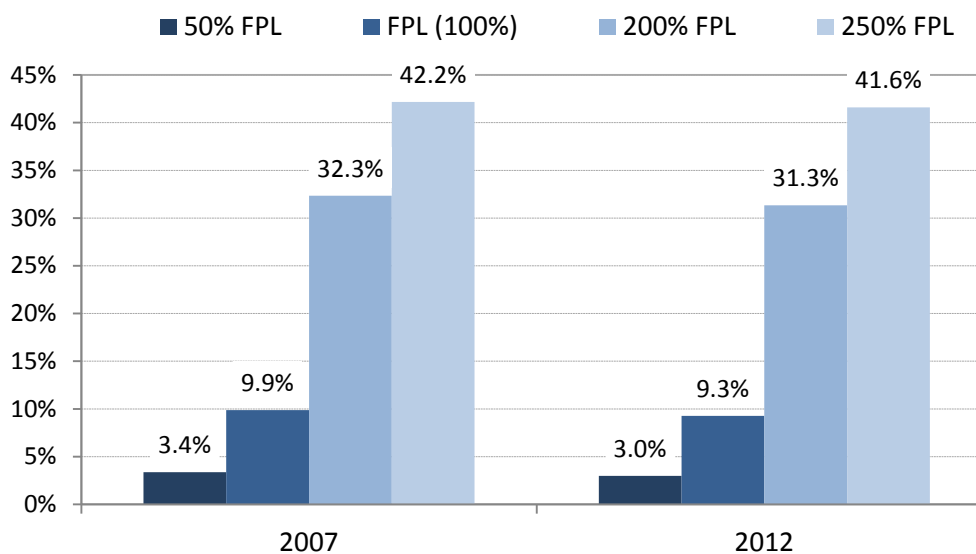
Source: U.S. Census Bureau, PUMS, 2007 & 2012

- In total, since the recession an additional 276,590 working-age residents were living in households with an income below 250% FPL.
- On the other hand, there were more than 209,000 fewer people living in households with an income greater than 400% FPL.
- Among young working-age adults, there has been a substantial increase in the number of people falling into poverty since the recession.
 - While 235,870 young adults were living in households with an income below 250% FPL in 2007, by 2012 this number had climbed to 285,049, an increase of 49,179 or 21%.

Poverty rates for elderly above 75 years very high but stable.

- The elderly seem to have weathered the recession somewhat better than the other major age groupings, perhaps because of the consistency of their Social Security payments which have remained linked to a cost of living index. As a result, elderly poverty has fluctuated only slightly. Nevertheless, the percentage of very elderly living in households with an income below 250% FPL is particularly high (see figure 2.8).
 - The percentage of the very elderly living in households with an income below 250% FPL has been especially high—more than 40%.
 - After the recession, the percentage of those 75 or older living in households with an income below 250% FPL decreased slightly, declining from 42.2% in 2007 to 41.6% in 2012.

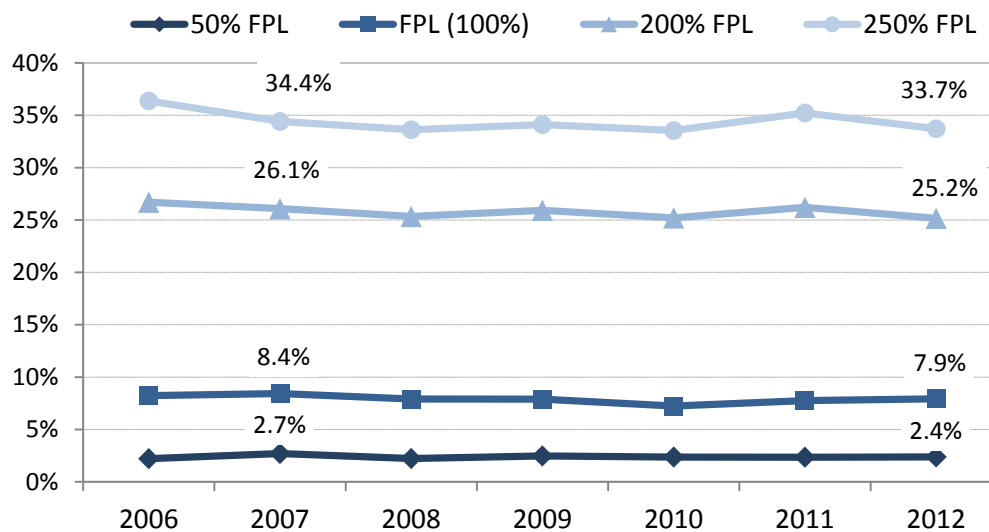
Figure 2.8: Poverty Rates for Very Elderly (over 75), 2007 and 2012



Source: U.S. Census Bureau, American Community Survey & PUMS, 2007 & 2012

- Nevertheless, the number of very elderly living in households with an income below 250% FPL increased by 9,945 people between 2007 and 2012.
- The official poverty rate for the very elderly has decreased slightly since the onset of the recession, falling from 9.9% in 2007 to 9.3% in 2012 (see figure 2.9).
- Since the recession, the percentage of all elderly living in households with an income below 250% FPL declined from 34.4% in 2007 to 33.7% in 2012.
- Similarly, the official poverty rate for the elderly declined from 8.4% in 2007 to 7.9% in 2012.

Figure 2.9: Elderly (over 65) Poverty Rates at Various Multiples of Poverty, 2006 to 2012



Source: U.S. Census Bureau, American Community Survey & PUMS, 2006 to 2012

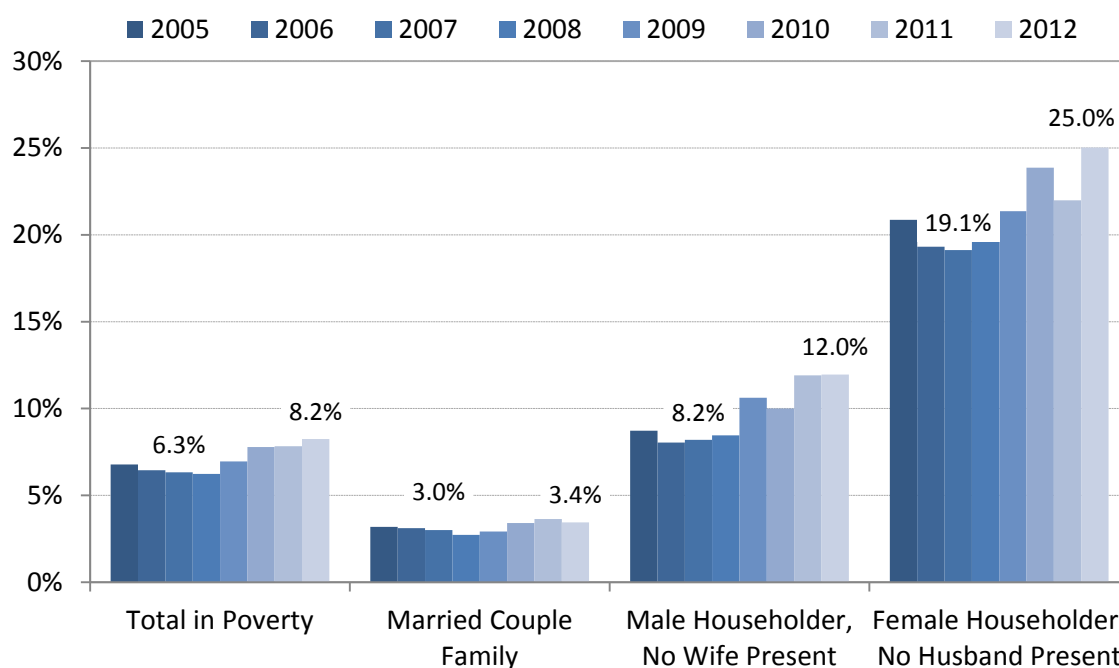
2. Female-Headed Households

Substantial differences in poverty rates exist when dividing the population by household or family type. One-quarter of all female-headed families live in official poverty. This increased to one-third for female-headed families with related children under the age of 18. With such high poverty rates, female-headed families comprise the predominant share of all families living in poverty and an even larger share of families with children living in poverty. Since the onset of the recession, female-headed families comprised about 70% of all additional families falling into poverty.

One-quarter of all female-headed families were living in poverty in 2012.

- The official poverty rate for female-headed families (no husband present) increased substantially in 2012 to reach a new high. Previously, after increasing steadily between 2007 and 2010, it had somewhat declined in 2011 (see figure 2.10).
 - Female-headed families were more than seven times as likely as married-couple families to be living in poverty and more than twice as likely as male-headed families where no wife is present.

Figure 2.10: Poverty Rates by Household Composition, 2005 to 2012



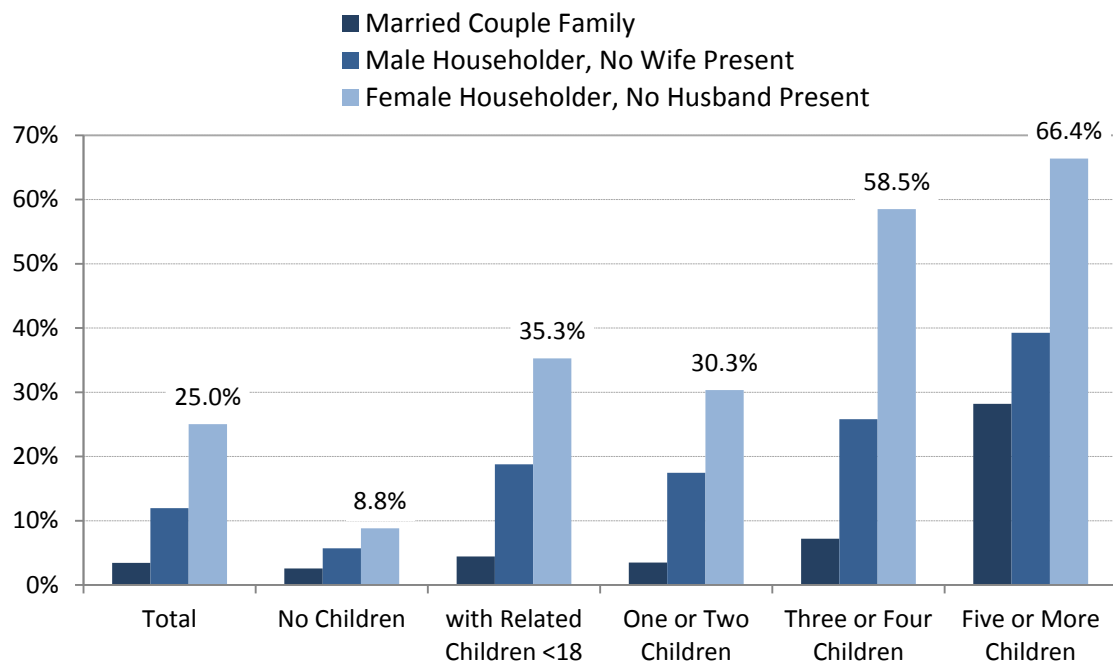
Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

- The poverty rate for female-headed families was 25% in 2012, almost 6 percentage points higher than 2007.
- The married-couple family poverty rate was 3.4% in 2012, up from 3.0% in 2007.
- The male-headed family poverty rose to 12.0% in 2012, 3.8 percentage points above its 2007 level.
- Overall, the poverty rate for all families increased from 6.3% in 2007 to a new high of 8.2% in 2012.

More than one-third of all female-headed families with related children were living in poverty in 2012.

- Poverty rates are higher for families with children—the more children in the family, the higher the poverty rate is likely to be. For female-headed families with related children, in particular, the poverty rate increases substantially (see figure 2.11).
 - The official poverty rate for female-headed families with children was 35.3% in 2012, while the poverty rate was 8.8% where no related children were present.
 - For female-headed families with one or two related children, the poverty rate was 30.3%; this number grew to 58.5% with three or four children and to 66.4% for five or more children.
 - In contrast, the poverty rate for married-couple families with children was 4.5%, while for male-headed families it was 18.8%.

Figure 2.11: Poverty Rates by Household Type and Number of Related Children under 18, 2012



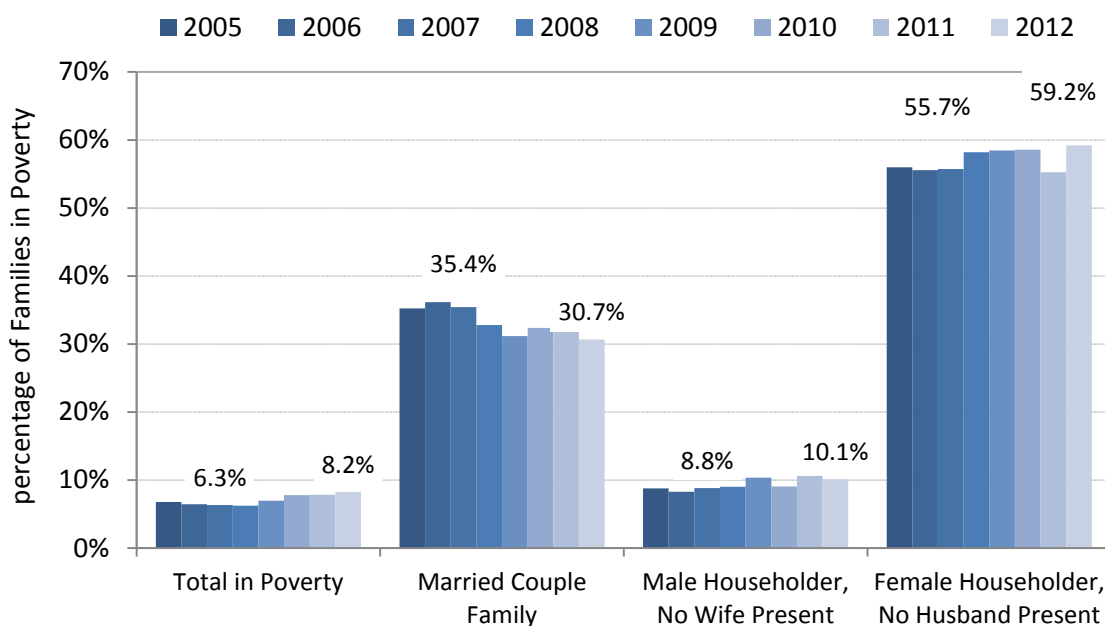
Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

Female-headed families made up almost 60% of all families living in poverty in 2012.

- The female-headed family share of all families living in official poverty reached a new high in 2012—almost 60% of all families in poverty (see figure 2.12).

- Between 2007 and 2012, the share of female-headed families living in official poverty increased from 55.7% to 59.2%.
- In contrast, the share for male-headed families grew from 8.8% to 10.1%, while the share for married-couple families declined from 35.4% to 30.7%.
- In 2012, of the 182,374 families living in poverty, females headed 107,981 families, while 55,961 were married-couple families, and 18,432 were male-headed families.
- Female-headed families with children comprised two-thirds of all families with children living in official poverty in 2012.
 - Married-couple families with children made up 23.8% of all families with children living in poverty, while the share for male-headed families was 9.8%.
 - In 2012, there were 93,232 female-headed families with children living in poverty, compared to 33,522 married-couple families, and 13,841 male-headed families.

Figure 2.12: Share of Families in Poverty by Household Composition, 2005 to 2012



Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

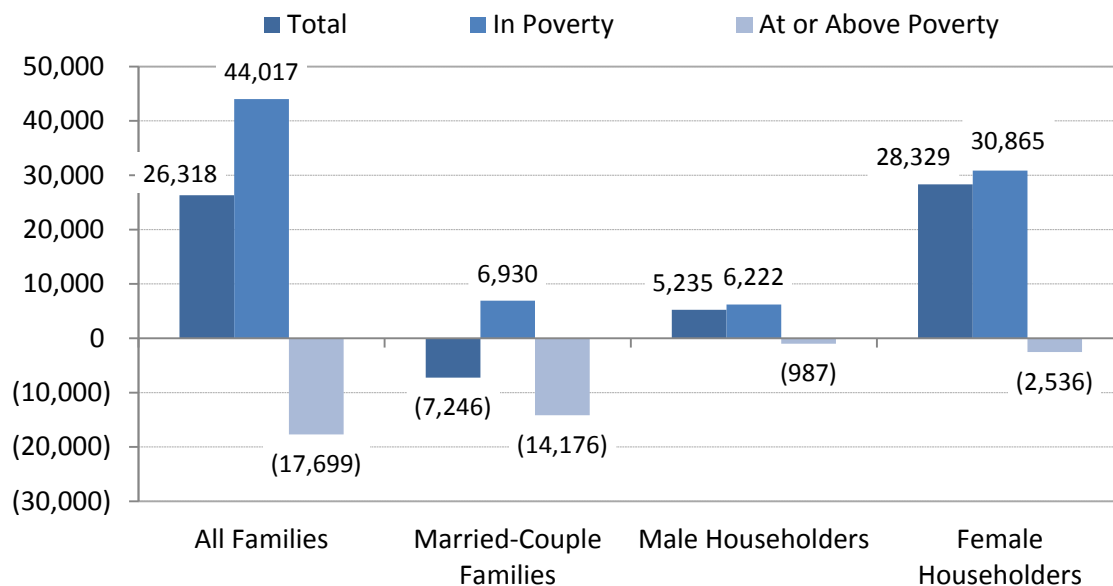
Female-headed families made up 70% of all families that have fallen into poverty since the onset of the recession.

- With the number of female-headed families increasing and traditional married-couple families declining, a much larger number of female-headed families fell into official

poverty since the onset of the recession than either male-headed or married-couple families (see figure 2.13).

- From 2007 to 2012, an additional 30,865 female-headed families fell into poverty, about 70% of all families falling into poverty in this period and five times more than the number of either male-headed families or married-couple families.
- During the same period, the number of male-headed families living in poverty increased by 6,222, while the number of married-couples families rose by 6,930.

Figure 2.13: Change in the Number of Families Living in Poverty by Household Composition, 2007 to 2012



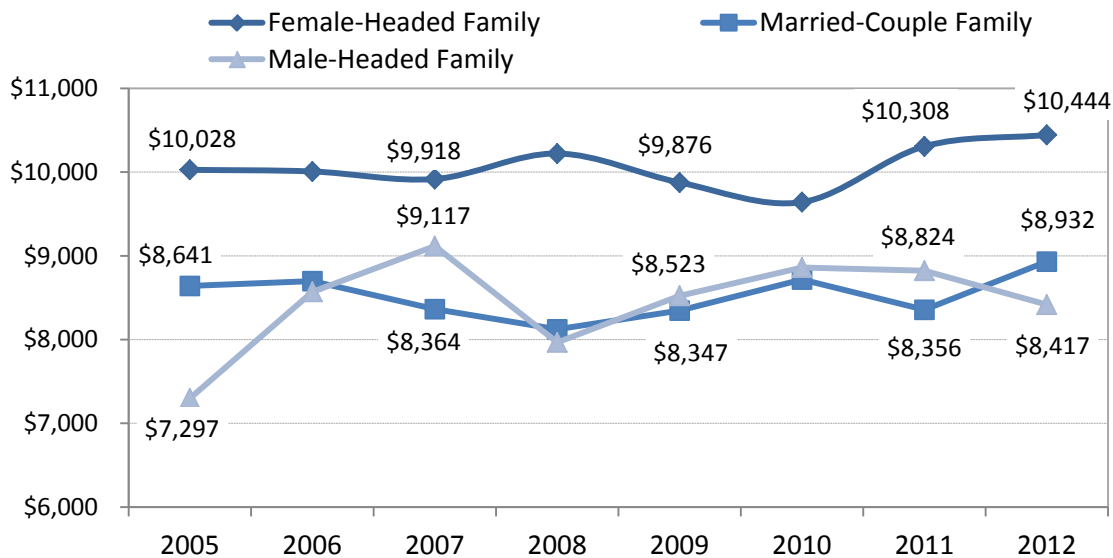
Source: U.S. Census Bureau, American Community Survey, 2007 and 2012

The average income deficit for female-headed families rose to a new high in 2012.

- The average income deficit for female-headed families surpassed the previous high of 2011 to reach a new high in 2012.
 - In 2012, the real dollar amount needed by a female-headed family, on average, to boost its income level to the official poverty level was \$10,444, an amount that surpassed the previous high of \$10,308 in 2011.
 - The average income deficits for married-couple and male-headed families were considerably lower.

- The average-income deficit for married-couple families rose in 2012, to reach a new high of \$8,932, while the deficit for male-headed households declined to \$8,417.
- The average income deficit is the amount of income, on average, required by a family living in poverty to raise its income to the official poverty level.

Figure 2.14: Average Income Deficit for Families Living in Poverty, 2005 to 2012



Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

Note: 2012 Inflation-Adjusted Dollars

3. Females

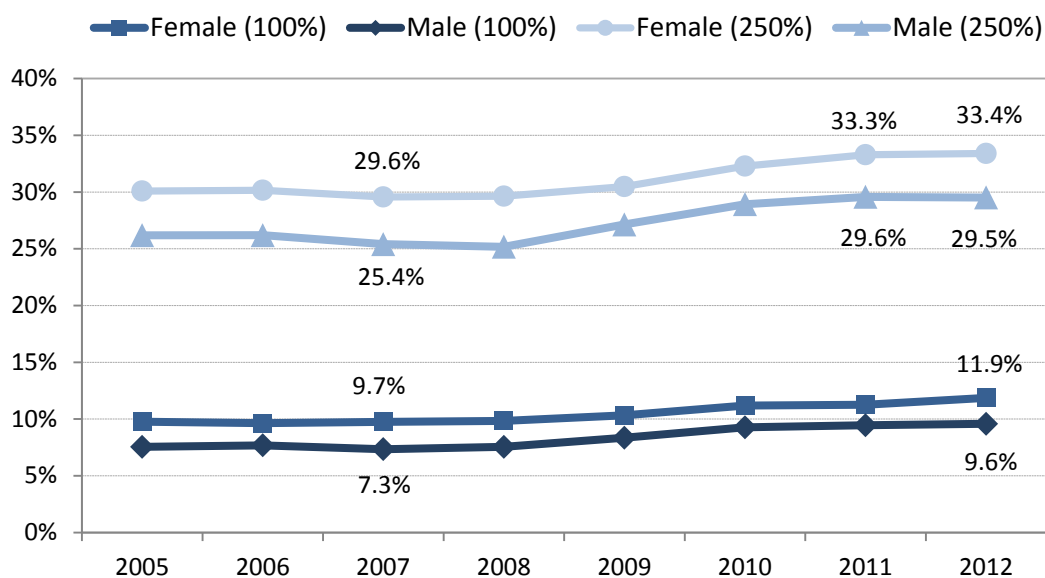
Females are more likely than males to be living in poverty. Female poverty rates and the number of females in poverty are consistently higher than they are for males. Since the onset of the recession, more females have fallen into poverty than males, contributing to the high poverty rate of female-headed families.

Female poverty is more prevalent than male poverty.

- The female poverty rate is consistently higher than it is for males and the number of females living in poverty has increased by a larger amount since the recession (see figure 2.15).
 - The percentage of females living in households with an income below 250% FPL grew from 29.6% in 2007 to 33.4% in 2012, reaching a new high.

- In contrast, the percentage of males living in households with an income below 250% FPL increased from 25.4% in 2007 to 29.5% in 2012, a level essentially the same as in 2011.
- Between 2007 and 2012, the number of females living in households with an income below 250% FPL grew from 1,286,860 to 1,495,690—an increase of 208,830 females. In comparison, the increase in the number of males was less—from 1,055,680 to 1,243,519, an increase of 187,839.
- Since the onset of the recession, the official female poverty rate rose from 9.7% to 11.9%. In contrast, the official male poverty rate increased from 7.3% to 9.6% over this period.
- The number of females in official poverty increased by 106,481—from 424,272 in 2007 to 530,753 in 2012—while the number of males in official poverty increased by 99,251—from 304,939 in 2007 to 404,190 in 2012.
- In 2007, there were 119,333 more females in official poverty than males; by 2012, this number had increased to 126,563.

Figure 2.15: Poverty Rates by Gender, 2005 to 2012



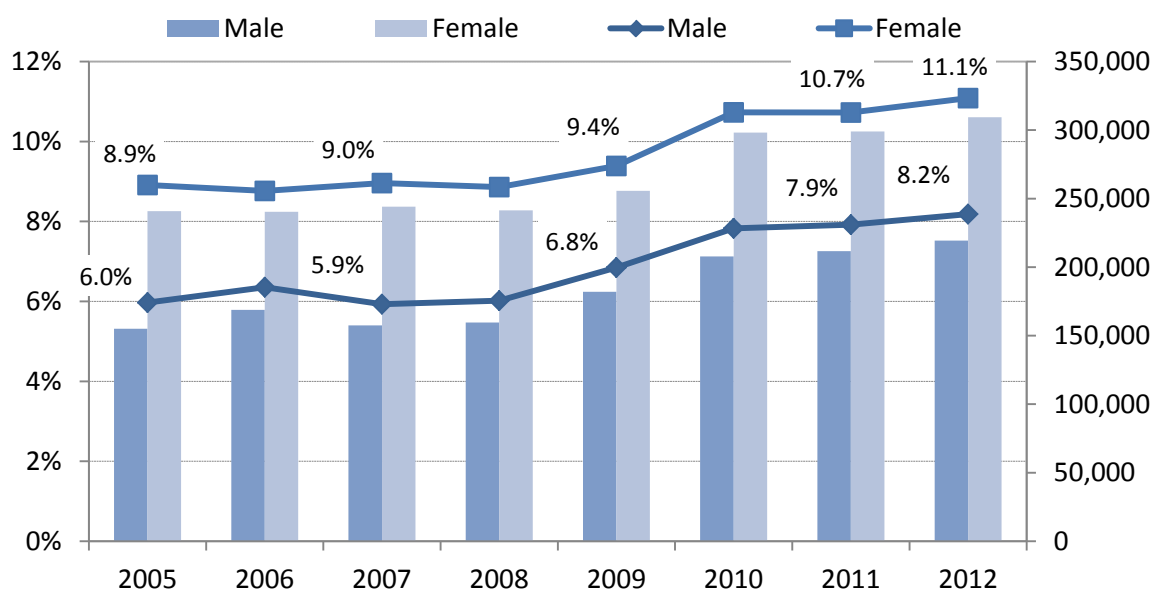
Source: U.S. Census Bureau, American Community Survey & PUMS, 2005 to 2012

The difference in working-age poverty rates between females and males is larger than for the population as a whole.

- The difference in working age poverty rates between females and males is larger than for the overall population (see figure 2.16).

- Female working-age official poverty increased from 9.0% in 2007 to 11.1% in 2012, while male working-age official poverty rose from 5.9% to 8.2%.
- In 2012, the difference in the official poverty rates between working-age females and working-age males was 2.9 percentage points, compared to the 2.3 difference for the overall population.
- Overall, the number of working-age females in official poverty increased by 65,169 between 2007 and 2012—from 244,148 to 309,317. In contrast, the number of working-age males in official poverty increased by 61,816—from 157,533 in 2007 to 219,349 in 2012.
- In 2007, 86,615 more working-age females were in official poverty than working-age males; by 2012, this number had increased to 89,968.

Figure 2.16: Working-Age Poverty Rate and Number in Poverty by Gender, 2005 to 2012



Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

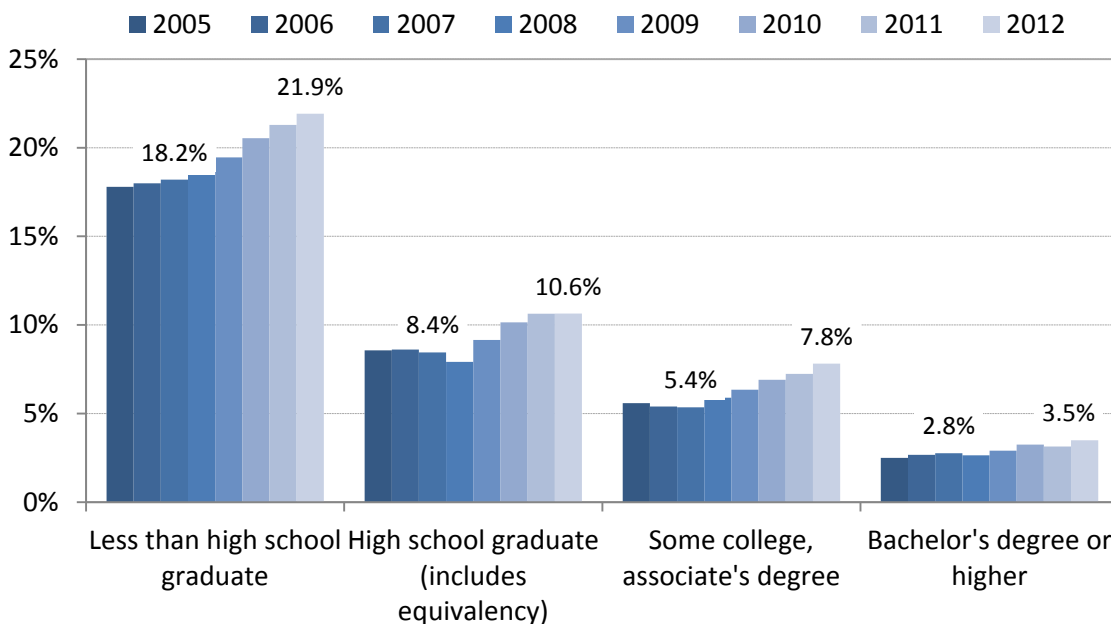
4. The Less-Educated

The likelihood of falling into poverty is higher for people with less educational attainment. As educational attainment increases, poverty rates decline. Consequently, the less educated are disproportionately represented among the population in poverty. Although poverty rates have been increasing at all educational levels since the onset of the recession, rates are much higher and have increased more for adults 25 years and over with less than a high school education. Moreover, poverty rates were higher for females than males across all educational categories.

More than one-fifth of the population that has not graduated high school was living in poverty in 2012.

- The official poverty rate for the population 25 years and over with less than a high school education has been rising steadily; by 2012, more than one-fifth of this group was in poverty.
 - In 2012, the poverty rate for people who have not graduated high school stood at 21.9%, a 3.7 percentage point increase since 2007 (see figure 2.17).
 - For females without a high school education, the poverty rate in 2012 was even higher—25.6%; this level was 7.6 percentage points higher than the 18.6% poverty rate for males.
 - Poverty rates, which fell prior to the recession for high school graduates and people with some college education or an associate’s degree, have risen steadily since the recession, reaching 10.6% and 7.8%, respectively, in 2012 (see figure 2.17).
 - For these two groups, the poverty rate for females was 12.3% and 9.6% in 2012, respectively, while for males it was 8.7% and 5.8%, respectively.
 - The poverty rate for the population with a bachelor’s degree or higher has fluctuated; in 2012, it stood at 3.5%, its highest level since 2005 (see figure 2.17).

Figure 2.17: Poverty Level by Educational Attainment for Population 25 Years and Over, 2005 to 2012

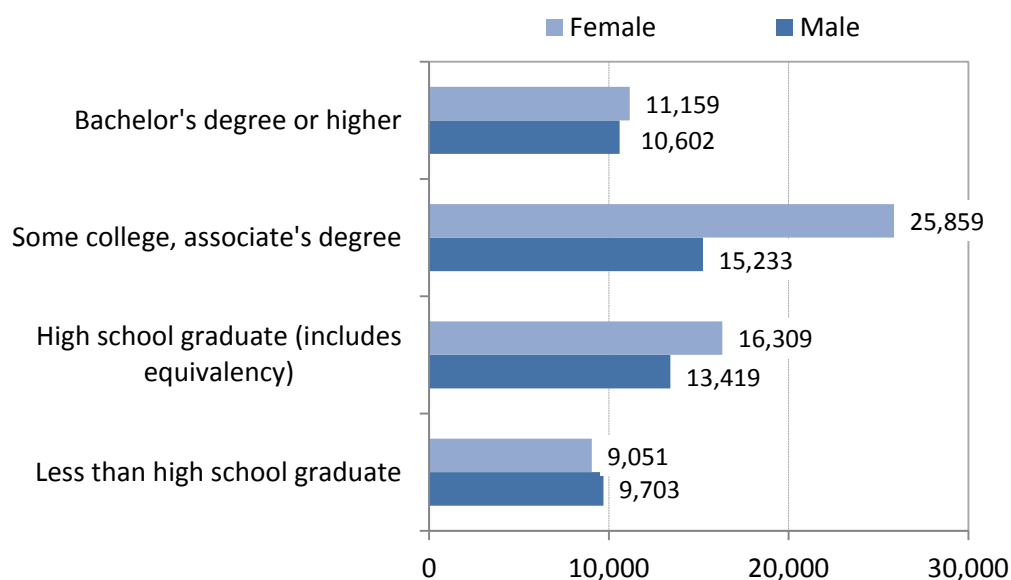


Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

More males than females with less than a high school diploma have fallen into poverty since the onset of the recession.

- Among the less educated, more males than females 25 years and older have fallen into official poverty since 2007; the opposite was true among the more educated (see figure 2.18).
 - Of the additional 18,754 people 25 years and older without a high school diploma living in poverty since 2007, 9,703 were males compared to 9,051 females.
 - In contrast, of the additional 29,728 people with only a high school degree and living in poverty since 2007, females numbered 16,309, and males 13,419.
 - Among the additional 41,092 people with some college education or an associate's degree who had fallen into poverty since 2007, there were 25,859 females and only 15,233 males.
 - Of the additional 21,761 people with a bachelor's degree or higher, 11,159 females compared to 10,602 males had fallen into poverty since 2007.

Figure 2.18: Increase in the Number in Poverty by Educational Attainment for Population 25 Years and Over, 2007 to 2012



Source: U.S. Census Bureau, American Community Survey, 2007 to 2012

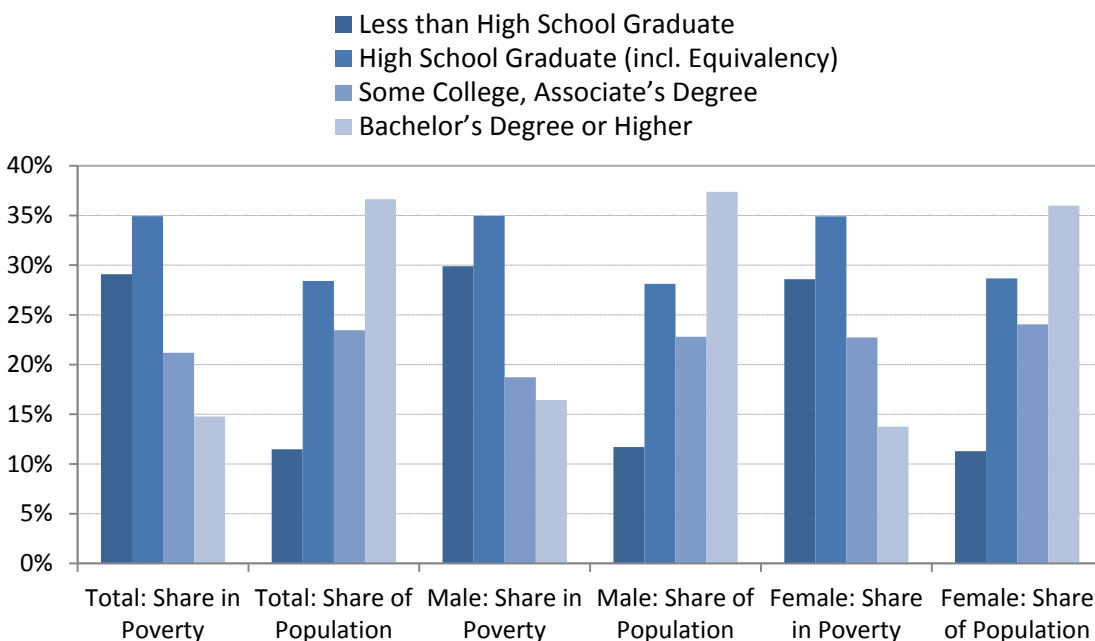
The less educated were disproportionately represented among the population 25 years and over living in poverty in 2012.

- People either without a high school education or with just a high school education comprised a much higher share of the population 25 years and older living in official

poverty than their comparable share of the total population in 2012; the converse was true for people with either some college education or a bachelor’s degree or higher (see figure 2.19).

- In 2012, the population without a high school education made up 11.5% of the total population 25 years and older; yet they comprised of 29.1% of the total poor population. Similar percentages existed for both females and males.
- Similarly, high school graduates only made up 28.4% of the total population but 34.9% of the population in poverty. The proportions were similar for females and males.
- In contrast, among the population with some college education, the share living in poverty was smaller than the comparable share of the total population. While they made up 23.5% of the total population, they comprised only 21.2% of the people living in poverty. Slight differences existed between females and males, with a bigger disparity between the male share in poverty and its comparable share of the population—18.7% compared to 22.8%, respectively. For females, the comparable shares were 22.7% and 24.1% respectively.
- The population with a bachelor’s degree or higher comprise 36.7% of the total population, but only 14.8% of the poverty population. For females, the percentages were 36.0% and 13.8%, respectively, while for males they were 37.4% and 16.4%, respectively

Figure 2.19: Share in Poverty and Share of Population by Educational Attainment for Population 25 Years and Over, 2012



Source: U.S. Census Bureau, American Community Survey, 2012.

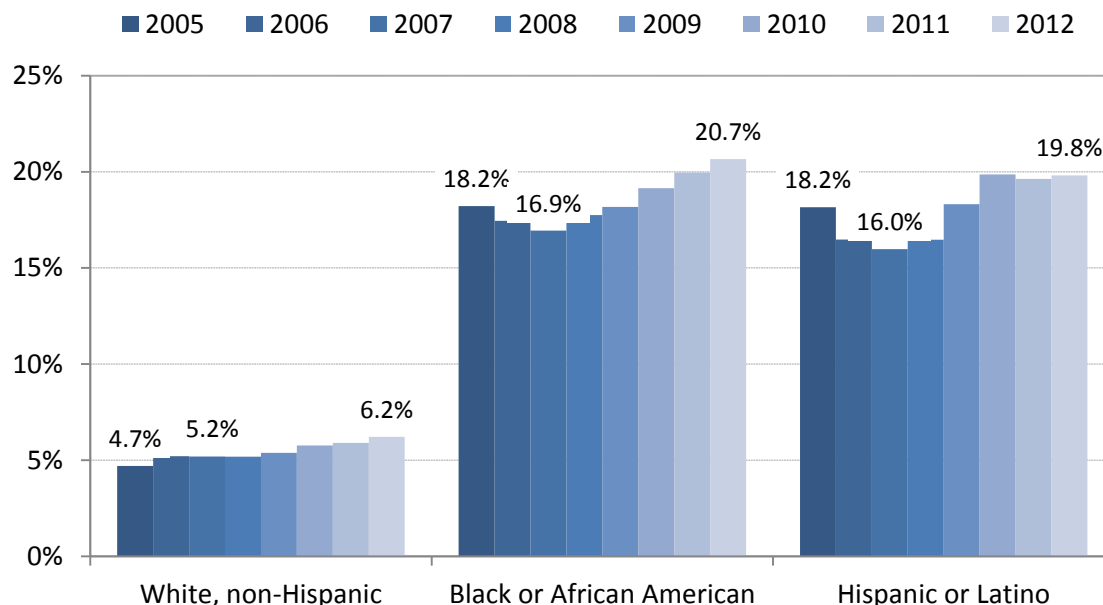
5. Blacks and Hispanics

Poverty rates remain disproportionately higher for blacks and Hispanics. With poverty rates at least three times the levels they are for white non-Hispanics, the share of blacks and Hispanics in official poverty is larger than their share of the overall population. The differential is even greater for black and Hispanic children. In 2012, blacks had the highest overall poverty rate, as well as the highest working age and child poverty rates; however, the poverty rate for elderly Hispanics was larger than that for elderly blacks. Nevertheless, with Hispanics again surpassing white non-Hispanics as the largest group living in poverty in New Jersey, more Hispanics were in poverty than any other racial or ethnic group.

One-fifth of all black and Hispanic New Jerseyans were living in poverty in 2012.

- In 2012, one-fifth of all black and Hispanic residents lived in households with an income below the official poverty level.
 - In 2012, the official poverty rate for blacks stood at 20.7%, almost four percentage points above the 2007 low mark. The official poverty rate for Hispanics was slightly lower, at 19.8% or 3.8 percentage points above the 2007 level (see figure 2.20).
 - In contrast, the official poverty rate was 6.2% for white non-Hispanics in 2012—only 1 percentage point above the 2007 level of 5.2% (see figure 2.20).
- More Hispanics were living in poverty in 2012 than any other racial or ethnic group.
 - The number of Hispanics living in official poverty again surpassed that of white non-Hispanics in 2012 with 320,305 Hispanics in poverty, compared to 314,110 white non-Hispanics and 238,829 blacks.

Figure 2.20: Poverty Level by Race and Ethnicity, 2005 to 2012

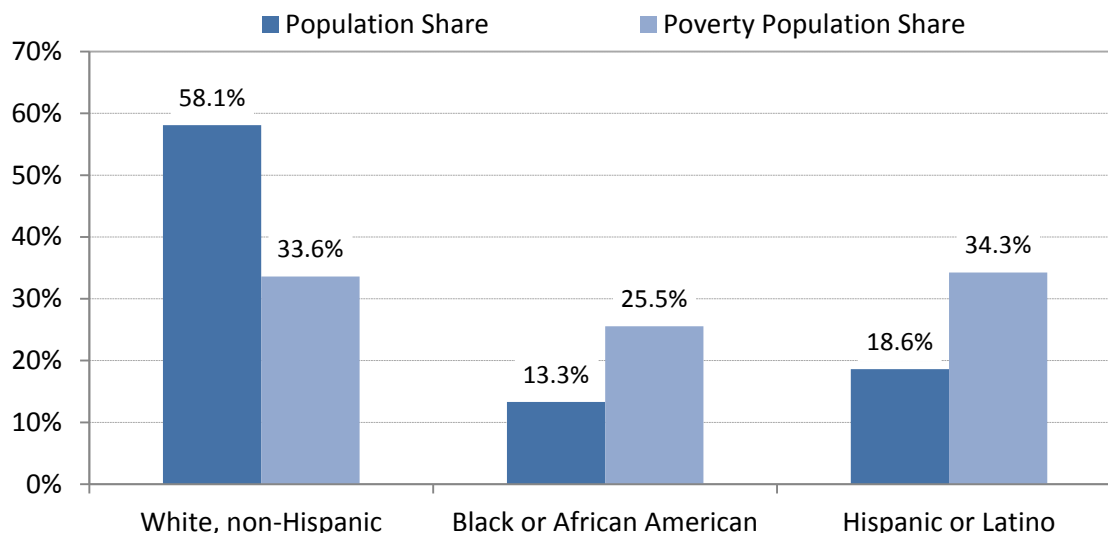


Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

Blacks and Hispanics are disproportionately represented among the population in poverty

- The share of blacks and Hispanics living in official poverty was about twice their share in the overall population in 2012 (see figure 2.21).
 - While blacks made up one-quarter of the population in poverty and Hispanics about one-third, their shares of the total population were about one-half of their poverty population share—13.3% and 18.6%, respectively.
 - In contrast, white non-Hispanics were almost 60% of the total population, but only one-third of the population in poverty.

Figure 2.21: Population Share and Poverty Population Share by Race and Ethnicity, 2012

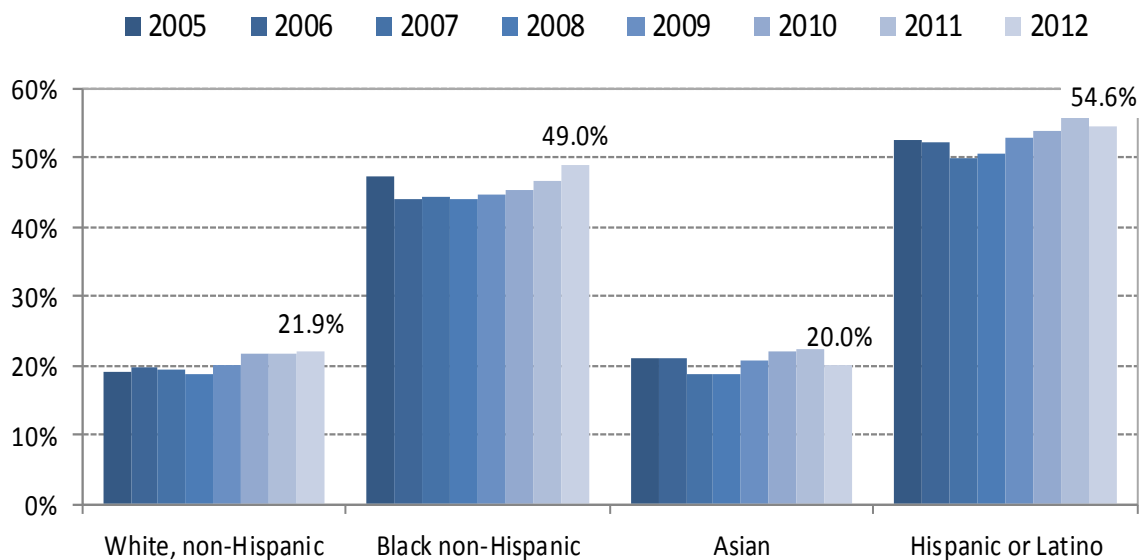


Source: U.S. Census Bureau, American Community Survey, 2012

More than one half of all Hispanics were living below 250% FPL in 2012.

- The percentage of Hispanics in households with an income below 250% FPL is larger than for any other racial or ethnic group. (see figure 2.22).
 - Since the recession, the percentage of Hispanics in households with incomes below 250% FPL increased from a low of 50.1% to a high of 54.6%.
 - Among blacks, the increase was from 43.9% in 2007 to 49.0% in 2012.
 - In contrast, the levels for white non-Hispanics and Asians in 2012 are less than half—21.9% and 20.0%, respectively.

Figure 2.22: percentage of Population Below 250% FPL by Race and Ethnicity, 2005 to 2012

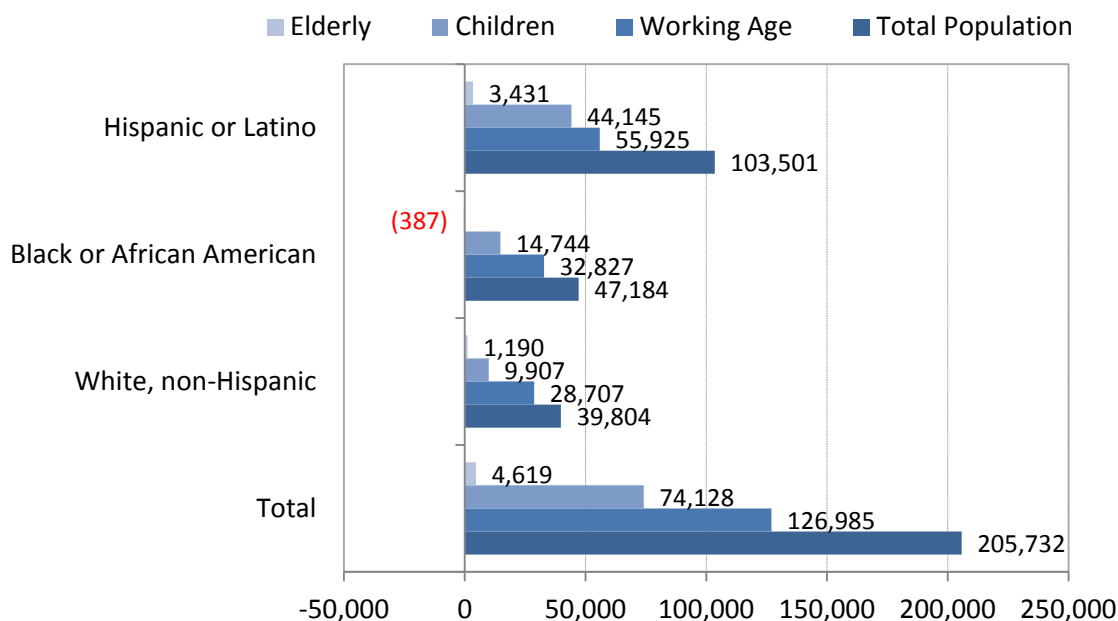


Source: U.S. Census Bureau, PUMS, 2005 to 2012

Poverty among the Hispanic population is growing in larger numbers than the black or white non-Hispanic population.

- Since the onset of the recession, the increase in the number of Hispanics of all major age groups falling into official poverty has far surpassed that for blacks or white non-Hispanics (see figure 2.23).
 - An additional 103,531 Hispanics have fallen into poverty, more than double the number for blacks (47,184), and more than two and one half times that for white non-Hispanics (39,804) since 2007.
- The number of Hispanic children living in official poverty far exceeds that of either black or white non-Hispanic children; moreover, the gap has widened substantially over time.
 - In 2012, there were 127,138 Hispanic children living in poverty, compared to 90,494 black children and 74,549 white non-Hispanic children.
 - The increase in the number of Hispanic children living in poverty since 2007 has outpaced that of both black and white non-Hispanic children. The number of Hispanic children in poverty grew by 44,145, while the number of black children grew by 14,744 and white non-Hispanic children by 9,907.

Figure 2.23: Change in the Number of People Living in Poverty by Race and Ethnicity, 2007 to 2012

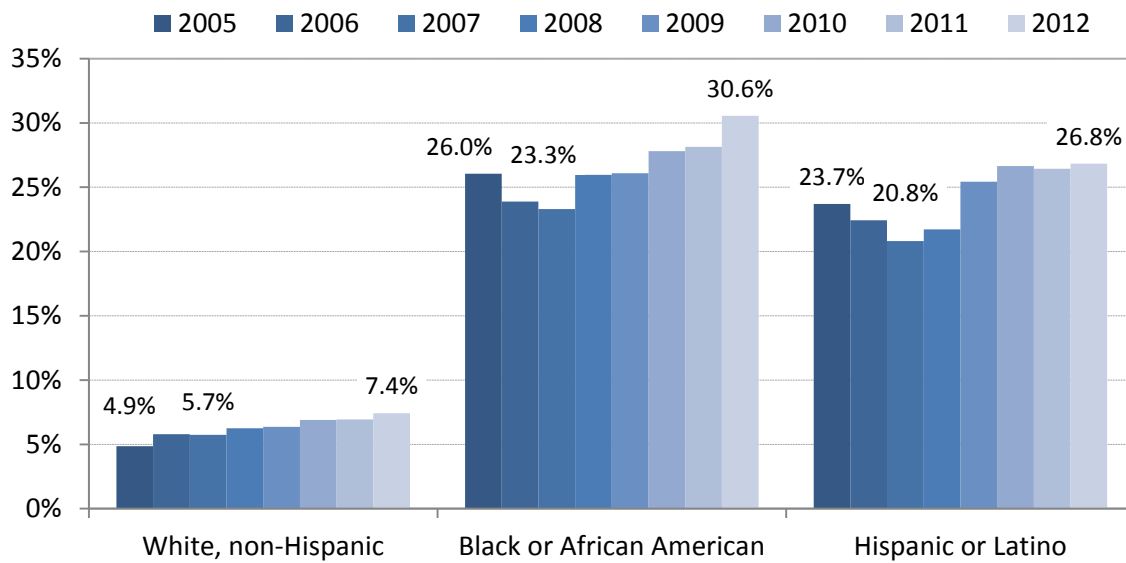


Source: U.S. Census Bureau, American Community Survey, 2007 & 2012

Black child poverty rate jumped in 2012.

- In 2012, black child poverty jumped to 30.6%, more than two percentage points above the 2011 level and more than seven percentage points above the 2007 level (see figure 2.24).
 - While the poverty rate for Hispanic children was slightly lower than the rate for black children, the rate for white non-Hispanic children was less than one-quarter the rate for black children—26.8% and 7.4% in 2012.
 - Hispanic child poverty has increased six percentage points since 2007, while white non-Hispanic child poverty has risen just 1.7 percentage points.

Figure 2.24: Poverty Level by Race and Ethnicity for Child Population, 2005 to 2012

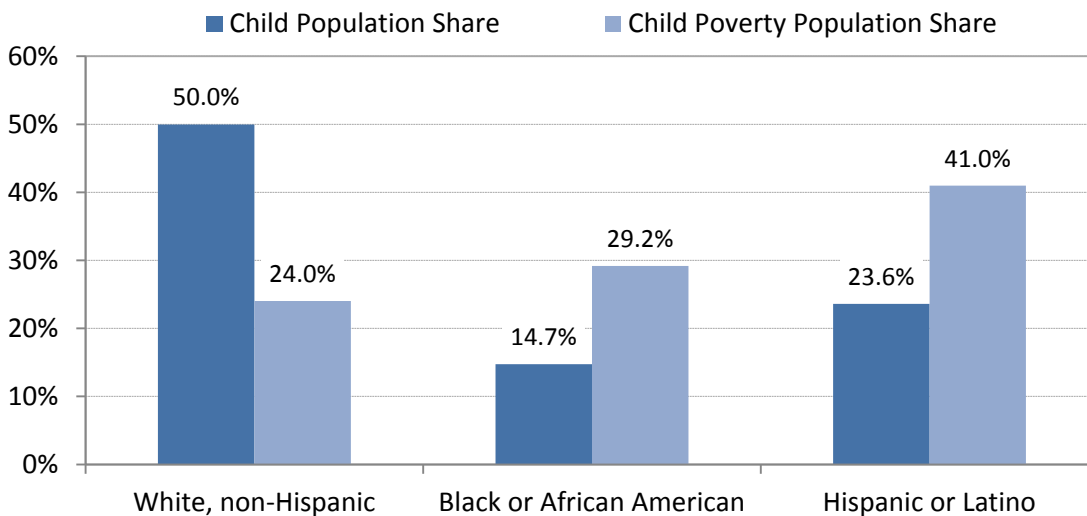


Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

The share of black and Hispanic children in poverty is about twice their share of the total child population.

- While the share of black and Hispanic children living in official poverty was about twice their share in the overall population in 2012, the share of white non-Hispanic children in poverty was half their share of the overall child population (see figure 2.25).

Figure 2.25: Child Population Share and Child Poverty Population Share by Race and Ethnicity, 2012



Source: U.S. Census Bureau, American Community Survey, 2012

- In 2012 Hispanic children made up 41% and black children 29% of the children living in poverty, while they comprised only 24% and 15% of the overall child population, respectively.
- In contrast, white non-Hispanic children were half of the total child population, but only 24% of the children in poverty.

6. Counties and Municipalities

Geographically, poverty is distributed unevenly across New Jersey. It tends to concentrate in some counties and in particular municipalities. Specifically, poverty tends to be highest in the south and in the historic urban counties along the Route 1 corridor.

Poverty tends to concentrate along the Route 1 corridor in the north and in the agricultural counties in the south.

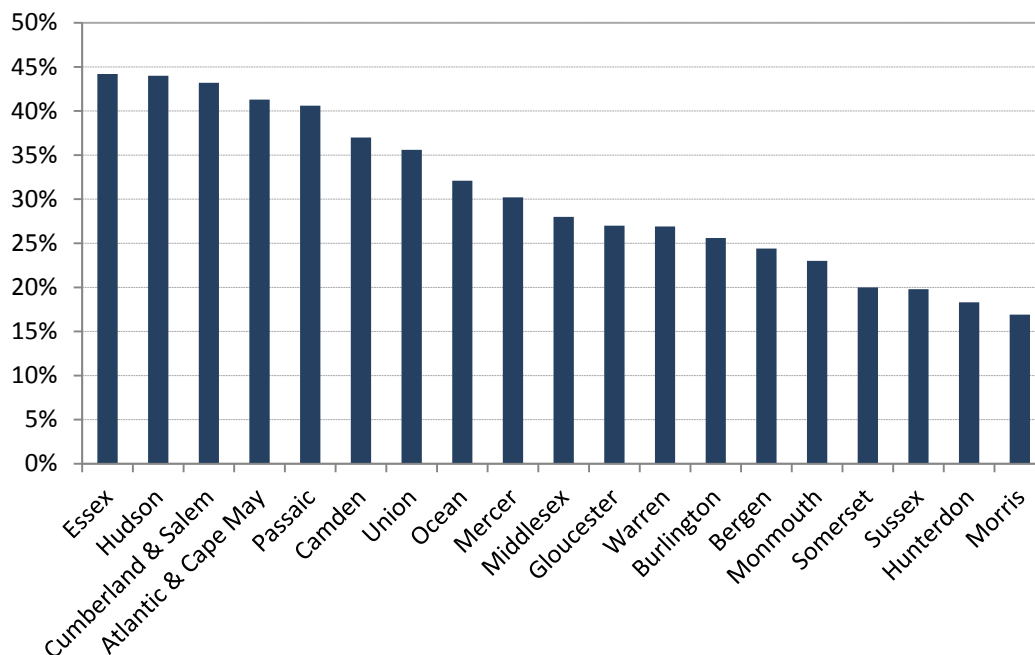
- The percentage of residents with an income below 250% FPL was above 40% in Essex, Hudson, and Passaic counties, historic urban counties along the Route 1 corridor, and in the southern counties of Cumberland & Salem, and Atlantic & Cape May in 2012 (see figure 2.26 and table 2.1).
 - Poverty levels were highest in Essex County—the official poverty rate was 17.2%, while 44.2% of the population lived in households with an income below 250% FPL.
 - Among the southern counties, poverty levels were highest in Cumberland & Salem counties¹—the official poverty rate there was 15.5%, while 43.2% of the population lived in households with an income below 250% FPL.
 - In contrast, poverty levels were lowest in Morris County—the official poverty rate was 4.4%, while only 16.9% of the population lived in households with an income below 250% FPL.
 - See the PRI website for a full listing of poverty rates by county for the years 2006 to 2012, as well as the poverty rates by county for children, the working age and the elderly—www.lsnj.org/PovertyInNJ CensusStatsMult.aspx.
- There were 26 municipalities with a population of more than 20,000 and an official poverty rate of 15% FPL or more in 2012 (see table 2.2).
 - Poverty was highest in Camden where 39.8% of the population lived in households with an income below the official poverty rate.
 - In all but four of the 26 municipalities, the poverty rate had increased substantially since the onset of the recession in 2007.

- Many of the places are historic urban centers along the Route 1 corridor—New Brunswick, Newark, Trenton, Union City, Irvington, West New York, Elizabeth, Jersey City, Cliffside Park, and Roselle.
- A number of places are urban centers in the southern counties—Bridgeton, Atlantic City, Millville, and Vineland.

Poverty tends to concentrate in municipalities with higher black or Hispanic populations.

- In 21 of the 26 municipalities with an official poverty rate greater than 15% in 2012, blacks or Hispanics comprised the majority share of the population (see table 2.3).
 - Hispanics were the largest population group in 13 of the 26 municipalities—ranging from a high of 83.6% in Union City to a low of 27.4% in Jersey City.
 - Blacks made up the largest population group in eight of the municipalities, ranging from a high of 87.7% in East Orange to a low of 36.1% in Atlantic City.
 - Whites were the largest population group in five municipalities, ranging from a high of 79.7% in Lakewood to a low of 46.6% in Vineland.

Figure 2.26: percentage of Total Population Living in Households with an Income below 250% FPL by County, 2012



Source: U.S. Census Bureau, American Community Survey, PUMS, 2012

Table 2.1: percentage of Total Population Living in Households with Incomes below 100%, 200% 250% FPL by County, 2012

County	Below 100% FPL	Below 200% FPL	Below 250% FPL
Atlantic & Cape May	14.6%	32.7%	41.3%
Bergen	7.5%	17.9%	24.4%
Burlington	5.8%	17.7%	25.6%
Camden	12.7%	28.6%	37.0%
Cumberland & Salem	15.5%	35.5%	43.2%
Essex	17.2%	37.0%	44.2%
Gloucester	8.6%	19.3%	27.0%
Hudson	16.4%	35.9%	44.0%
Hunterdon	5.1%	12.6%	18.3%
Mercer	10.8%	24.0%	30.2%
Middlesex	10.0%	22.6%	28.0%
Monmouth	7.5%	18.3%	23.0%
Morris	4.4%	12.9%	16.9%
Ocean	10.9%	24.3%	32.1%
Passaic	16.5%	34.3%	40.6%
Somerset	5.2%	15.1%	20.0%
Sussex	5.9%	15.8%	19.8%
Union	10.3%	27.9%	35.6%
Warren	5.8%	18.7%	26.9%
New Jersey	10.7%	24.8%	31.5%

Source: U.S. Census Bureau, American Community Survey, PUMS, 2012

Table 2.2: Municipalities with an Official Poverty Rate of more than 15% and a Population of 20,000 or more in 2012

Municipality	2007	2009	2012
Camden	40.5%	36.7%	39.8%
New Brunswick	24.2%	24.7%	35.5%
Bridgeton	24.9%	25.2%	34.0%
Atlantic City	22.5%	26.1%	31.4%
Newark	24.1%	24.2%	30.6%
Lakewood	23.5%	26.9%	30.6%
Passaic	26.9%	29.6%	30.1%
Trenton	22.1%	24.1%	28.9%
Paterson	24.5%	26.7%	27.4%
Orange	16.7%	15.2%	25.0%
Pleasantville	N/A	N/A	24.6%
Union City	19.3%	19.7%	24.3%
Perth Amboy	17.4%	19.3%	22.6%
Irvington	14.8%	17.7%	22.4%
Plainfield	17.1%	15.5%	21.8%
West New York	17.1%	17.5%	20.9%
East Orange	26.9%	20.8%	20.0%
Elizabeth	17.6%	16.8%	19.9%
Jersey City	17.4%	16.1%	18.1%
Millville	21.1%	22.1%	17.0%
Long Branch	15.5%	13.4%	17.0%
Hackensack	10.5%	8.8%	16.1%
Cliffside Park	10.6%	10.6%	15.8%
Vineland	13.3%	13.5%	15.3%
Roselle	5.1%	6.0%	15.3%
North Plainfield	6.3%	6.0%	15.2%

Source: U.S. Census Bureau, American Community Survey, 3-Year Averages

Table 2.3: Demographic Composition of Municipalities with an Official Poverty Rate of more than 15% and a Population of 20,000 or more in 2012

Municipality	White non-Hispanic	Black non-Hispanic	Asian non-Hispanic	Hispanic or Latino
Camden	5.2%	43.2%	1.3%	48.5%
New Brunswick	23.8%	13.0%	7.9%	54.0%
Bridgeton	17.0%	32.2%	0.3%	48.6%
Atlantic City	23.1%	36.1%	14.1%	24.0%
Newark	11.3%	49.6%	1.8%	33.9%
Lakewood	79.7%	4.1%	0.5%	14.6%
Passaic	17.1%	7.7%	2.3%	71.8%
Trenton	13.8%	50.3%	1.0%	33.3%
Paterson	9.4%	28.6%	3.5%	57.4%
Orange	3.2%	74.8%	1.2%	18.3%
Pleasantville	19.9%	35.9%	4.1%	37.4%
Union City	12.0%	1.05	2.6%	83.6%
Perth Amboy	11.4%	7.0%	1.9%	78.7%
Irvington	2.5%	83.5%	1.3%	10.9%
Plainfield	8.4%	43.3%	2.4%	38.9%
West New York	12.4%	1.9%	4.7%	79.4%
East Orange	2.3%	87.7%	0.6%	7.4%
Elizabeth	16.8%	17.8%	2.1%	61.3%
Jersey City	21.5%	23.8%	24.4%	27.4%
Millville	62.8%	17.4%	1.1%	16.7%
Long Branch	56.7%	13.0%	1.5%	25.1%
Hackensack	30.1%	20.9%	10.5%	36.4%
Cliffside Park	49.3%	4.3%	12.4%	31.9%
Vineland	46.6%	12.1%	2.0%	36.3%
Roselle	14.7%	50.2%	5.4%	28.8%
North Plainfield	31.4%	16.2%	5.7%	44.5%

Source: U.S. Census Bureau, American Community Survey, 3-Year Averages

Section Two—Employment and Wages in New Jersey

A. Perturbing Underlying Economic Trends

Five years have passed since the Great Recession, but the New Jersey economy has yet to return to pre-recession levels. Although some key indicators have improved in recent months, the underlying economic trends remain disturbing.

This section offers more current insights into the New Jersey economy than is possible using time-lagged Census data. Some data, however, is not available on a current, monthly basis, and in these instances, we rely on older data.

On the one hand, the official unemployment rate in New Jersey is finally beginning to decline. The number of unemployed has also decreased substantially. Yet this seeming improvement in New Jersey's employment situation obscures other trends. New Jersey still has a higher unemployment rate than most other states in the country. The declining employment-population ratio and labor force suggest that the decline in the unemployment rate may be a consequence of the long-term unemployed leaving the labor force entirely or younger people not entering the labor force, rather than an improvement in economic performance. As a result, there is a high level of underutilized potential labor resources in the New Jersey economy.

The groups with the highest unemployment rates are the same groups with the highest poverty rates—young adults, the less educated, and blacks and Hispanics. One exception, however, shows that since the recession, the male unemployment rate has overtaken the female rate, likely a consequence of the especially high unemployment rate among black males.

While there has been some growth in employment, it remains lackluster. The employment level is still below the level going into the recession. Notably, the jobs that have been added since the onset of the recession are primarily in the low-wage service sector, while the higher paying manufacturing jobs continue to leave the state.

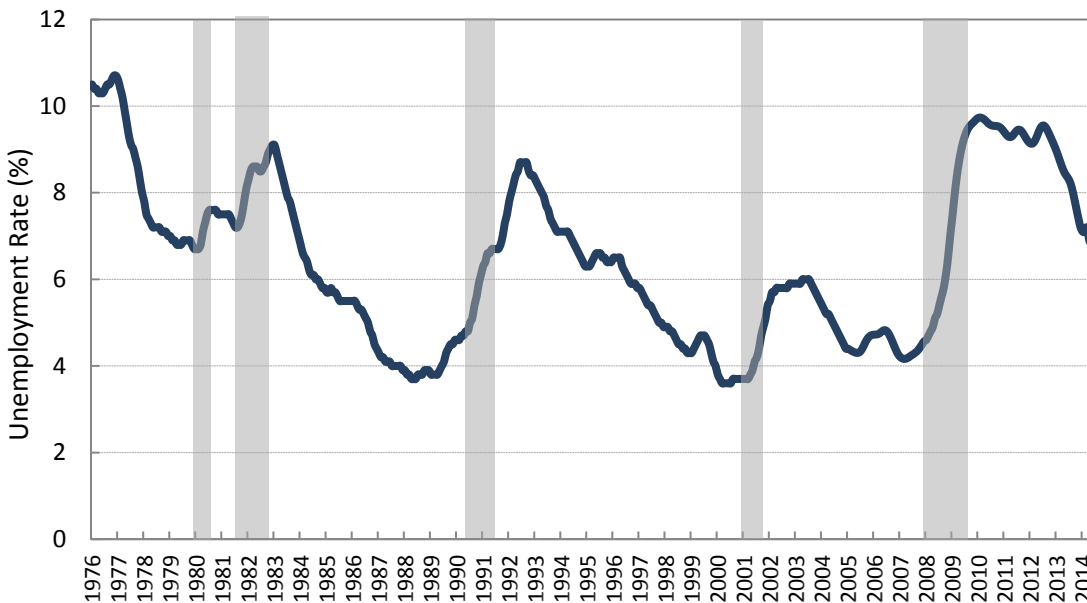
Adjusted for inflation, median wages have eroded steadily over the last decade for New Jersey's wage-earning workers at the lower end of the wage scale. In 2012, about one-third of the total workforce was employed in predominantly service-providing occupations that paid an average wage less than the real cost of living for a single adult.

1. Unemployment

The official unemployment rate in New Jersey has been declining steadily the past two years. Nonetheless, as of July 2014 it was higher than at both the onset and conclusion of the recession. In December 2007, the onset of the recession, New Jersey's unemployment rate was lower than the national average. Only 20 states had lower unemployment rates than New Jersey. In June 2009, at the conclusion of the recession, New Jersey's unemployment rate, although it had risen considerably, was still lower than the national average. Nevertheless, only 17 states had higher unemployment rates than New Jersey. As of July 2014, New Jersey's unemployment had improved relative to other states. Nevertheless, it is higher than the national average. Only 15 states have higher unemployment rates than New Jersey—Alabama, Arizona, California, Connecticut, Georgia, Illinois, Kentucky, Michigan, Mississippi, Nevada, New Mexico, New York, Oregon, Rhode Island and Tennessee.

Official unemployment rate declining steadily.

Figure 3.1: Unemployment Rate, January 1976 to July 2014



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

Note: Shaded areas denote recessions

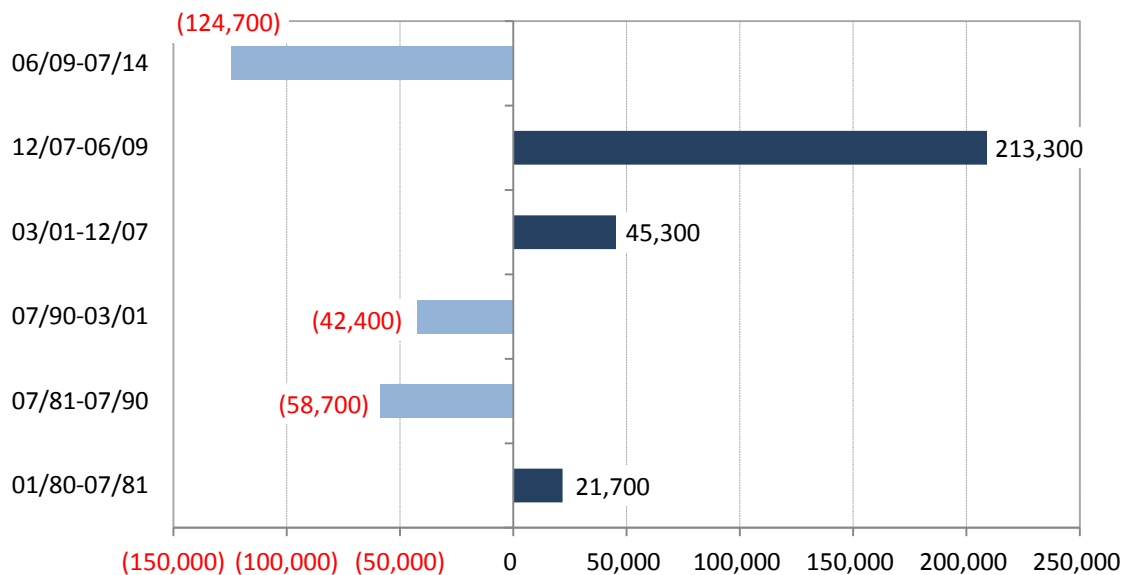
- The monthly official unemployment rate has been declining slowly, but in July was still higher than at the onset of the Great Recession (see figure 3.1).
 - Since the conclusion of the Great Recession, the unemployment rate has declined 2.7 percentage points, falling from 9.2% when the Great Recession ended to 6.5% in July 2014.²

- The July 2014 rate, however, was still higher than the 4.6% level at the onset of the Great Recession in December 2007.

Number of unemployed workers has declined.

- As of July 2014, the number of unemployed workers had declined by 124,700 since the conclusion of the recession in June 2009—from 418,400 unemployed workers in June 2009 to 293,700 in July 2014 (see figure 3.2).
 - New Jersey has regained about 58% of the unemployed workers lost during the recession; during the recession the number of unemployed workers increased by 213,300.
 - The number of unemployed workers, however, was still 88,600 higher than at the onset of the recession in December 2007; unemployment stood at 205,100 workers in December 2007, compared to 293,700 in July 2014.

Figure 3.2: Change in Number of Unemployed Workers, New Jersey, January 1980 to July 2014



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

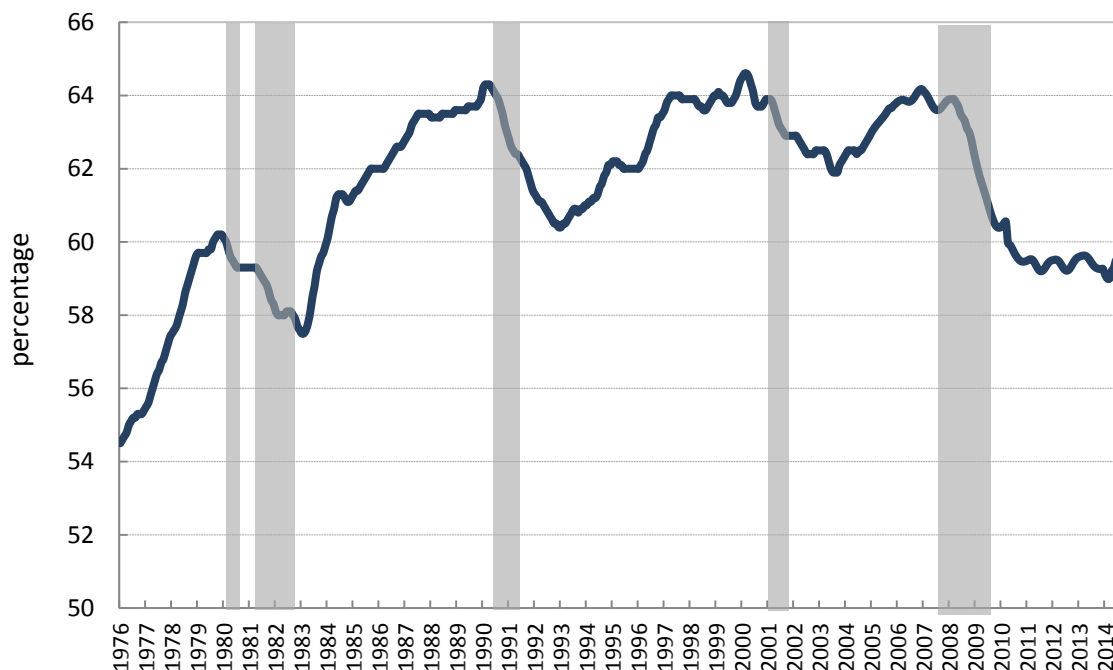
Employment-population ratio remains at a level last experienced thirty years ago.

The official unemployment rate and changes in the number of unemployed workers do not capture the full extent of distress in the New Jersey economy. In the aftermath of the recession, the employment-population ratio and the labor force participation rate declined,

while the gap between the official unemployment rate and the underemployment was large.

- The employment-population ratio, which measures the percentage of the 16-year-old and older non-institutional population that is employed, declined steadily after the onset of the recession, dropping to levels last recorded 30 years ago. Despite slight increases in recent months, it has yet to rise above the levels of 30 years ago (see figure 3.3).
 - In July 2014, the employment-population ratio stood at 59.5, just slightly above the low mark of 59.0 recorded in February 2014.
 - Other than the post-recession period, the last time an employment-population ratio of 59.5 was recorded was in October 1983.

Figure 3.3: Employment-Population Ratio, January 1976 to July 2014



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

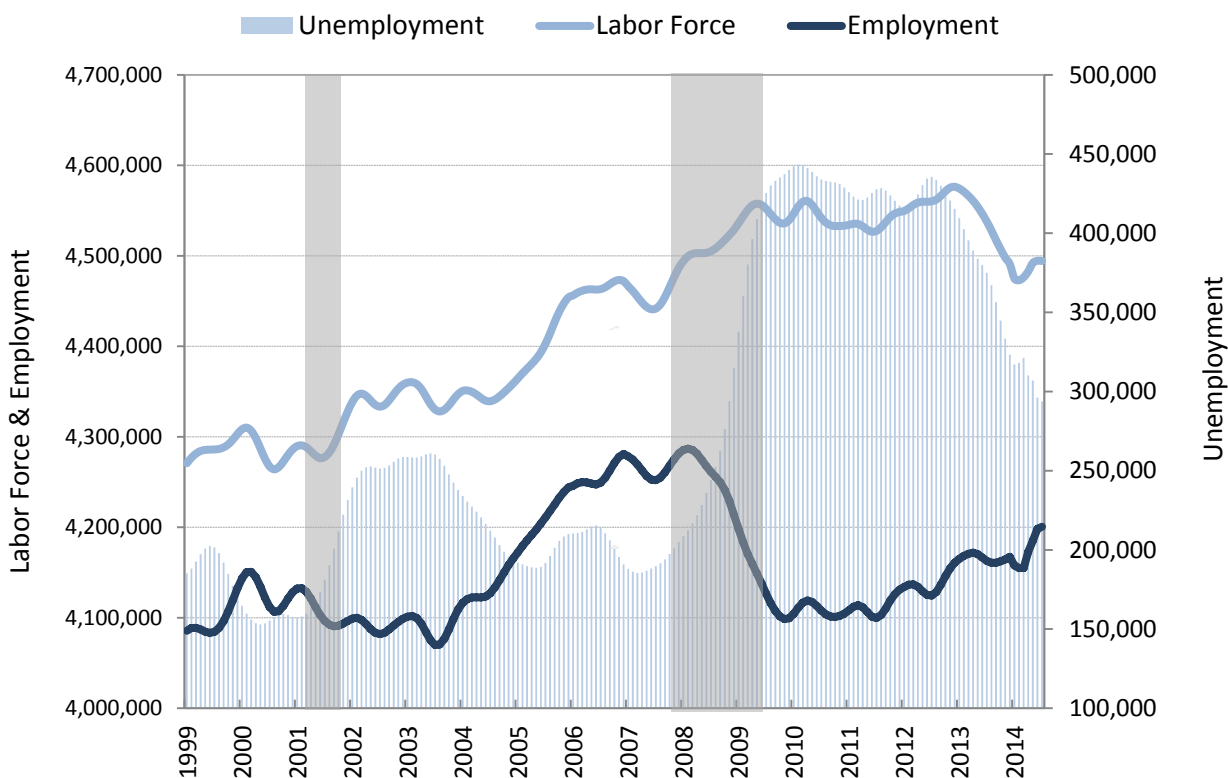
Note: Shaded areas denote recessions

- At the onset of the recession in December 2007, the employment-population ratio stood at 63.9.
- At the conclusion of the recession, the employment-population ratio had dropped to 61.2.

New Jersey’s labor force about the same size as at the onset of the recession.

- Although the overall population has been growing, New Jersey’s labor force shrunk steadily between December 2102 and February 2014 before it started to grow again. As of July 2014, the labor force rebounded to the same level at the onset of the recession in December 2007 (see figure 3.4).
 - New Jersey’s labor force has expanded steadily over time, including during the recession. At the outset of the recession, it stood at 4,486,600 and grew to 4,556,200 in June 2009, the conclusion of the recession. Thereafter, it leveled off, before increasing from mid-2011 to a peak of 4,576,300 people in December 2012.

Figure 3.4: Labor Force, Employment and Unemployment, January 1976 to July 2014



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

Note: Shaded areas denote recessions

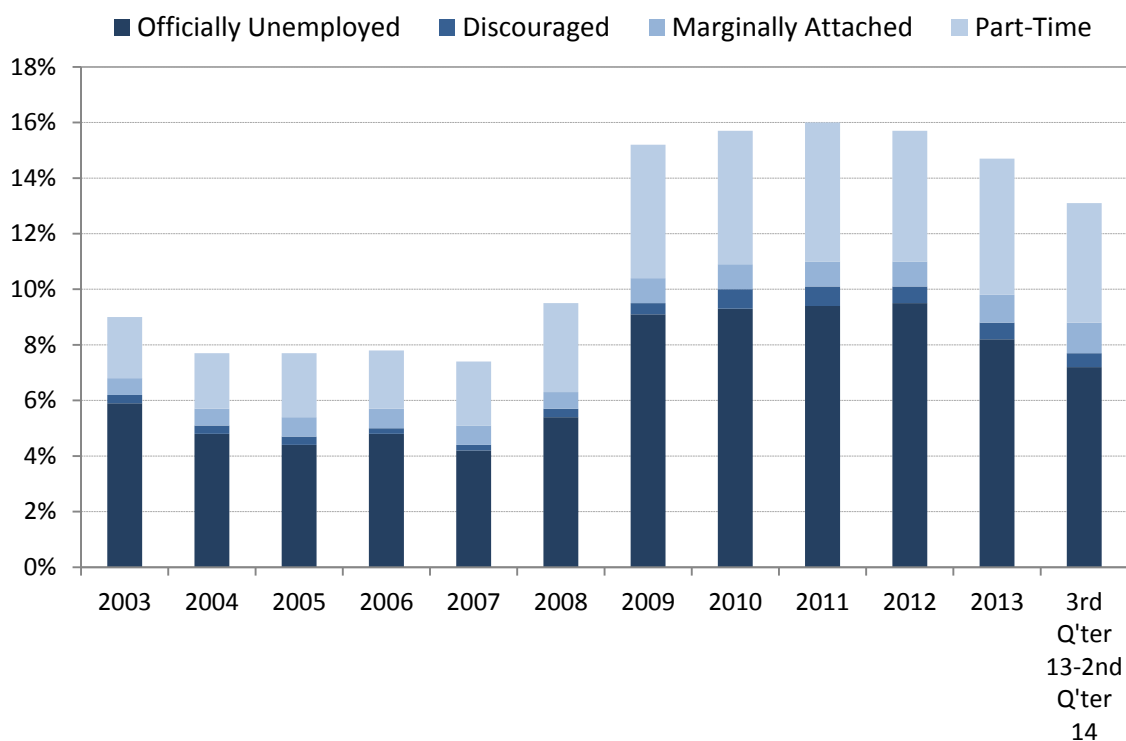
- After December 2012, the labor force shrunk, dropping by 103,300 people to a low of 4,473,000 in February 2014. This was 13,600 people fewer than at the onset of the recession.

- As of July 2014, however, the labor force was just 7,700 people above the level at the onset of the recession in December 2007—4,494,300 people in total.

The gap between the official unemployment rate and the under-employment rate remains large but decreasing.

- The underemployment rate in New Jersey remains high, and the gap between the official unemployment rate and the underemployment rate remains large, although it decreased in 2014 (see figure 3.5). The underemployment rate captures both persons included in the official unemployment rate as well as others who are not working and not included in the official unemployment rate³: discouraged workers, marginally attached workers, and part-time workers for economic reasons.⁴
 - The underemployment rate declined to 13.1% from the 3rd quarter 2013 to the 2nd quarter 2014, while the difference between the underemployment and the official unemployment rate fell to 5.9%.
 - With the onset of the recession, the underemployment rate increased rapidly, from 7.4% in 2007 to 15.2% in 2009, at the conclusion of the recession.

Figure 3.5: Official Unemployment Rate and Underemployment Rates, 2003 to 3rd Quarter 2013-2nd Quarter 2014

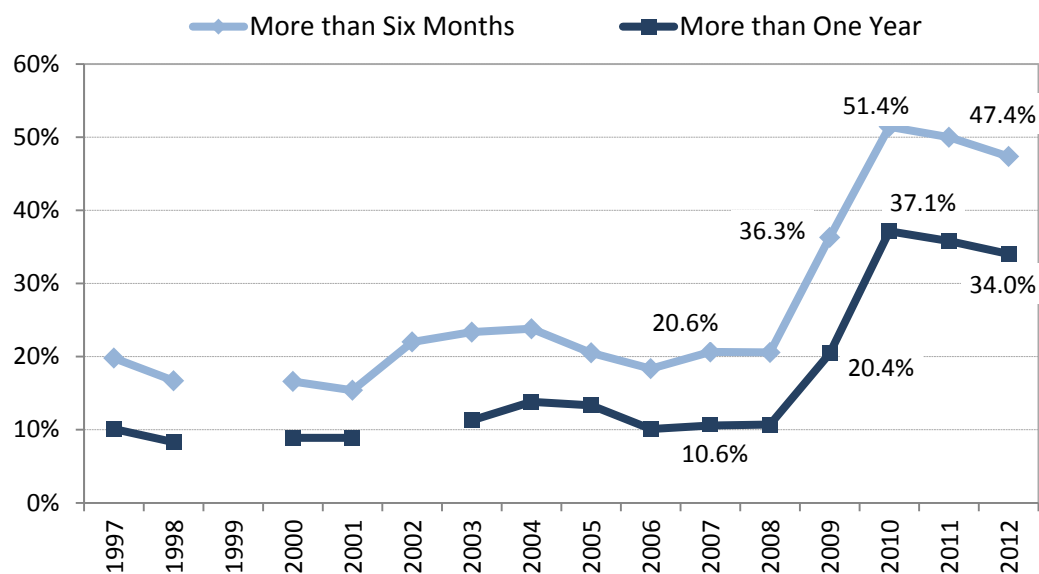


Source: U.S. Bureau of Labor Force Statistics

- The difference between the two almost doubled over the two-year period, increasing from 3.2% to 6.1%.
- Thereafter the gap between the official unemployment rate and the underemployment rate remained high—rising to 6.4% in 2010 and 6.6% in 2011, dropping to 6.2% in 2012, and then rising again to 6.5% in 2013.
- In 2013, the underemployed in New Jersey were made up of 33,300 discouraged workers, 82,100 marginally-attached workers and 225,200 part-time workers for economic reasons.⁵
- Fifteen states in the nation had higher underemployment rates than New Jersey in the 3rd quarter 2013-2nd quarter 2014. The national underemployment rate of 12.9% was slightly lower than the rate in New Jersey.

More than one-third of unemployed workers were out of work for one year or longer in 2012.

Figure 3.6: Duration of Unemployment, 1997 to 2012



Source: U.S. Bureau of Labor Force Statistics

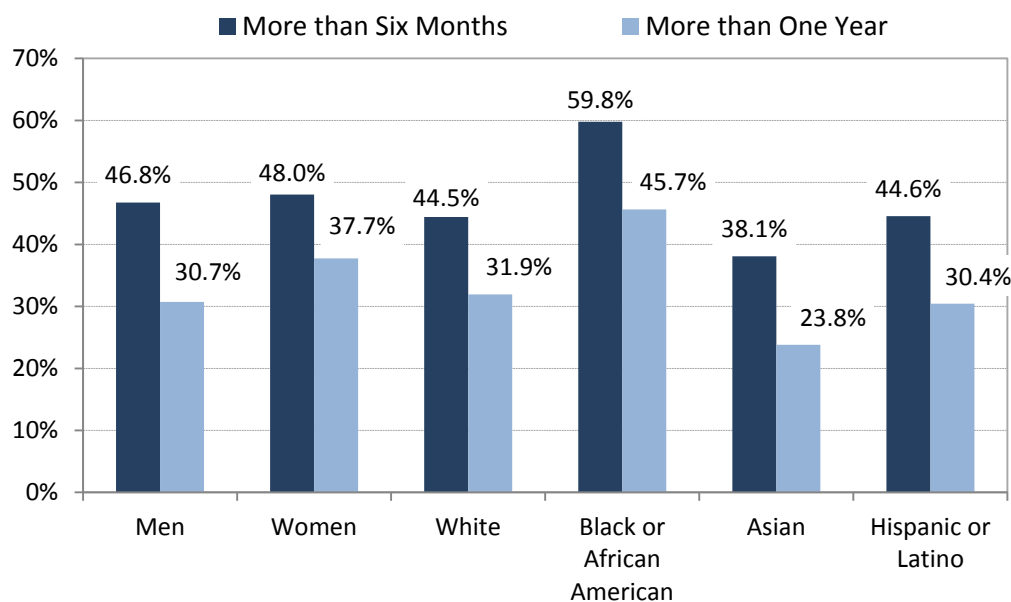
- Almost one-half of unemployed workers were out of work for six months or longer in 2012 (the most recent available data), while more than one-third were out of work for a year or more (see figure 3.6).
 - In 2012, the percentage of workers unemployed for six months or more stood at 47.4%, four percentage points below the 2010 peak of 51.4%. This level was more than double the 20.6% in 2007.

- Similarly, the percentage of workers unemployed for a year or more was 34.0% in 2012. This was more than three times the 2007 level of 10.6%, but less than the 37.1% peak of 2010.

Sixty percent of unemployed blacks were out of work for six months or longer in 2012.

- The percentage of blacks who have been unemployed for six months or more as well as for a year or more is much higher than that of any other racial or ethnic group (see figure 3.7).

Figure 3.7: Duration of Unemployment by Gender, Race & Ethnicity, 2012



Source: U.S. Bureau of Labor Force Statistics

- In 2012, almost 60% of the unemployed blacks had been unemployed for six months or more, while about 46% had been unemployed for a year or more.
- In contrast, the corresponding unemployment percentages were 44.5% and 31.9 for whites, and 44.6% and 30.4% for Hispanics.

2. Distribution of Unemployment

Unemployment is not distributed evenly across the population. The propensity for unemployment is higher among young adults, the less educated, and blacks and Hispanics; the same groups with higher poverty rates. In the case of gender, however, the male unemployment rate has been higher than the female rate since the onset of the recession.

Unemployment rates for young adults remain high.

- Unemployment rates for young adults between the ages of 16 and 19 years, and 20 and 24 years remained high, although both declined slightly in 2013 (see table 3.1).
 - One-quarter of young adults between the ages of 16 and 19 were unemployed in 2013, just slightly less than the high mark of 2012. This is 7.7 percentage points above the 2007 level of 16.8%.
 - Similarly, for the 20 to 24 age group, the unemployment rate declined to 13.8%, 4.9 percentage points above the 2007 level of 8.9%.

Table 3.1: Unemployment Rate by Age, 1999 to 2013

	16-19	20-24	25-34	35-44	45-54	55-64	65+
1999	13.4%	8.3%	4.3%	3.2%	3.6%	3.5%	4.8%
2000	12.7%	7.8%	3.6%	2.9%	2.4%	2.0%	2.6%
2001	13.1%	7.1%	4.3%	3.0%	2.8%	4.3%	2.7%
2002	14.5%	9.1%	6.4%	4.6%	4.4%	5.1%	5.4%
2003	16.2%	10.2%	5.7%	5.0%	4.4%	4.6%	5.0%
2004	13.8%	7.6%	4.5%	3.7%	4.3%	4.0%	3.5%
2005	15.3%	7.7%	4.6%	3.2%	3.4%	3.4%	2.4%
2006	13.3%	9.5%	4.7%	4.1%	4.1%	2.9%	3.4%
2007	16.8%	8.9%	4.5%	2.3%	2.3%	1.9%	0.9%
2008	16.0%	8.8%	5.5%	3.7%	4.8%	4.4%	3.9%
2009	21.6%	12.7%	11.6%	7.2%	8.1%	6.2%	8.1%
2010	20.9%	14.0%	9.8%	7.7%	8.6%	7.7%	8.0%
2011	23.5%	14.8%	9.5%	8.6%	7.6%	8.1%	7.4%
2012	24.7%	15.7%	9.6%	7.4%	8.1%	7.2%	9.0%
2013	24.5%	13.8%	8.5%	6.3%	6.3%	5.9%	8.5%

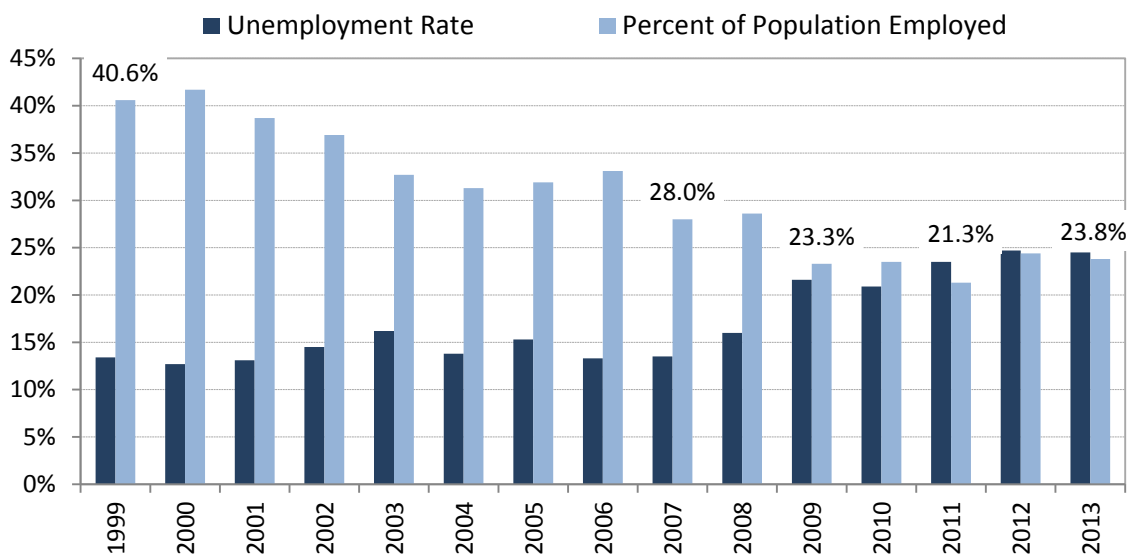
Source: U.S. Bureau of Labor Force Statistics

Employment among young adults has declined substantially.

- The percentage of employed young adults between the ages of 16 and 19 years has declined steadily, while the unemployment rate has increased steadily. In 2013, 23.8% of the 16-to-19-year-old population was employed, while the unemployment rate was 24.5% (see figure 3.8).
 - While about 40% of all 16-to-19-year-olds were employed in 1999, this level declined to 28% at the outbreak of the recession. Subsequent to the recession, the rate continued to decline, reaching a low of 21.3% in 2011, almost half the level in 1999.

- Similarly, among the 20-to-24-year-old age group, the percentage of the employed population has declined substantially. It fell from 68.8% in 1999 to 62.2% in 2007, rose to 63.5% in 2009, and then declined to 56.4% in 2013, or 22.4 percentage points below the 1999 level.

Figure 3.8: Unemployment Rate and Percent of Population Employed for the 16 to 19 Years Age Group, 1999 to 2013



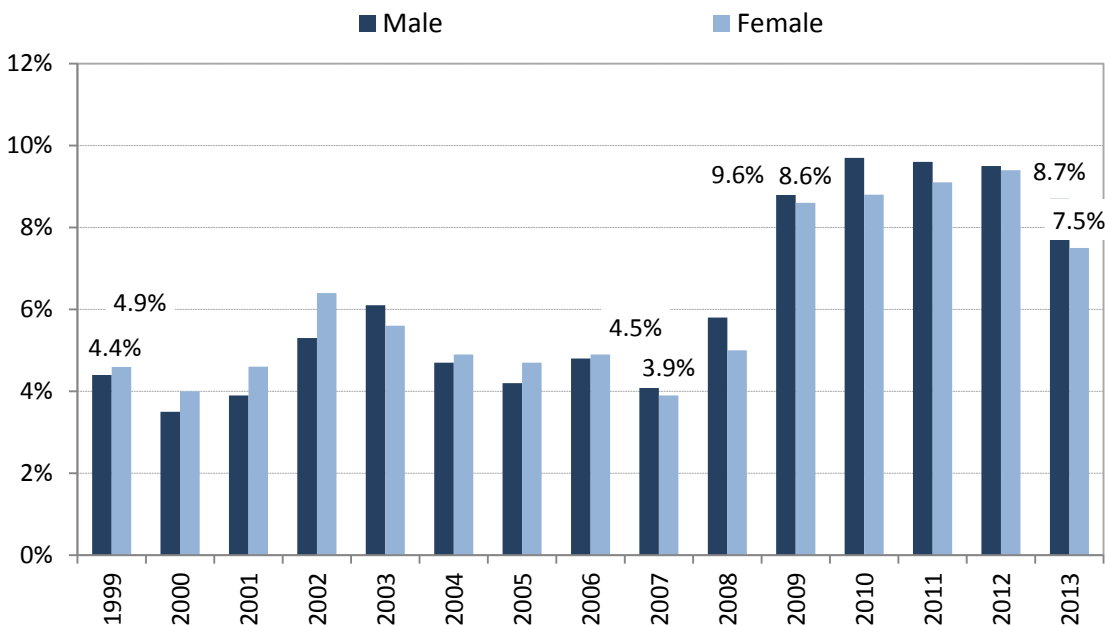
Source: U.S. Bureau of Labor Force Statistics

The male unemployment rate has overtaken the female unemployment rate.

- While the unemployment rate for both males and females has grown since the recession, the trend has changed, with the male unemployment rate higher than the female rate since 2007 (see figure 3.9).
 - The female unemployment rate jumped from 3.9% in 2007 to 8.6% in 2009, and then rose to a high of 9.4% in 2012. In 2013, it declined to 7.5%.
 - The male unemployment rate, which lagged the female rate between 1999 and 2006, surpassed the female rate in 2007. Since 2007, it has risen from 4.5% to 9.6% in 2009, to a high of 9.7% in 2010 and then declined to 8.7% in 2013—still 1.2 percentage points above the female rate.
- While the percentage of males employed has been declining since 1999, the employment rate for males is still higher than that for females.

- The percentage of employed males declined from 72.2% in 1999 to 71.1% in 2007. At the conclusion of the recession, the rate had dropped to 66.9%. It continued to decline thereafter, reaching a low of 64.9% in 2013.
- In comparison, the percentage of employed females remained essentially steady from 1999 to 2013. In 1999, the rate was 56.5%. At the outset of the recession, it was about the same level—56.4%. It dropped to 54.1% in 2013.

Figure 3.9: Unemployment Rate for Females and Males, 1999 to 2013



Source: U.S. Bureau of Labor Force Statistics

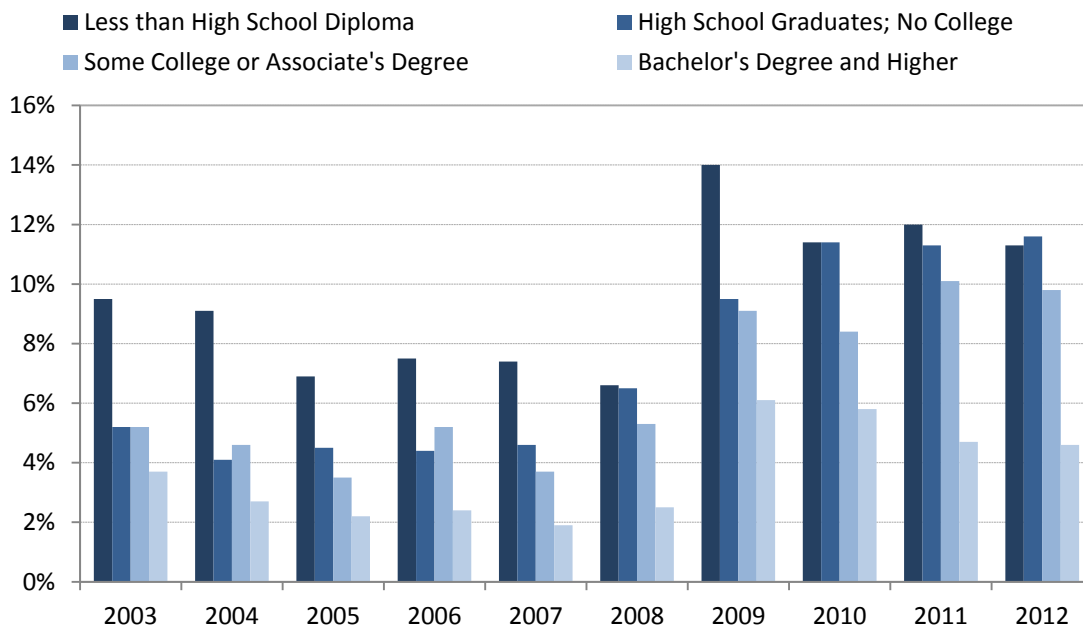
Unemployment rate especially high for all without a college education.

- While the unemployment rate jumped for all levels of education after the conclusion of the recession, it remained particularly high for all workers without a college education. On the other hand, it declined for college graduates (see figure 3.10).
 - In 2007, the unemployment rate was highest for persons with less than a high school diploma. Although their unemployment rate dropped slightly in 2008 to 6.6% from 7.4% the previous year, it jumped sharply in 2009 to 14.0% and then declined, stabilizing around 11.3% in 2012, the most recent year for which data is available.
 - For high school graduates with no college education, the unemployment rate rose with the onset of the recession, growing from 4.6% in 2007 to 9.1% at the

conclusion of the recession and then to 11.6% in 2012. This rate was slightly higher than for persons with less than a high school diploma.

- The unemployment rate for persons with some college education or an Associate's degree followed a similar trend as that for persons with a high school diploma. It rose from 3.7% in 2007 to 9.1% in 2009 and stood at 9.8% in 2012, slightly lower than the 10.1% in 2011.
- While the unemployment rate grew for college graduates during the recession, rising from 1.9% to 6.1%, it declined thereafter. By 2012, it had fallen back to 4.6%.

Figure 3.10: Unemployment Rate by Education, 1999 to 2013

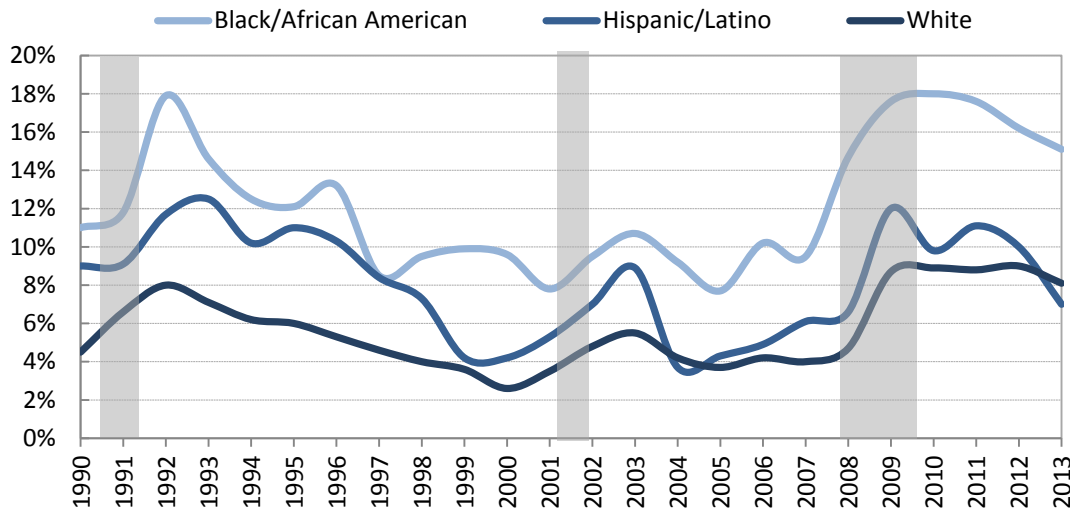


Source: U.S. Bureau of Labor Force Statistics

The unemployment rate has been consistently highest for black males.

- The unemployment rate for black males was about seven percentage points higher than for either white or Hispanic males in 2013 (see figure 3.11).
 - In 2013, the black male unemployment rate was 15.1%, about three percentage points below its peak level of 18.0% in 2010. During the recession, black male unemployment rose from 9.5% in 2007 to 17.6% in 2009.
 - The Hispanic male unemployment rate dropped below the white male rate in 2013, 7.0% for Hispanic males and 8.1% for white males.

Figure 3.11: Unemployment Rate for Males by Race and Ethnicity, 1999 to 2013

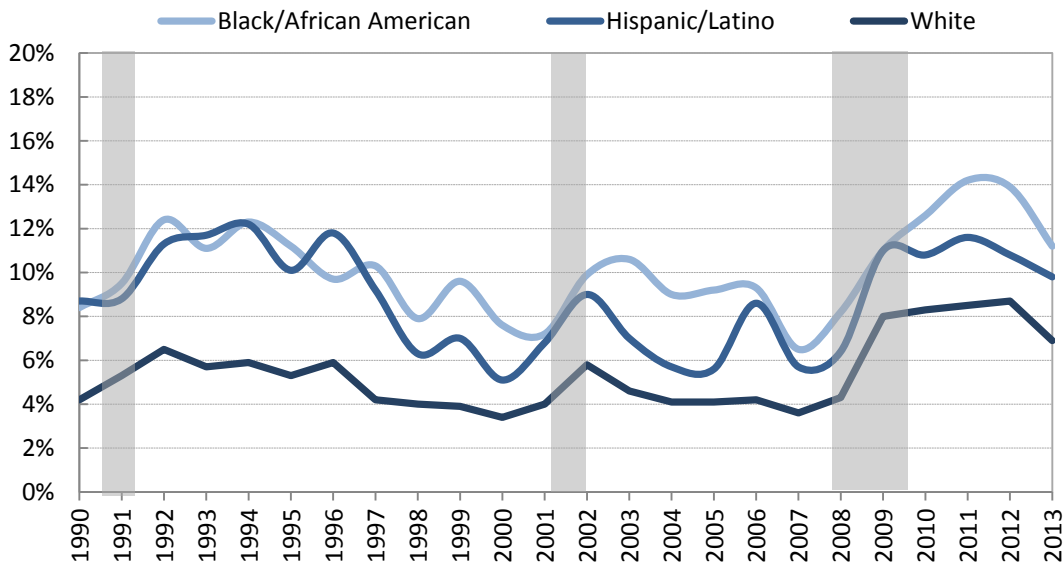


Source: U.S. Bureau of Labor Force Statistics

Note: Shaded areas denote recessions

The unemployment rate for black females is higher than for either white or Hispanic females but much lower than black males.

Figure 3.12: Unemployment Rate for Females by Race and Ethnicity, 1999 to 2013



Source: U.S. Bureau of Labor Force Statistics

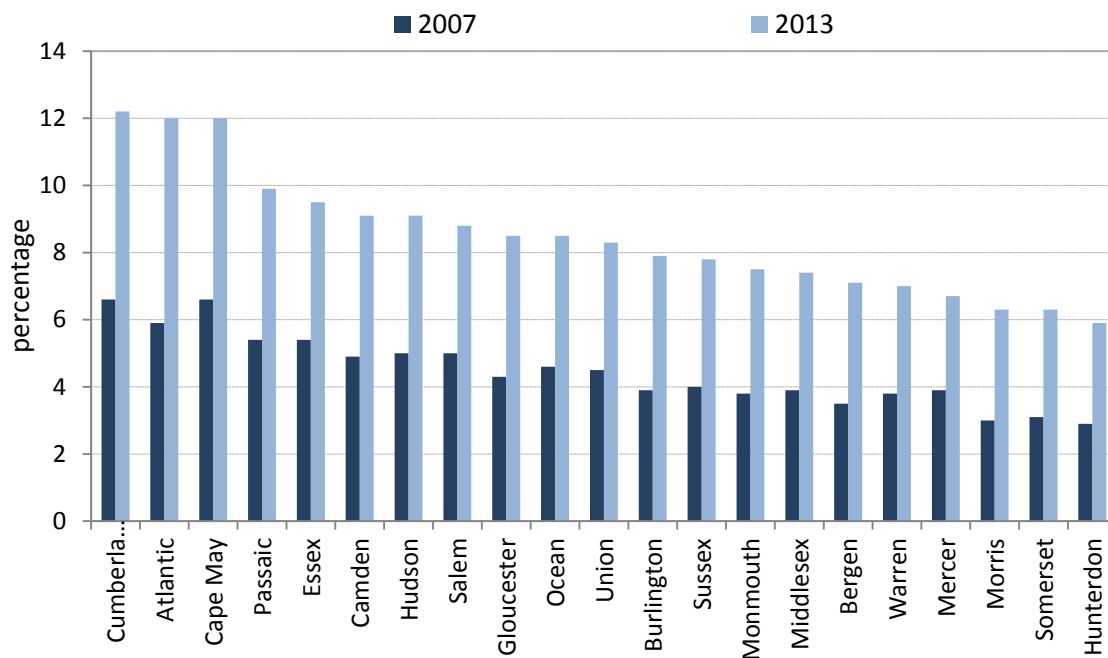
Note: Shaded areas denote recessions

- The unemployment rate for black females was considerably lower than for black males and only slightly higher than for Hispanic females (see figure 3.12).
 - In 2013, the black female unemployment rate was 11.2%, lower than the 14.2% peak level in 2011, but still higher than the 6.5% rate in 2007.
 - The unemployment rate for Hispanic females was 9.8%, down from its peak in 2011 of 11.0% but greater than 5.7% in 2007.
 - The white female unemployment rate stood at 6.9% in 2013, a sizeable decline from the peak rate of 8.7% the previous year. In 2007, the white female unemployment rate was 3.6%, the lowest since 1990.

Unemployment rates highest for southern counties and in historic urban centers.

- Unemployment rates in 2013 were much higher in the southern counties than in the northern counties. Moreover, the increase has been greater in the southern counties since the onset of the recession in 2007 (see figure 3.13).

Figure 3.13: Unemployment Rate by County, 2007 and 2013



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

- Seven of the 11 counties that had unemployment rates above the statewide average of 8.2% in 2013 were in the southern half of the state.

- Cumberland County had the highest rate—12.2%, followed by Atlantic County with 12.0% and Cape May also at 12.0%; the highest northern county was Passaic, the next in rank at 9.9%.
- In 2013, the unemployment rate was 5.6 percentage points higher than it had been in 2007 in Cumberland County, 6.1 percentage points higher in Atlantic County, and 5.4 percentage points higher in Cape May County.
- Nine of the 10 counties with unemployment rates below the state average in 2013 were northern counties; the only exception was Burlington County with 7.9% unemployment

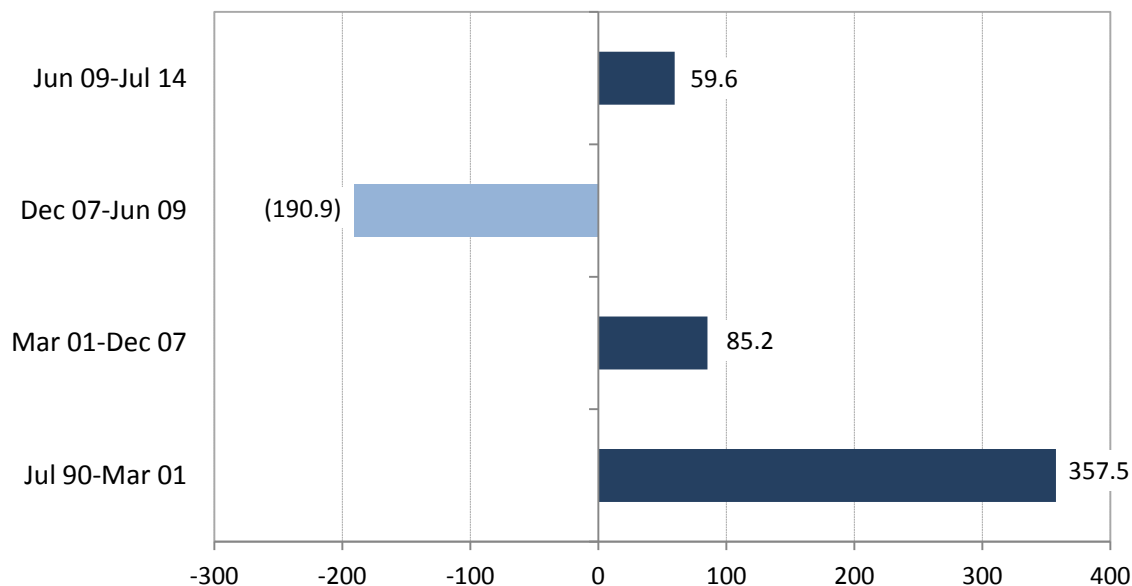
3. Employment

At the conclusion of the Great Recession in June 2009, non-agricultural wage and salary employment in New Jersey declined to 3.891 million, a level last recorded in mid-1999. Employment continued to contract in the post-recessionary period, reaching a low of 3.834 million jobs in January 2011. Thereafter, it began to recover, climbing to a level of 3.948 million in November 2013. Between November 2013 and March 2014, employment declined again but has rebounded in the last four months. As of July 2014, the employment level stood at 3.951 million jobs, still 131.3 thousand jobs below the level at the onset of the recession.

Employment is still well below pre-recession level.

- Since the end of the Great Recession in June 2009, job growth in New Jersey has been particularly lackluster. Although the economy is officially in an expansionary phase, it has produced, as of July 2014, only 59,600 jobs since the end of the recession. It is still 131,300 jobs below the level going into the recession in December 2007 (see figure 3.14).
 - Looking at the business cycle that stretched from the outset of the recession in July 1990 until the economy entered a recession again in March 2001, 128 months in total, the New Jersey economy produced 357,500 new jobs.
 - In the following business cycle lasting 81 months, from March 2001 to December 2007 when the Great Recession officially began, the New Jersey economy produced 85,200 new jobs.
 - In the 79 months that have elapsed since the outset of the Great Recession, the New Jersey economy has lost 131,300 jobs—190,900 jobs were lost during the 18-month recession, while in the 61 months of economic expansion thereafter, a total of 59,600 jobs have been produced.

Figure 3.14: Change in Number of Non-Agricultural Wage and Salary Employed Workers, July 1990 to July 2014

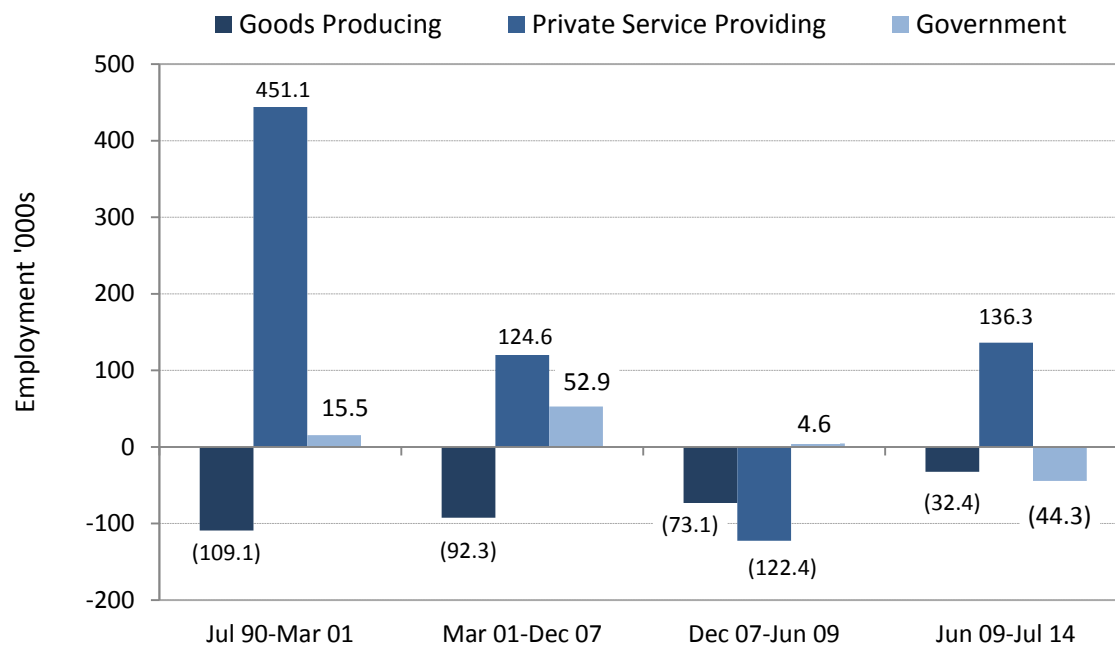


Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

Private service-producing jobs replacing goods-producing jobs.

- The New Jersey economy has been shedding goods-producing jobs, even when the economy was expanding. On the other hand, it has been gaining private service-providing jobs, which made up for the loss of goods-producing jobs (see figure 3.15).
 - During the 128-month business cycle between July 1990 and March 2001, the New Jersey economy lost 109,100 goods producing jobs, while it gained 451,100 private service-providing jobs. It also added 15,500 government jobs.
 - In the subsequent 81-month business cycle an additional 92,300 goods-producing jobs were lost, while 124,600 private service-providing and 52,900 government jobs were added.
 - During the Great Recession, the New Jersey economy contracted substantially, losing 73,100 goods-producing jobs and 122,400 private service-providing jobs, while gaining 4,600 government jobs.
 - Over the 79 months since the recession, the New Jersey economy lost another 32,400 goods-producing jobs and 44,300 government jobs, while gaining 136,300 private service-providing jobs.

Figure 3.15: Change in Number of Non-Agricultural Wage and Salary Employed Workers by Sector, January 1990 to July 2014

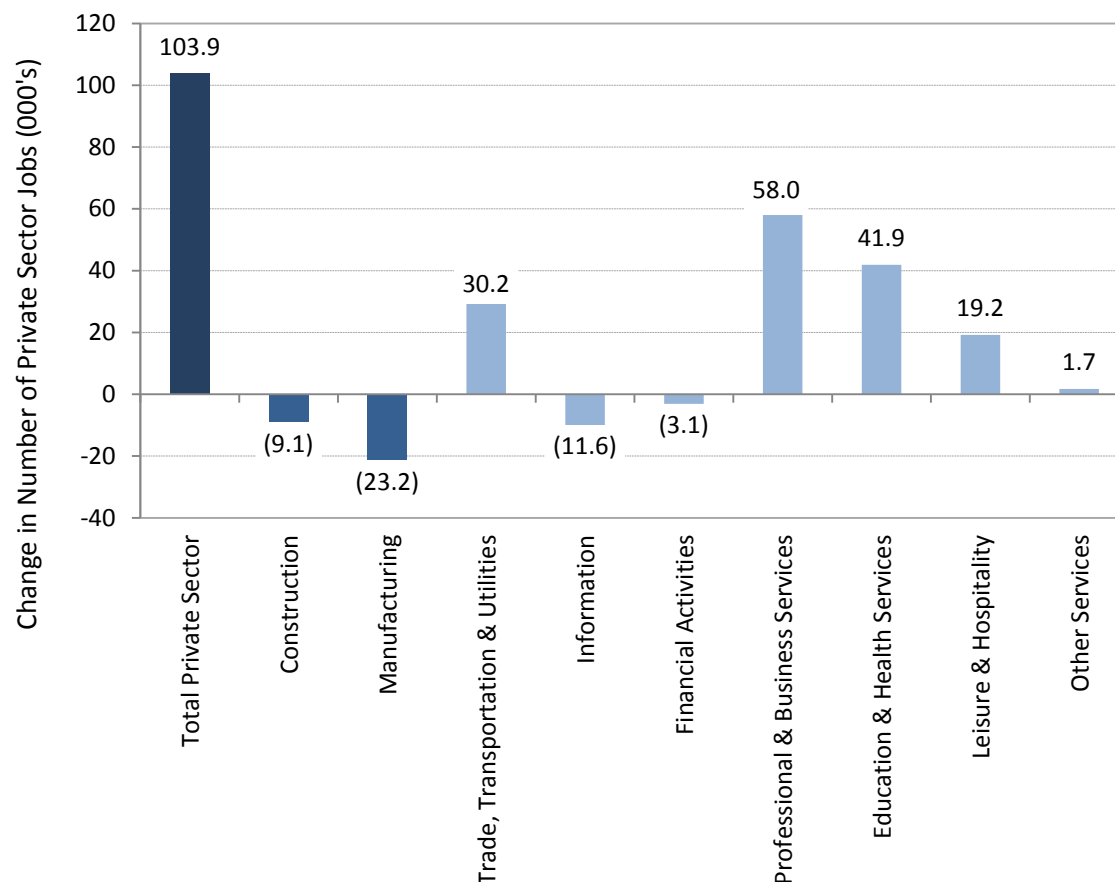


Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

Most of the private sector job growth since the recession has been in sectors that pay low wages.

- Most of the private sector jobs produced in the New Jersey economy since June 2009, when the Great Recession ended, have been concentrated in three sectors—30,200 jobs in trade, transportation, and utilities; 58,000 jobs in professional and business services; and 41,900 jobs in education and health services (see figure 3.16).
 - Within the three sectors, the bulk of the new jobs have been concentrated in three sub-sectors that tend to pay low wages—24,300 in retail trade; 41,300 in administration, support, waste management, and remedial services; and 27,500 jobs in healthcare and social assistance.
 - On the other hand, manufacturing, a traditionally high-wage sector, has shed 23,200 jobs, with another 9,100 lost in construction, 11,600 in the information sector and 3,100 in financial activities.

Figure 3.16: Change in Number of Non-Agricultural Wage and Salary Private Sector Employed Workers, June 2009 to July 2014



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

4. Eroding Wages

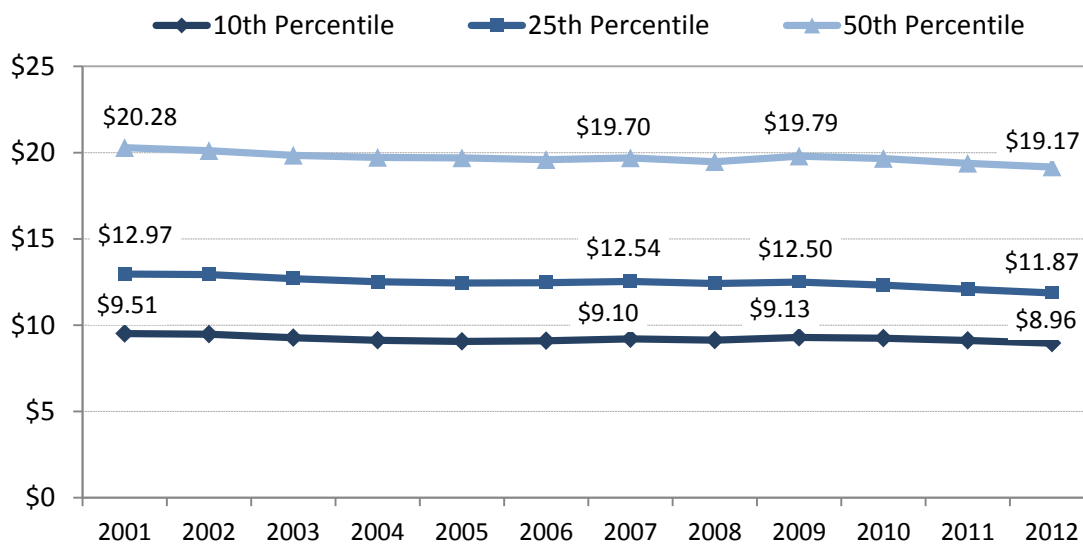
The increase in poverty is also a consequence of eroding wages, especially for those workers at the low-end of the wage scale. Since 2001, median wages have declined steadily for those the bottom 10%, 25%, and 50% of all workers. In 2012, the average wage in the majority of the largest employing occupations was lower than the statewide average. Moreover, one-third of the total workforce is employed in predominantly service-providing occupations that pay an average wage less than the real cost of living for a single adult.

Median wages have declined over the last decade.

- Adjusted for inflation, median wages have declined steadily over the last decade for New Jersey's workers at the lower end of the wage scale (see figure 3.17 and table 3.2).

- The median wage for the bottom 10%, 25%, and 50% of all workers has declined in real dollars since 2001. While the median hourly wage for the 50th percentile (the median hourly wage for all workers) was \$20.28 in 2001, it had declined to \$19.17 by 2012. Similarly, the median hourly wage for the 25th percentile dropped from \$12.97 in 2001 to \$11.87 in 2012, while for the 10th percentile fell from \$9.51 in 2001 to \$8.96 in 2012. In these three levels, the median wage is considerably below \$14.01, the real cost of living for a single adult in 2012 dollars.
- The equivalent decreases in annual wages (see table 3.2) were from \$42,188 in 2001 to \$39,870 in 2012 at the 50th percentile level, \$26,975 in 2001 to \$24,680 in 2012 at the 25% level from \$19,789 in 2001 to \$18,640 in 2012 for the 10% level.

Figure 3.17: Median Wage at the 10th, 25th, and 50th Percentiles for All Occupations, 2001 to 2012



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

Note: 2012 Dollars

Table 3.2: Occupational Wage and Employment Estimates for All Occupations Combined, 2001 to 2012

	Est'd. Total Employment	Mean Hourly Wage	Mean Annual Wage	Median 50th Pctile Hourly Wage	Median 50th Pctile Annual Wage
2001	3,848,330	\$25.07	\$52,170	\$20.28	\$42,188
2002	3,856,640	\$25.46	\$52,958	\$20.11	\$41,849
2003	3,870,500	\$25.08	\$52,172	\$19.84	\$41,272
2004	3,881,440	\$24.91	\$51,800	\$19.72	\$41,008
2005	3,917,310	\$24.90	\$51,779	\$19.69	\$40,941
2006	3,957,500	\$24.85	\$51,694	\$19.60	\$40,763
2007	3,980,080	\$25.09	\$52,202	\$19.70	\$40,975
2008	3,986,310	\$25.01	\$52,020	\$19.48	\$40,513
2009	3,850,770	\$25.64	\$53,335	\$19.79	\$41,166
2010	3,770,550	\$25.55	\$53,149	\$19.65	\$40,881
2011	3,771,250	\$25.26	\$52,531	\$19.38	\$40,290
2012	3,793,720	\$25.00	\$51,990	\$19.17	\$39,870

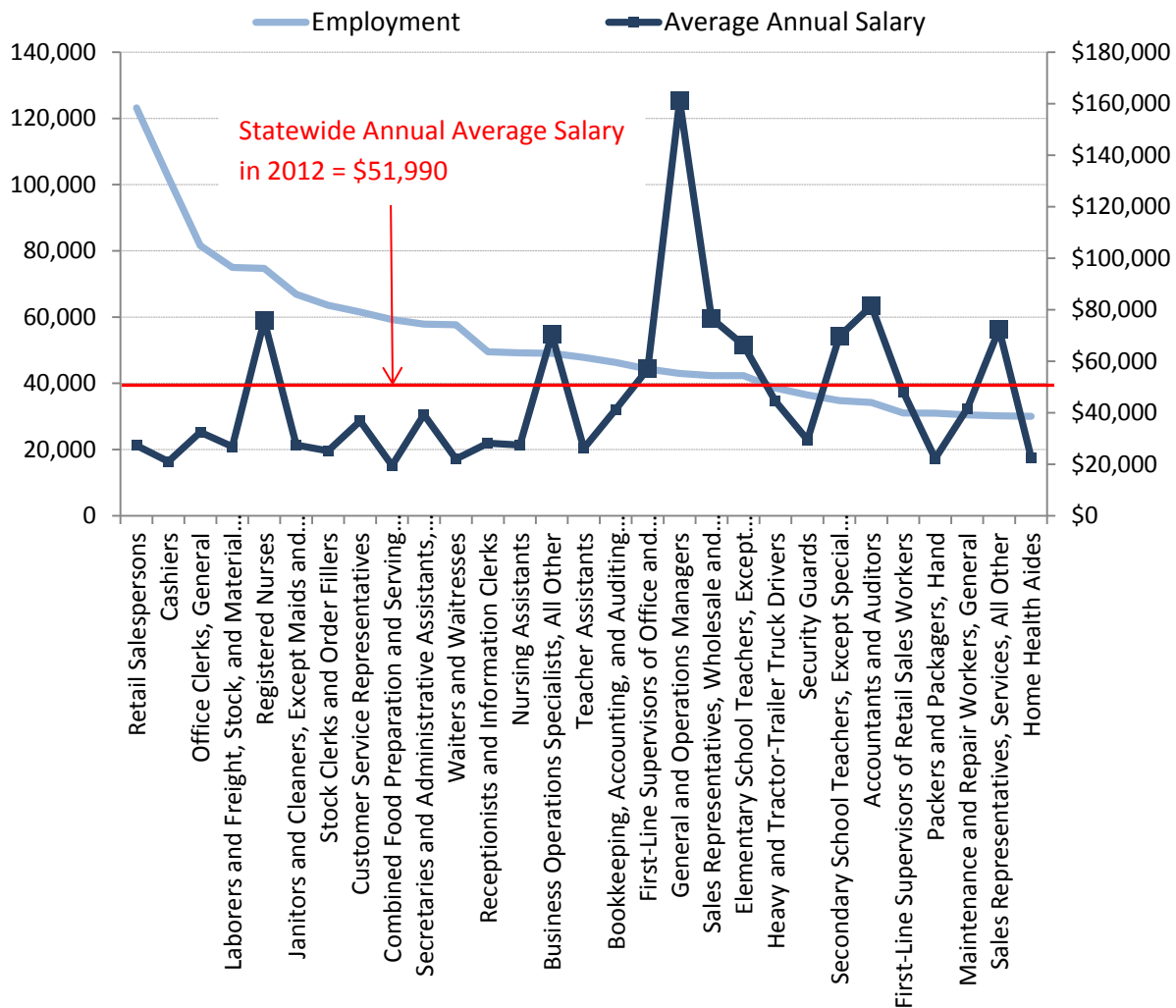
Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

Note: 2012 Dollars

In only 9 of the 29 occupations employing more than 30,000 workers, the average wage is above the statewide average.

- Of the 29 occupations with more than 30,000 workers and representing 40% of total employment, the annual average wage of only nine of these occupations was above the statewide annual average of \$51,990.
 - In 2012, the 29 occupations employed more than 30,000 workers, in total 1.534 million workers.
 - Of the 29 occupations, only nine paid more than \$51,990, the statewide average annual wage. The nine included registered nurses, business operations specialists, first-line supervisors of office and administrative support workers, general and operations managers, wholesale and retail sales representatives, elementary school teachers, secondary school teachers, accountants and auditors, and services sales representatives.

Figure 3.18: Occupational Wage and Employment Estimates for All Occupations Employing More than 30,000 Workers in 2012



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development & http://lwd.dol.state.nj.us/labor/lpa/employ/oeswage/nj_oes_wage_report.pdf

104 occupations employing one-third of the total workforce pay an average wage less than the statewide real cost of living for a single adult.

- In 2012, there were 104 occupations employing 1.218 million workers and representing 32% of total employment that paid an average hourly wage less than \$14.01, the hourly real cost of living for a single adult in New Jersey (see table 3.3).
 - Counter attendants in cafeterias and food concessions earned the lowest wage in 2012—on average \$8.98 an hour. The median wage for this occupation was \$8.76 an hour.

- Of the 25 lowest paying occupations listed in the table below, all are from the service sector.

Table 3.3: Occupational Wage and Employment Estimates for New Jersey's Lowest Paid Occupations, 2012

Occupation	Estimated Employment	Mean Hourly Wage	Mean Annual Wage	Median Hourly Wage
Counter Attendants, Cafeteria, Food Concession	17,360	\$8.98	\$18,680	\$8.76
Shampooers	1,500	\$9.15	\$19,020	\$8.78
Amusement & Recreation Attendees	6,300	\$9.23	\$19,190	\$8.75
Cooks, Fast Food	8,350	\$9.32	\$19,390	\$9.01
Automotive & Watercraft Service Attendees	10,080	\$9.33	\$19,400	\$8.94
Combined Food Preparation & Serving Workers	59,270	\$9.38	\$19,520	\$8.84
Dining Room & Cafeteria Attendees & Bartender Helpers	7,690	\$9.38	\$19,520	\$9.05
Ushers, Lobby Attendants, & Ticket Takers	2,340	\$9.64	\$20,060	\$9.23
Dishwashers	8,820	\$9.68	\$20,130	\$9.16
Hosts & Hostesses, Restaurant, Lounge & Coffee Shop	9,060	\$9.70	\$20,180	\$9.16
Motion Picture Projectionists	290	\$9.88	\$20,540	\$9.47
Pressers, Textile, Garment & Related Materials	1,100	\$9.99	\$20,780	\$9.73
Slaughterers & Meat Packers	360	\$10.01	\$20,810	\$9.40
Baggage Porters & Bellhops	1,300	\$10.08	\$20,960	\$9.19
Entertainment Attendants & Related Workers	310	\$10.11	\$21,020	\$9.63
Cashiers	102,160	\$10.14	\$21,080	\$9.26
Lifeguards, Ski Patrol, Other Recreational Protective Service Workers	3,270	\$10.15	\$21,120	\$9.23
Transportation Attendants, except Flight Attendants	1,850	\$10.16	\$21,130	\$10.12
Cooling & Freezing Equipment Operators & Tenders	80	\$10.18	\$21,160	\$9.21
Pharmacy Aides	2,210	\$10.38	\$21,600	\$9.90
Manicurists & Pedicurists	5,410	\$10.43	\$21,700	\$9.55
Food Preparation Workers	21,690	\$10.46	\$21,760	\$9.64
Cooks, Short Order	5,540	\$10.53	\$21,900	\$10.18
Laundry & Dry-Cleaning Workers	5,640	\$10.55	\$21,930	\$10.14
Food Servers, Non-restaurant	12,090	\$10.59	\$22,040	\$10.14

Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development

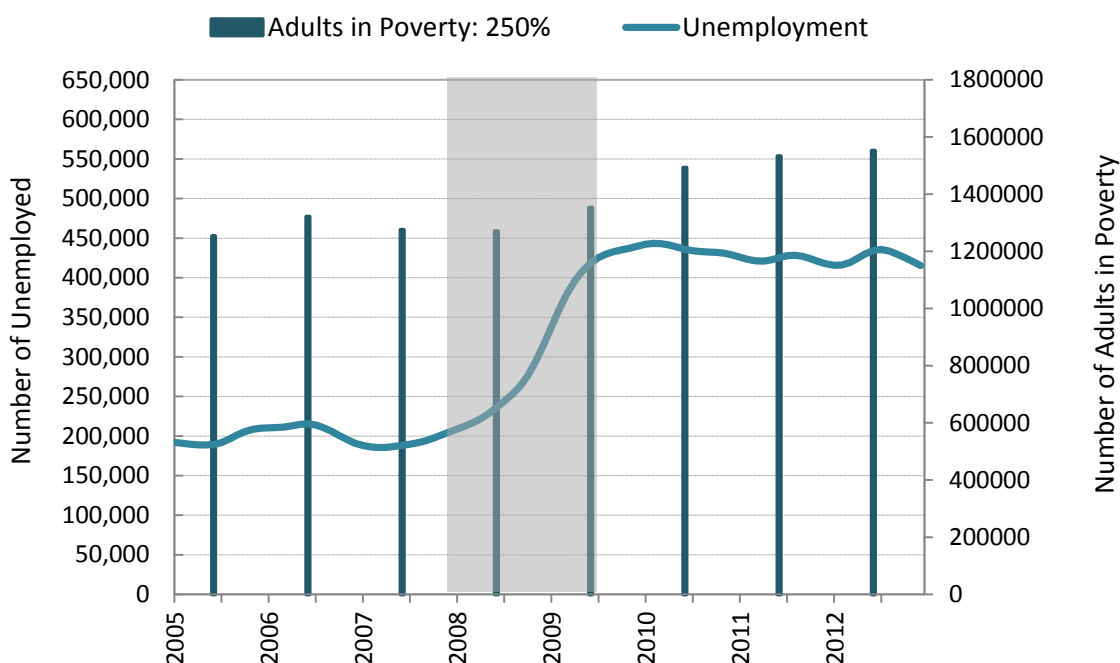
Section Three—Additional Poverty Data: Indicators, Aspects, and Consequences

Changes in the poverty rate strongly correlate with changes in the unemployment rate. As the number of unemployed swelled, the number of New Jersey residents falling into poverty rose. Other non-census data reveals important information concerning the extent and effect of poverty in New Jersey. In looking at such disparate data sources, it is always important to note differing currency—variations in the dates of the most recent data.

Based on availability of the most recent data, these other poverty indicators are still at higher levels than they were in 2007 at the onset of the recession.

As unemployment increases, poverty rises.

Figure: 4.1: Number of Unemployed Residents and Number of Adults in Poverty, 2005 to 2012



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development & US Census and ACS PUMS

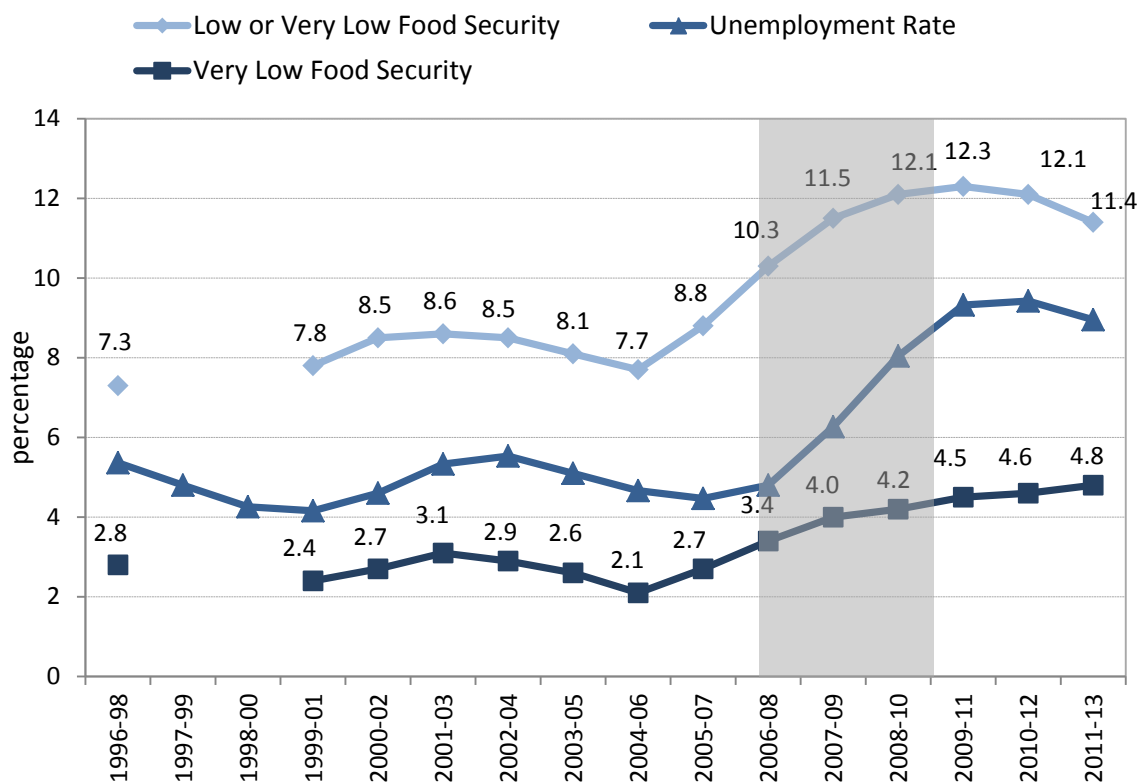
The above analysis has described the increase in both the unemployment rate and the poverty rate since the onset of the recession. Although the recession officially concluded in June 2009, the unemployment and adult poverty rates continued to expand. Research shows a correlation between the unemployment rate and the poverty rate (see figure 4.1).

As the unemployment rate increases, the poverty rate also rises, but with a slight time lag. Similarly, when the unemployment rate declines, the poverty rate decreases.

Food insecurity intensified as the unemployment rate increased.

- The percentage of New Jersey households without enough food for all its members intensified as the recession progressed, matching the steep rise in the unemployment rate (see figure 4.2). With the leveling of the annual unemployment rate since its peak in 2010, the intensification of food insecurity peaked and then declined slightly.
 - The level of food insecurity rose sharply after the onset of the recession, reaching a high in 2009-11, the highest rate since USDA began monitoring food insecurity in 1996.

Figure 4.2: Household Food Insecurity Indices and Unemployment Rate, New Jersey, 1996 to 2013



Source: US Department of Agriculture, Household Food Insecurity in the United States

Notes: Published data not available for years 1997-99 and 1998-2000

The unemployment rate is a 3-year moving average

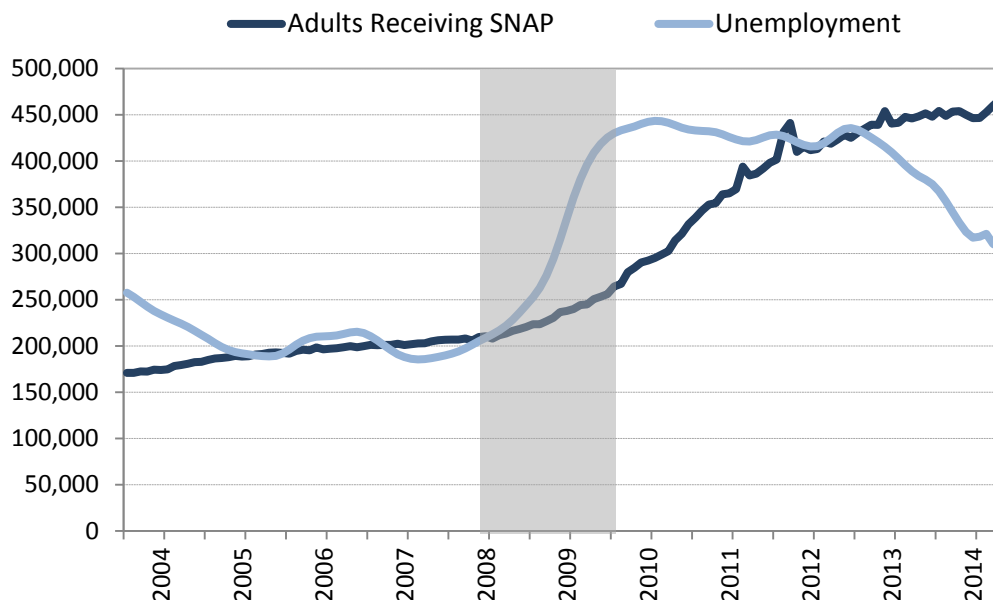
- A little more than one-tenth (11.4%) of New Jersey households had *low food security*, meaning that they experienced multiple incidents of food access problems and reduced diet quality due to a lack of resources.

- The percentage of households with *very low food security* also grew sharply, reaching a high of 4.8% in 2011-13. These households experienced reduced food intake and disrupted eating patterns due to lack of resources. In most households with very low food security, some household members were hungry at some time during the year but did not eat because there was not enough money for food.
- Paralleling the decline in the three-year moving average unemployment rate in 2011-13, the percentage of New Jersey households with low food security declined to 11.4% in 2011-13, while the percentage with very low food security rose to 4.8%.

SNAP (food stamp) usage rose steeply as unemployment rose.

- Tracking adult SNAP (food stamp) usage against the number of unemployed adults shows a correlation during and immediately after the recession. As the number of unemployed increased, the number of adults receiving SNAP rose steeply, although with a time lag (see figure 4.3). Since July 2012, however, the trends have diverged. While the number of unemployed began to decline, adult SNAP usage continued to increase, reaching a record high in May 2014. It is likely both divergences may be attributed to factors related to the administration of the SNAP system.

Figure 4.3: Number of Unemployed Residents and Number of Adults Receiving SNAP, August 2003 to May 2014



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development & Department of Human Services, Division of Family Development, Current Program Statistics

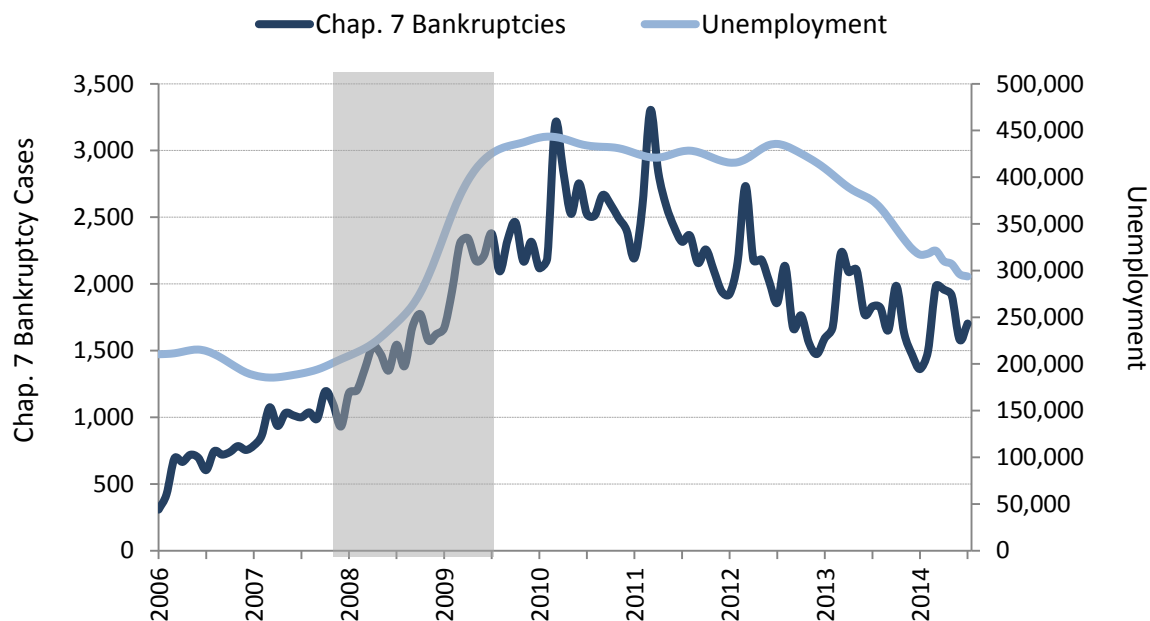
- In December 2007, at the outset of the recession, there were 205,100 unemployed residents and 209,562 adults receiving SNAP.

- In June 2009, at the conclusion of the recession, the unemployment level had grown to 418,400, while adult SNAP usage had increased to only 253,318.
- Subsequent to the recession, while unemployment leveled off, adult SNAP usage increased. In June 2012, the unemployment level stood at 434,500, while the number of adults receiving SNAP was 428,237.
- Thereafter, the two trends began to diverge—the unemployment number declined, falling to 307,000 in May 2014, while adult SNAP usage has increased, reaching 466,314 adults in May 2014.

Chapter 7 bankruptcies escalated in parallel with the rise of unemployment.

- Changes in the number of Chapter 7 bankruptcies also appear to correlate with changes in the unemployment level (see figure 4.4). During the recession, Chapter 7 bankruptcies escalated in parallel with the rise in the number of unemployed. Thereafter, as unemployment declined, Chapter 7 bankruptcies also declined.
 - The number of new and reopened Chapter 7 bankruptcies increased from 931 in December 2007 to 2,209 in June 2009.

Figure 4.4: Number of Unemployed Residents and Number of Chapter 7 Bankruptcies, January 2006 to July 2014



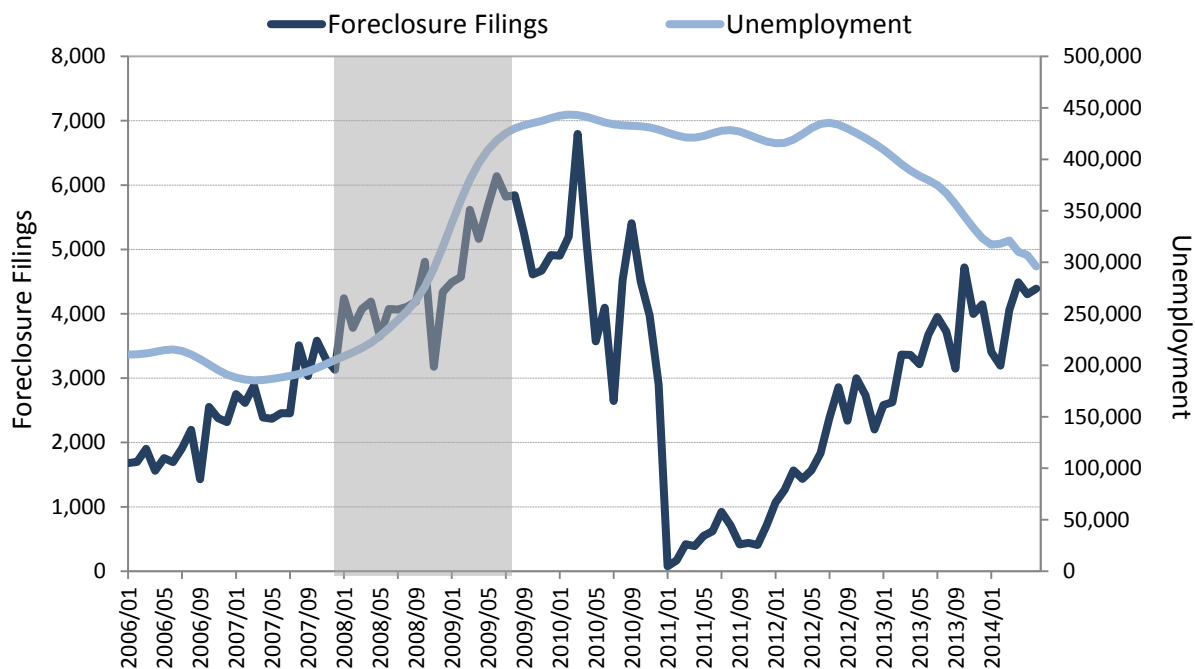
Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development & United States Bankruptcy Court, District of New Jersey, www.njb.uscourts.gov/content/statistics

- After the recession, the number of Chapter 7 bankruptcies fluctuated, but the trend was downward. In January 2014, there were 1,361 new and reopened cases, the lowest level since June 2008. This number rose again but dropped recently to 1,703 in July 2014.

Residential foreclosure filings surged during the recession as the number of unemployed increased.

- The number of residential foreclosure filings surged during the recession, closely paralleling the sharp increase in the number of unemployed (see figure 4.5). After the recession, a statewide moratorium was placed on foreclosure filings by the state Supreme Court, and the trends diverged. With the lifting of the moratorium, filings have resumed, and the rate of filings now seems once again to be close to the unemployment level.
- During the recession, the number of residential foreclosure filings increased from 3,131 in December 2007 to 6,138 in June 2009.

Figure: 4.5: Number of Unemployed Residents and Number of Foreclosures Filed, January 2006 to June 2014



Source: U.S. Bureau of Labor Force Statistics and the New Jersey Department of Labor and Workforce Development & Superior Court Clerk’s Office

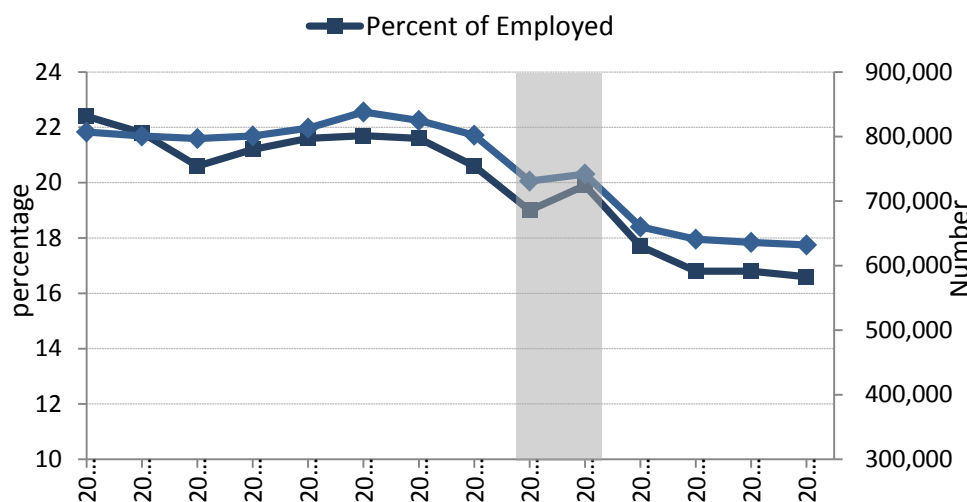
- Thereafter, the number fluctuated considerably and then decreased sharply as the moratorium was implemented, reaching a low of just 77 residential filings in January 2011.
- Since February 2011, the number of residential filings has grown steadily to a high of 4,722 in October 2013.
- In June 2014, the most recent available data, there were 4,391 residential foreclosure filings.

Union membership has declined substantially since the onset of the recession.

One recent research report found that “unionization is the most important state-level influence on individual working poverty.”⁶ It said its research shows that “despite the relevance of policies and economic performance, unionization has the largest effect of the state-level variables” on the extent of poverty.

- The number of workers represented by unions as well as the percentage of employed workers who were unionized in New Jersey remained steady between 2000 and 2007 (see figure 4.6). Both declined with the onset of the recession, and have declined further since the conclusion of the recession.
 - Between 2000 and 2007, the number of workers represented by unions declined by only 5,000, from 807,000 to 802,000. As a percentage of total employed workers, the corresponding decline was from 22.4% to 20.6%.

Figure 4.6: Percentage and Number of Employed Workers Represented by Unions, 2000 to 2013



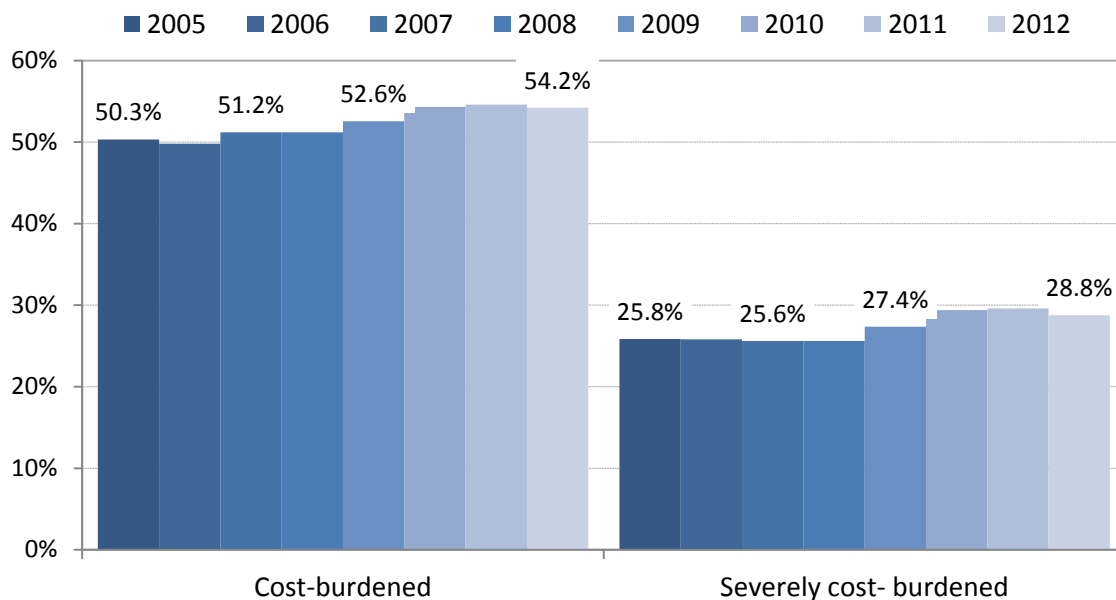
Source: Bureau of Labor Statistics

- Between 2007 and the end of the recession in 2009, there were 60,000 fewer workers represented by unions and the percentage of employed unionized workers had fallen to 19.9%.
- The unionized workforce declined by another 110,000 between 2009 and 2013 when the total number of workers represented by unions stood at 632,000. That number represented only 16.6% of the total number of employed workers, 3.3 percentage points below the level at the end of the recession.

An especially large percentage of renter households experienced onerous housing costs.

Housing costs in New Jersey remain among the most expensive in the country. Calculations made by the National Low Income Housing Coalition show only three states—Hawaii, California, and Maryland, as well as the District of Columbia—with higher costs. The Coalition estimates that the Fair Market Rent (FMR) for a two-bedroom apartment in New Jersey was \$1,296 in 2014. In order to afford this monthly rent and utilities cost without paying more than 30% of household income on housing, a household must have an income of \$4,320 a month or \$51,838 annually. This translates to an income of \$24.92 per hour (assuming 52 weeks per year and 40 hours per week). With the minimum wage set at \$8.25 per hour, to afford a two-bedroom apartment at the FMR would require three full-time minimum wage jobs and the equivalent of 121 hours a week.

Figure 4.7: Gross Rent as a Percentage of Household Income, 2005 to 2012



Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

- Although the percentage of “housing cost-burdened” people paying more than 30% of income on housing and “severely cost-burdened” paying more than 50% renter

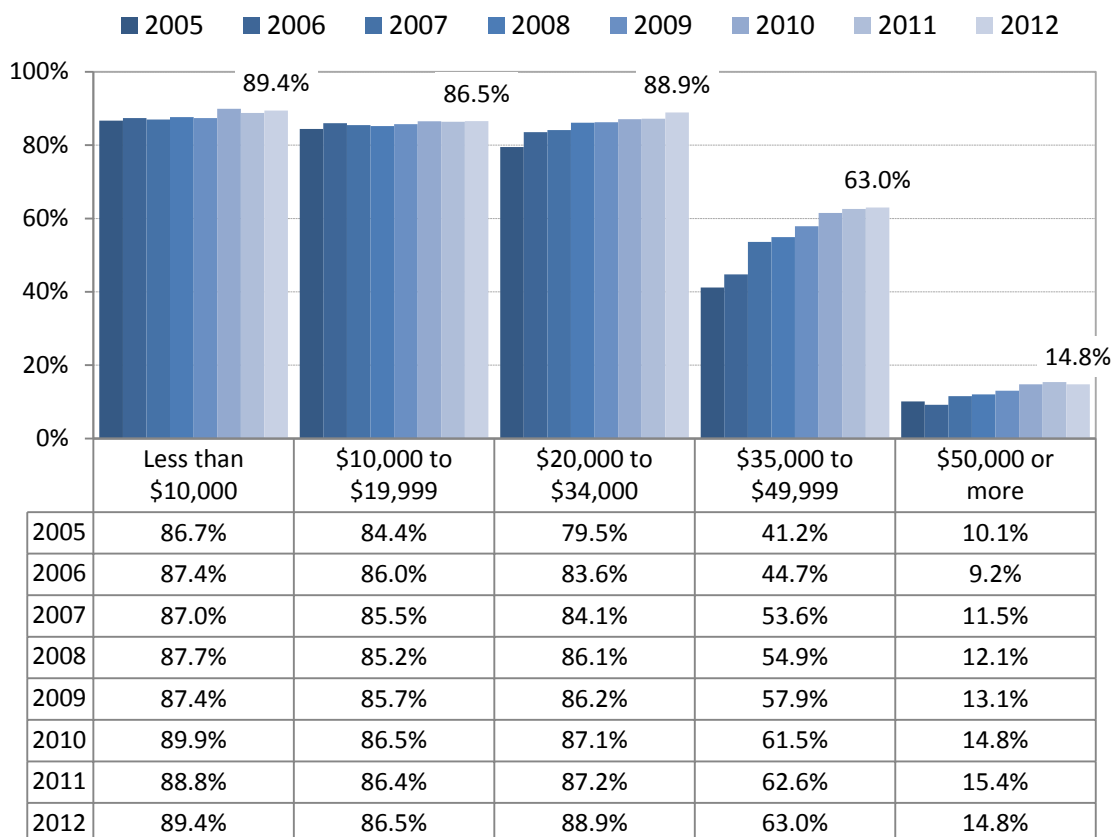
households declined slightly in 2012 from their peaks in 2011, they both remained especially high and higher than the levels at the onset of the recession in 2007 (see figure 4.7).

- The percentage of cost-burdened renter households rose steadily, reaching a high of 54.6% in 2011; in 2012, it declined slightly, falling to 54.2%.
- The percentage of severely cost-burdened renter households also reached a high of 29.6% in 2011 but dropped to 28.8% in 2012.

Percentage of renter households experiencing onerous housing costs rose in 2012 for households with incomes less than \$50,000.

- The overwhelming share of renter households with incomes below \$50,000 experience onerous housing costs; in 2012, this percentage increased (see figure 4.8).

Figure 4.8: Percentage of Cost-Burdened Renters by Income Level, 2005 to 2012



Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

- In 2012, the percentage of renter households with incomes below \$10,000 paying more than 30% of household income toward housing and utility costs climbed to

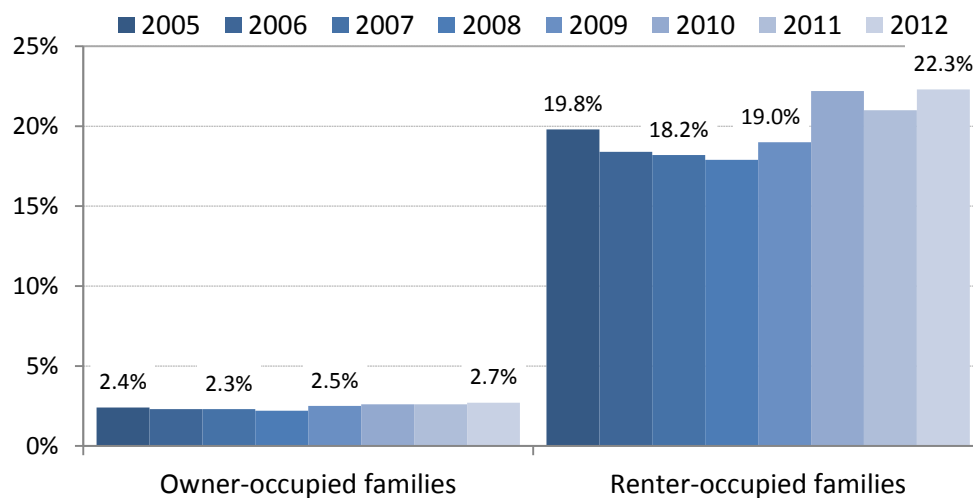
89.4%, rising above the 2011 level and more than two percentage points above the 2007 level.

- The percentages of housing cost-burdened households with incomes between \$10,000 and \$34,000 increased in 2012, rising to a level of nearly nine out of every 10.
- Similarly, the share of housing cost-burdened households with incomes between \$35,000 and \$49,999 rose to 63.0% in 2012.
- Only among households with incomes of \$50,000 or more did the percentage of cost-burdened households decline, falling to 14.8%. This is a substantially smaller percentage than for the lower-income groups, although the level is higher than in 2007.

Percentage of renter families living in poverty reached new high in 2012.

- The percentage of renter households living in households with an income below the official poverty level reached a new high in 2012 (see figure 4.9).
 - The percentage of renter households living below 100% FPL climbed to 22.3% in 2012, more than four percentage points higher than the level in 2007 at the onset of the recession.
 - Although the poverty rate also rose to a new high for owner-occupied families, the poverty rate for renter families was more than eight times that for homeowner families. In 2012, only 2.7% of owner-occupied families lived in households with an income below the poverty level.

Figure 4.9: Poverty Rate for Families by Tenure, 2005 to 2012

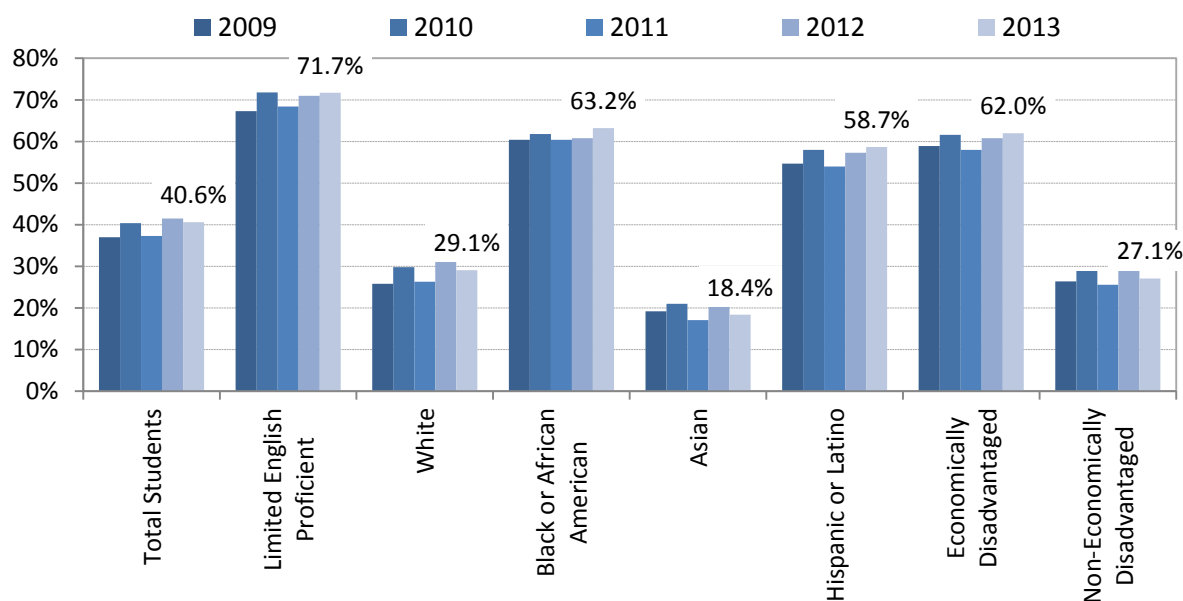


Source: U.S. Census Bureau, American Community Survey, 2005 to 2012

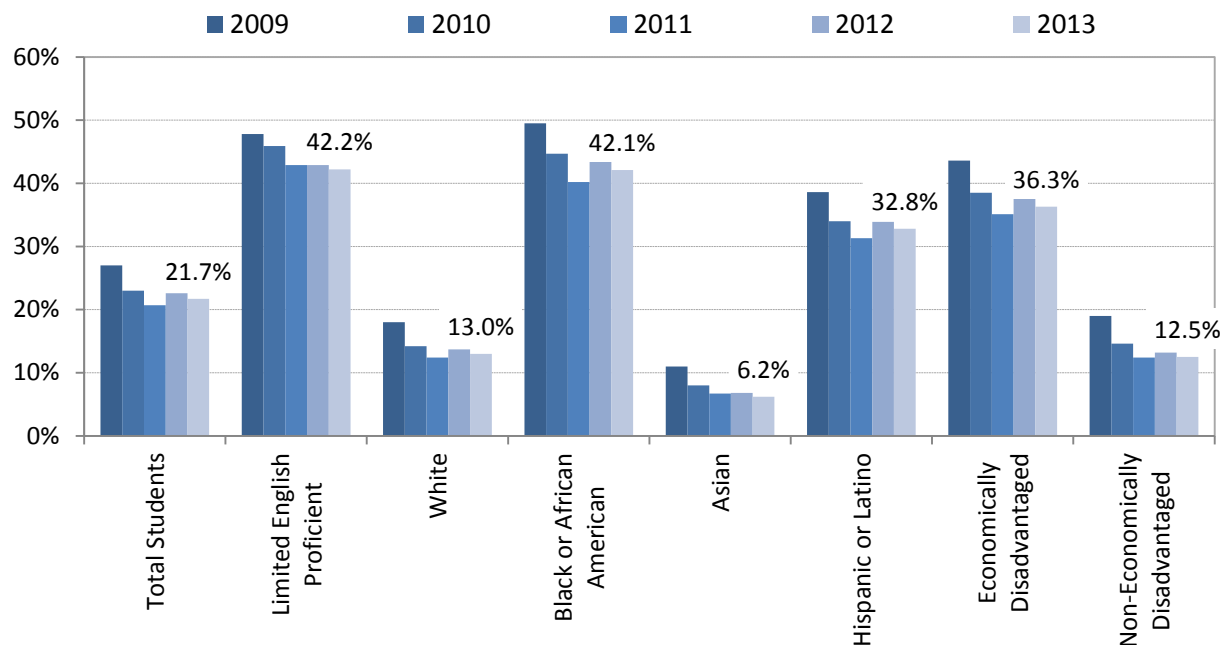
“Economically disadvantaged” students are consistently less proficient in language arts and mathematics than students from economically advantaged backgrounds.

- Living in a household with a low income correlates with a student performing less proficiently at school. Conversely, lower educational attainment correlates with living in poverty.
 - Consistently, across grades 4, 8, and 11, for language arts and mathematics, students from economically disadvantaged households were less proficient than their peers from economically advantaged households (see figures 4.10 & 4.11).
 - In grade 4 in 2013, 62.0% of the students from economically disadvantaged families were partially proficient in language arts compared to 27.1% from economically advantaged families. In mathematics, the relationship was 36.3% compared to 12.5%, respectively.
 - Similarly, in grade 8 the contrast was as striking, although with some improvement in proficiency levels in language arts (see figure 4.12 & 4.13). While 48.7% of the students from economically disadvantaged families were partially proficient in mathematics, only 20.9% of the students from economically advantaged families were. In language arts, 32.7% of the students from economically disadvantaged families were less proficient compared to 10.2% of the students from economically advantaged families.

Figure 4.10: Grade 4 Students Partially Proficient in Language Arts, 2009 to 2013



Source: New Jersey Department of Education

Figure 4.11: Grade 4 Students Partially Proficient in Mathematics, 2009 to 2013

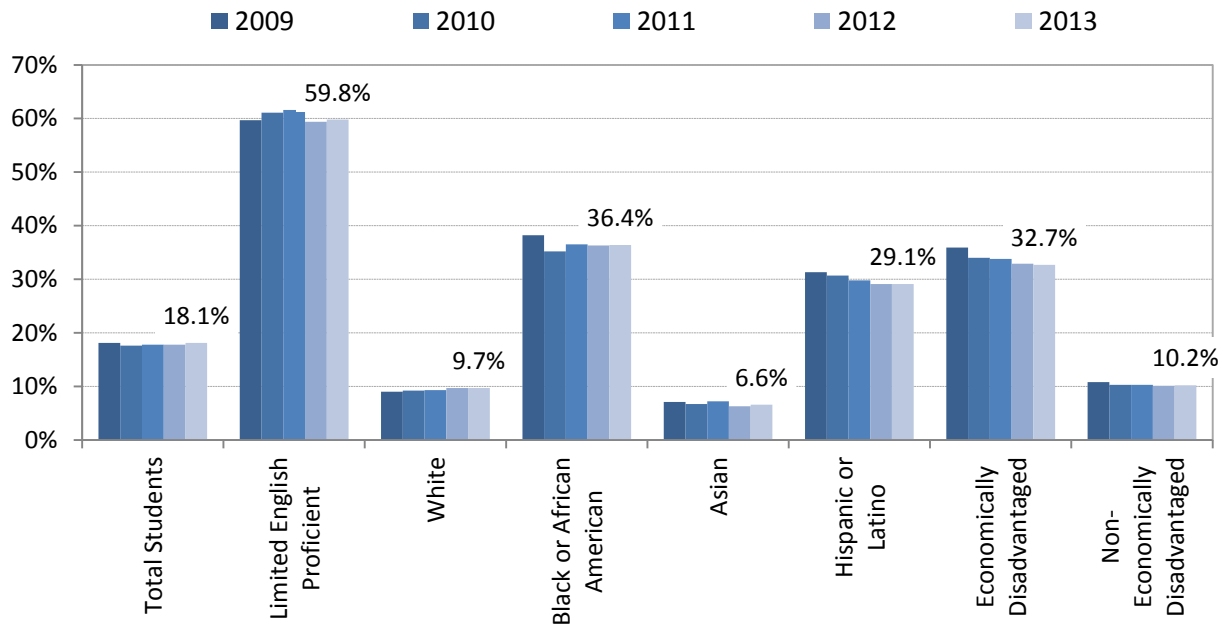
Source: New Jersey Department of Education

- In grade 11 there was further improvement in proficiency levels for language arts but the disparity between economically disadvantaged and economically advantaged students remained glaring (see figures 4.14 & 4.15). In mathematics, 36.1% of the economically disadvantaged students were less proficient compared to 14.1% of the economically advantaged students. In language arts, the relationship was 17.4% compared to 4.8%, respectively.

Black and Hispanic students demonstrate different rates of proficiency in language arts and mathematics than white and Asian students.

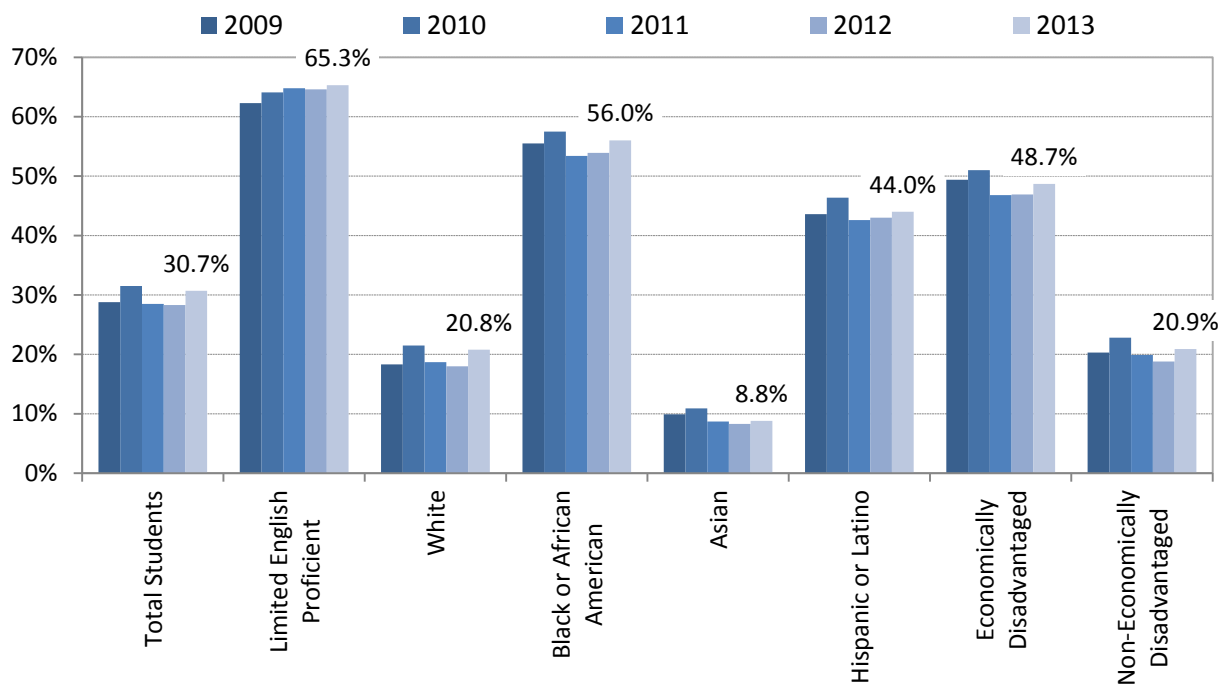
- In 2013, 63.2% of black students and 58.7% of Hispanic students in grade 4 were partially proficient in language arts compared to 29.1% of white students and 18.4% of Asian students (see figure 4.10). In mathematics, 42.1% of black students and 32.8% of Hispanics students were partially proficient, compared to 13.0% of white students and 6.2% of Asian students (see figure 4.11).
- Among grade 8 and grade 11 students, the proficiency disparities in language arts and mathematics between black and Hispanic students, on the one hand, and white and Asian students, on the other, are as large, although proficiency levels improve progressively in language arts (see figures 4.12, 4.13, 4.14 & 4.15).

Figure 4.12: Grade 8 Students Partially Proficient in Language Arts, 2009 to 2013



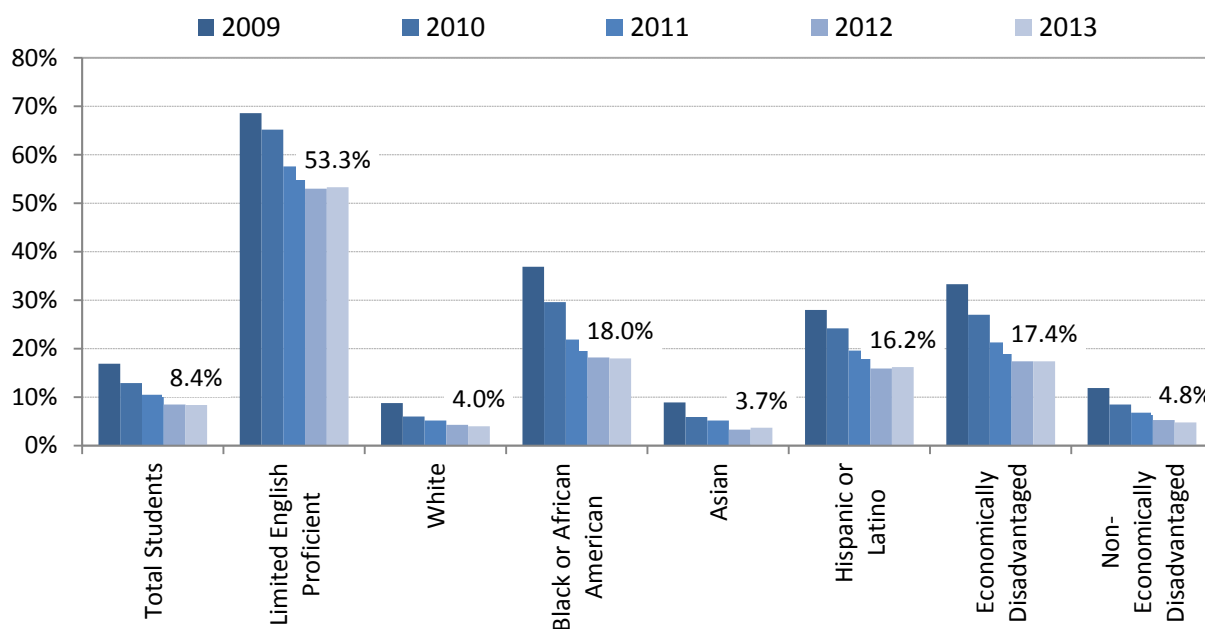
Source: New Jersey Department of Education

Figure 4.13: Grade 8 Students Partially Proficient in Mathematics, 2009 to 2013



Source: New Jersey Department of Education

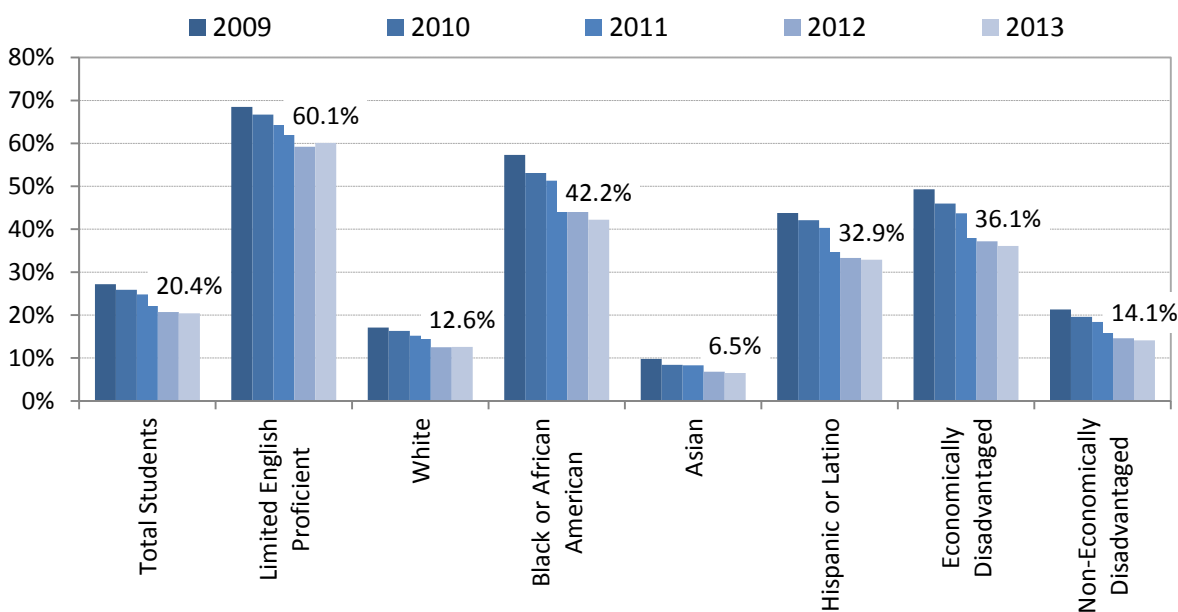
Figure 4.14: Grade 11 Students Partially Proficient in Language Arts, 2009 to 2013



Source: New Jersey Department of Education

Students with limited English proficiency consistently have high partial proficiency rates in language arts and mathematics.

Figure 4.15: Grade 11 Students Partially Proficient in Mathematics, 2009 to 2013



Source: New Jersey Department of Education

- More than one half of students with limited English proficiency (LEP) were partially proficient in language arts and mathematics in 2013 (other than grade 4 mathematics where the 42.2 percentage was still high) (see figures 4.10 to 4.15).

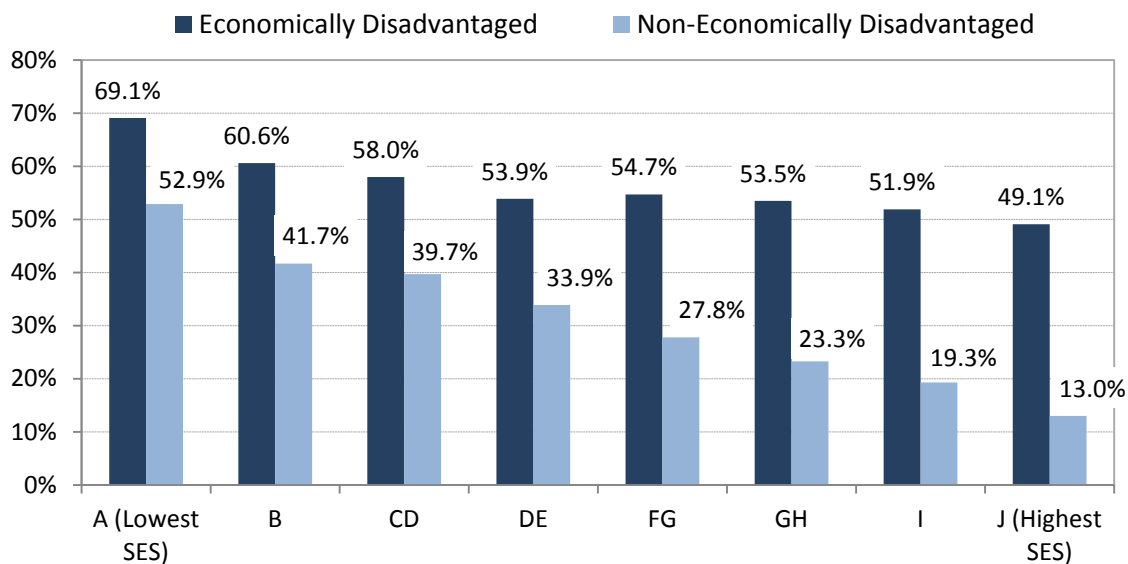
Students from economically disadvantaged households perform less proficiently than their peers from economically advantaged households within every school district.

- In 2013, in all school districts, irrespective of the socioeconomic status of the district or the grade, students from economically disadvantaged families were consistently less proficient in both language arts and mathematics than their peers from economically advantaged households.

School District Classification

Public schools in New Jersey are divided into 10 sub-groups or District Factor Groups (DFGs). Eight (A, B, CD, DE, FG, GH, I, and J) are based on the socio-economic status of the district. “A” Districts are considered to have the lowest socio-economic status, while “J Districts” are considered to have the highest socio-economic status. Vocational schools and charter schools are two separate classifications, not related to socio-economic status.

Figure 4.16: Grade 4 Students Partially Proficient in Language Arts by Socioeconomic Status (SES) of School District, 2013

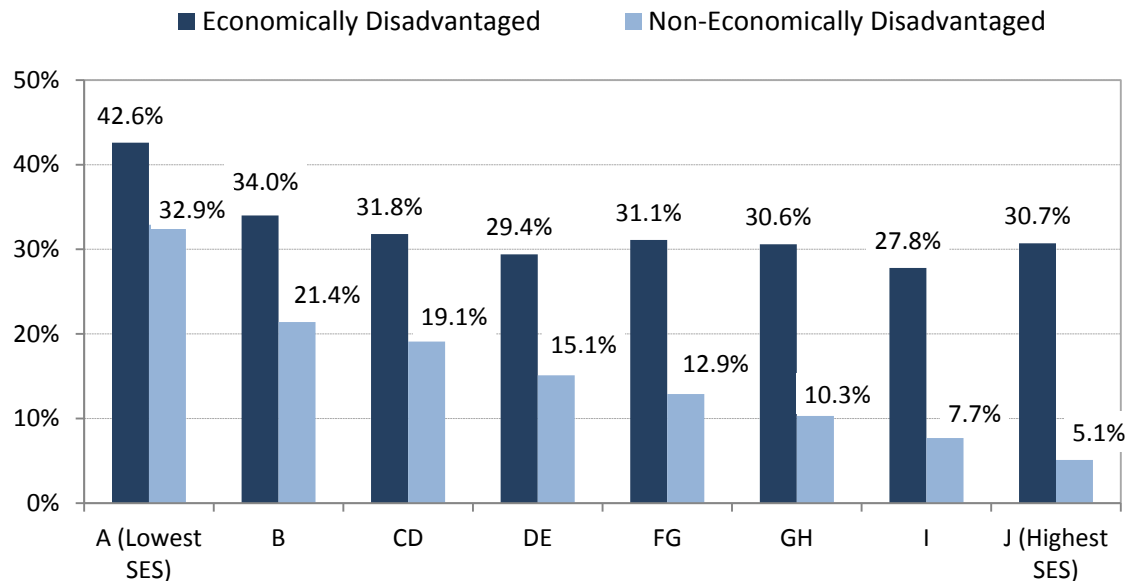


Source: New Jersey Department of Education

- For example, 69.1% of grade 4 students from economically disadvantaged households in “A” school districts were partially proficient in language arts compared to 52.9% of students from economically advantaged households (see figure 4.16).

- At the other extreme, in “J” school districts the relationship was 49.1% to 13.0%, respectively.
- Similar disparities in academic achievement existed in mathematics for grade 4 students and in language arts and mathematics for grade 8 and grade 11 students in all school districts (see figures 4.17 to 4.21).

Figure 4.17: Grade 4 Students Partially Proficient in Mathematics by Socioeconomic Status (SES) of School District, 2013



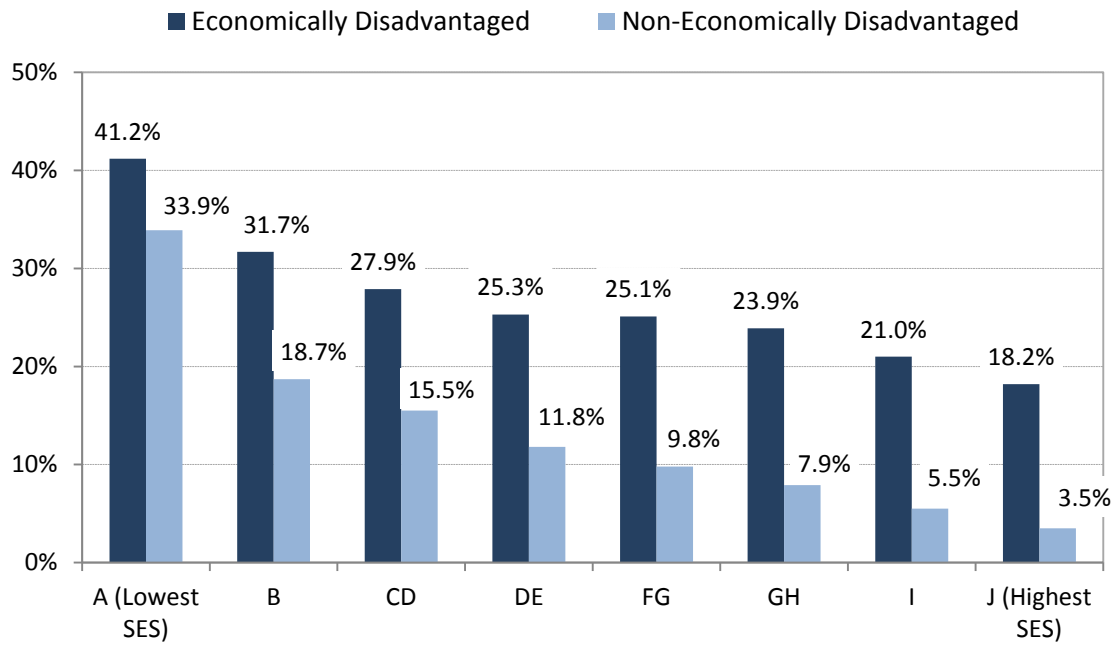
Source: New Jersey Department of Education

- The achievement gap between economically advantaged and disadvantaged students, however, is much larger in high socio-economic school districts than it is in low socio-economic districts, despite the better academic performance of economically disadvantaged students in high socio-economic school districts.
 - While the difference in the partial proficiency rate was a little more than 16 percentage points in “A” school districts for grade 4 language arts students, the gap increased to 36 percentage points in the “J” districts (see figure 4.16).

As the socioeconomic status of a school district rises, the performance of students from economically disadvantaged households improves, although the gap between students from economically disadvantaged and non-economically disadvantaged households widens.

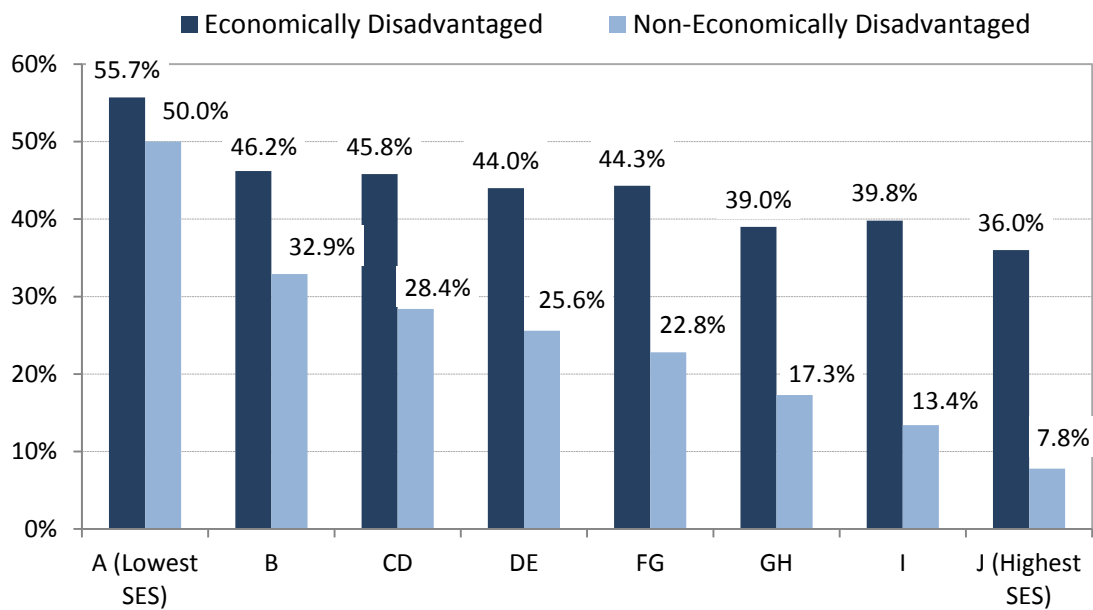
- As the socioeconomic status of a school district rises, the percentage of students from economically disadvantaged households who are partially proficient in language arts and mathematics in grades 4, 8 and 11 declines for the most part.
 - For example, the percentage of grade 4 students who were partially proficient in language arts declined from 69.1% for those living in “A” school districts to 49.1% in “J” school districts, while the decline for students from economically advantaged households was from 52.9% to 13.0% (see figure 4.16).
- The gap between students from economically disadvantaged and advantaged households, however, widens, because the academic performance of students from economically advantaged households consistently improves more than for students from economically disadvantaged households, with the rise in the socio-economic status of the school district.
 - In the above example, while there is a 20-percentage point reduction in the partial proficiency rate for students from economically disadvantaged households, the reduction for students from non-economically disadvantaged households was substantially larger—almost 40 percentage points.
 - Similar disparities in academic achievement existed in mathematics for grade 4 students and in language arts and mathematics for grade 8 and grade 11 students as the socio-economic status of the school district improves (see figures 4.17 to 4.21).

Figure 4.18: Grade 8 Students Partially Proficient in Language Arts by Socioeconomic Status (SES) of School District, 2013



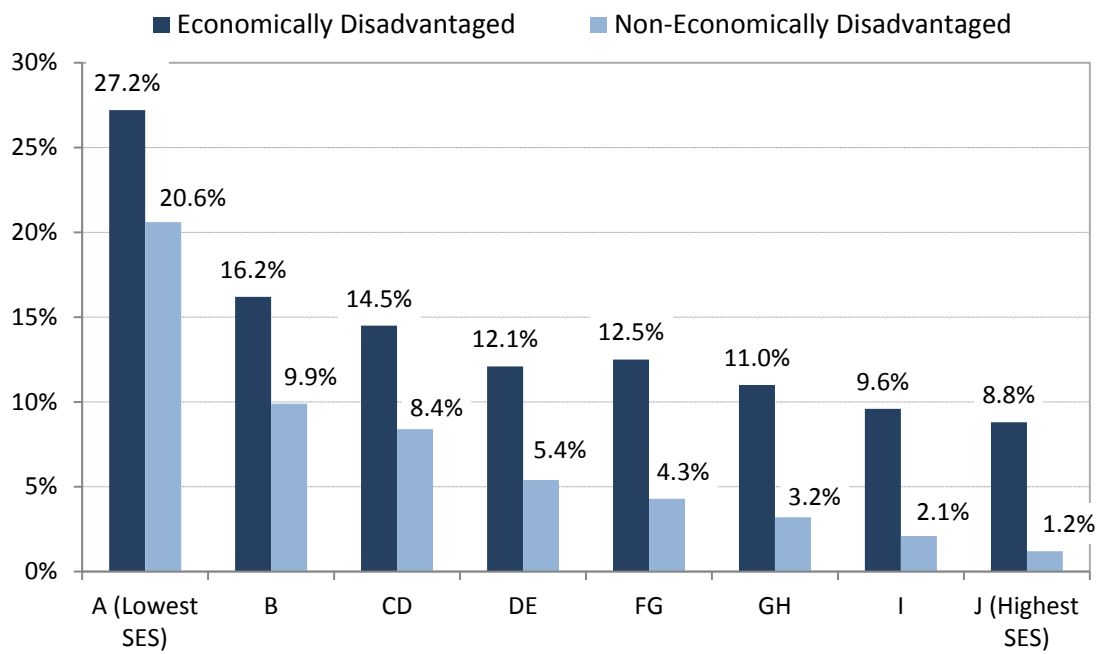
Source: New Jersey Department of Education

Figure 4.19: Grade 8 Students Partially Proficient in Mathematics by Socioeconomic Status (SES) of School District, 2013



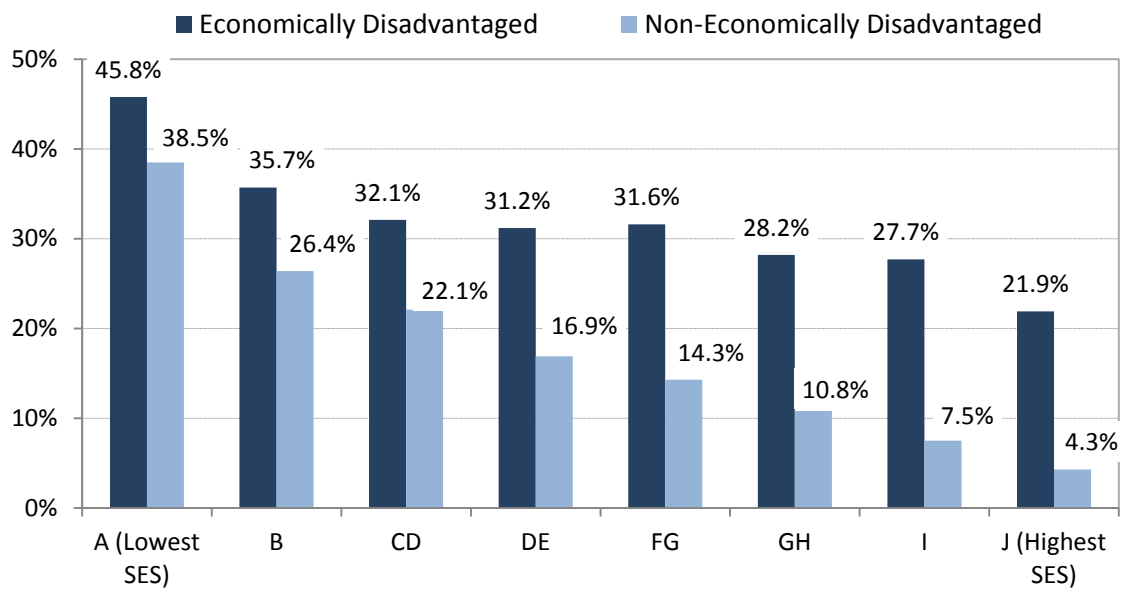
Source: New Jersey Department of Education

Figure 4.20: Grade 11 Students Partially Proficient in Language Arts by Socioeconomic Status (SES) of School District, 2013



Source: New Jersey Department of Education

Figure 4.21: Grade 11 Students Partially Proficient in Mathematics by Socioeconomic Status (SES) of School District, 2013



Source: New Jersey Department of Education

Section Four— Major Public Responses to Poverty

As the previous section showed, lagging employment and wages have exacerbated the hardships of those living in poverty. Both public—principally government—and private institutions and people traditionally engage in responses to poverty. Each year, *Benchmarks* seeks to take stock of selected major federal and state government efforts to address aspects of poverty, highlighting changes, achievements, and overall effects. The list is not exhaustive (a comprehensive assessment is far beyond the scope of this report), but it is nonetheless informative.

Government programs in New Jersey are critical to those living in poverty. With the recession-prompted poverty surge, people’s need for and reliance on these programs has increased. The enrollment in some programs such as SNAP and unemployment insurance (UI) grew with the rise in poverty, performing well as utilization rose with the increase in need. In the absence of such programs, deprivation and hardship would have been much higher. In contrast, the number of persons assisted by programs such as TANF and GA failed to increase with the rise in poverty. Historically, these programs had been more responsive in a weak economy and were successful in ameliorating poverty. Programs such as TANF and GA that failed to increase in response to heightened need during the recession will need to be strengthened so that people can depend on them when they need them the most.

While many other government programs can play an important role in addressing poverty and its effects, the following major public responses are reviewed in this report.

Income Support	Food & Nutrition
Temporary Assistance to Needy Families (TANF) General Assistance (GA) Supplemental Security Income (SSI)	Supplemental Nutrition Assistance Program (SNAP) School Breakfast Program (SBP) Summer Food Service Program (SFSP)
Employment	Housing
Minimum Wage Earned Income Tax Credit (EITC) Unemployment Insurance (UI) Family Leave Insurance (FLI)	Federal Housing Programs State Rental Assistance Program (SRAP) Homelessness Prevention (HPP) Emergency Assistance (EA)
	Health
	New Jersey FamilyCare (NJFC)

Highlights

Positive Developments

The implementation of the Affordable Care Act

Landmark legislation allows New Jerseyans with low incomes to see a doctor when they are sick or seek preventable care without worrying about costs, through insurance coverage and expanded Medicaid, sharply reducing the number of medical uninsured.

Increase in minimum wage to \$8.25

In 2013, the minimum wage was increased to \$8.25, and will be adjusted for inflation every year. This much-needed boost is vital for the survival of the lowest wage earners.

Negative Developments

- Continued inadequacy of the TANF and GA grant amounts that have not been increased since 1987—27 years. Current grant levels do not raise a family of three to even the “severe” poverty level, which itself is only *one-fifth* of the 250% of FPL marker for real poverty in New Jersey.
- The shrinking reach of the General Assistance program because of restrictive regulatory changes.
- Continuation of previous reductions in state EITC (aid to low-income workers) eligibility.
- Expiration of federal extended unemployment benefits, leaving many long-term jobless without assistance.
- New Jersey’s continued low participation rate in the SNAP program, even as improvements were made in some areas, leaving many eligible residents without nutrition assistance to which they are entitled. Additionally, changes made to the federal “Heat and Eat” provision in the new Farm Bill have disqualified many earlier eligible residents from SNAP assistance.
- Stagnant or reduced assistance from federal and state housing programs.

Promising Programs on the Horizon

Community Eligibility Provision in the School Breakfast Program will broaden the reach of the program in New Jersey.

New Jersey has one of the worst participation rates in the School Breakfast Program in the country. A new provision called “community eligibility provision” will be available in all

states beginning in the 2014-15 school year. Under this program, participating schools where at least 40% of students qualify for free and reduced-price lunch will have breakfast available for all children free of cost

Income Support

WorkFirst New Jersey (WFNJ)

The state WFNJ program provides cash assistance and selected support services to eligible families and individuals with low incomes. The program is designed as a temporary support and focuses on moving participants into employment, for those deemed able to work, through mandatory work participation in designated work activities. For those unable to work, the program provides cash assistance and supportive services. It may also refer enrollees to other assistance programs such as SSI if the barrier to work is ongoing or long-term. The WFNJ program also may provide other work support services, such as child care and transportation. Participants with identified barriers to work can receive certain barrier removal services, including mental health and substance abuse case management and treatment, family violence services, and disability services.

WFNJ operates two separate programs based on the household composition of those seeking assistance.

1. **Temporary Assistance to Needy Families (TANF)** provides cash and employment assistance to families with children, including single- and two-parent households, and those who have legal custody of children, including legal guardians. It is funded by the federal government and is administered by the state, through the counties.
2. **The General Assistance program (GA)** serves individuals and couples without children, or without the custodial care of children, who are in need of income and work supports. It is funded by the state, and is administered through the county welfare agencies.

Potential GA recipients are classified into two categories—*employable* and *unemployable*.

- The employable category includes individuals who are healthy and do not have any physical or mental barriers to work.
- The unemployable category includes individuals who cannot work because of a disability or medical condition.

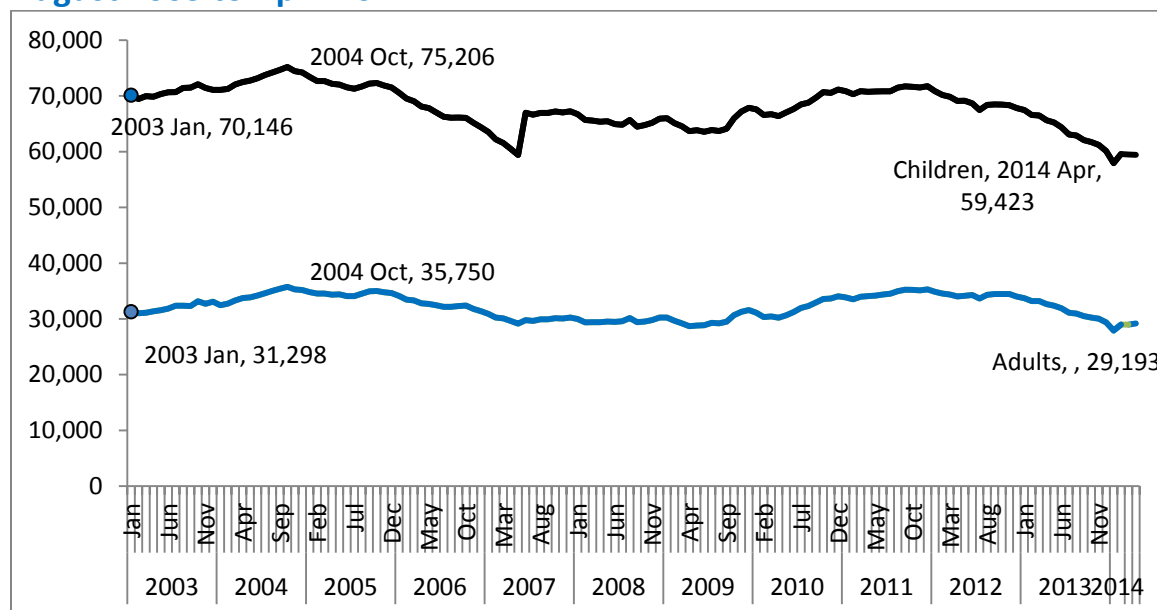
GA cash assistance varies by category—potential individual recipients deemed “employable” receive up to \$140 per month. A childless “employable” couple receives up to \$193 per month. An individual who is unable to work or is unemployable receives up to \$210 per month. New Jersey is the only state that offers different benefit levels for employable and unemployable individuals.

Temporary Assistance to Needy Families

Notwithstanding the record-high statewide poverty levels, the TANF caseload reached its lowest point in more than 10 years in January 2014.

The TANF caseload for both children and adults reached its lowest level in more than 10 years in January 2014. Caseloads declined, by 21.9% for adults and by 23% for children, from the high point in October 2004. Between January and February of this year, however, there has been a slight increase in enrollment (caseload for adults and children increased by 1,082 and 1,624 respectively during this period). A possible explanation for this uptick is the expiry of unemployment extension in December 2013—those who were not able to secure jobs became more dependent on welfare. Nevertheless, it remains to be seen if this continues to have an impact in future months.

Number of Adults & Children Receiving TANF August 2003 to April 2014



Source: State of New Jersey, Department of Human Services, Division of Family Development

The continued inadequacy of the grant amount is troubling—the grant amount has not been increased in more than 25 years.

The lackluster response of TANF in periods of increased economic need is a cause for concern. TANF is a last resort safety net for those who are jobless or do not qualify for unemployment insurance. It is important that it be able to provide a temporary shield against poverty until a family is able to make it on its own. The grant amounts have not been increased since 1987. Currently, TANF does not raise a family above the severe poverty level (50% FPL). For a three-person family, the maximum grant amount is \$424

per month or \$5,088 per year, unchanged in more than 25 years. Given ever-increasing regulatory requirements, a fair inference is that low grant levels have discouraged program participation.

General Assistance

GA caseloads have been declining precipitously because of policy changes in the past couple of years.

Policies introduced in 2011 have made it harder for people to receive GA. Since then, new applicants are required to work for 30 days continuously with no payment before they can become eligible for grants. Previously, applicants received cash assistance during the qualifying period. Additionally, grants are now received only from the date when application is approved, not from the date of application. Finally, some previously covered groups, such as individuals living with family members and full-time students, are now excluded from GA assistance.

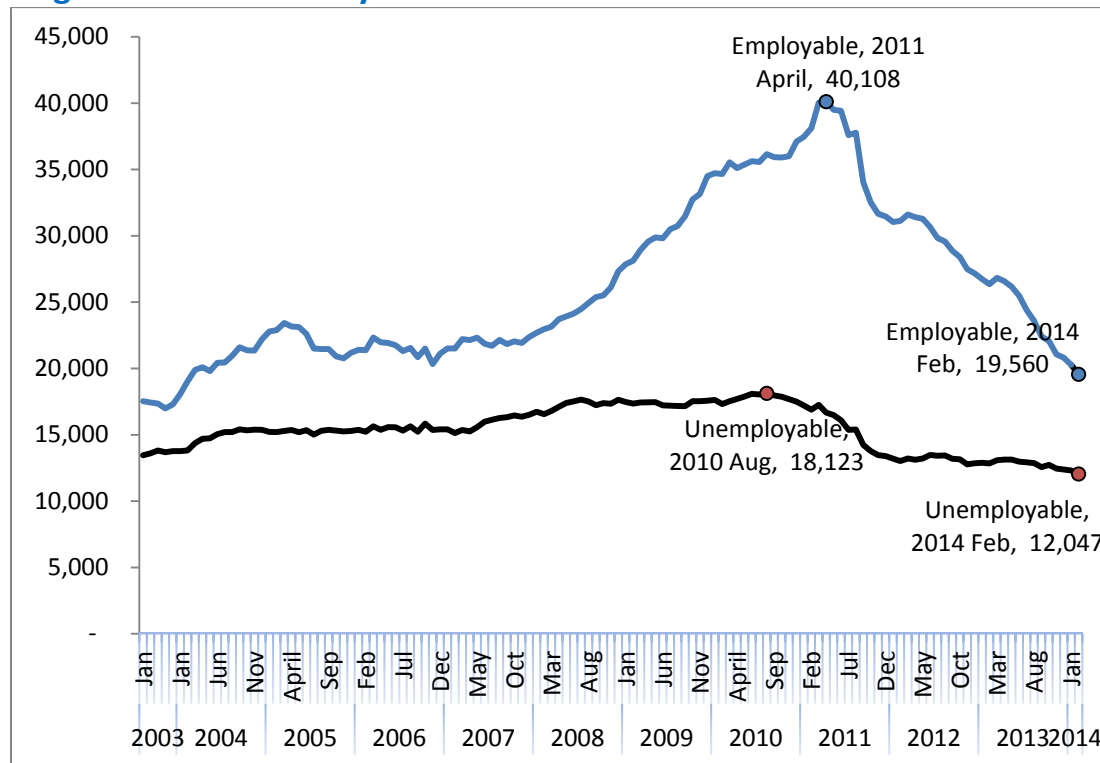
The “unemployable” category was also subject to certain regulatory changes. The change in the definition of “unemployable” has made it virtually impossible for individuals with serious but not long-lasting health issues to enroll in the GA “unemployable” category. Previously, a person was considered “unemployable” if the medical issue lasted for at least 30 days or more. After the policy change, a potential recipient must be incapacitated for a minimum of seven months. As a result, individuals with short-term health issues are not able to access GA “unemployable” grant. At the same time, they are not able to access the GA “employable” grant because they are not healthy enough to engage in work.

The “employable” GA caseload has declined by 105% and “unemployable” caseload has declined by 33.5% since April 2010.

The “employable” caseload reached a peak in April 2011, and since then has been declining precipitously. Just between April 2010 and February 2014, the “employable” caseload had declined by 105%, from 40,108 individuals to only 19,560.

The “unemployable” caseload reached its lowest level in February 2014, after peaking in August 2010. The unemployable caseload declined from 18,123 in August 2010 to only 12,047 in February 2014—a more than 33% decrease.

Number of Employable & Unemployable GA Recipients August 2003 to January 2014



Source: State of New Jersey, Department of Human Services, Division of Family Development

Supplemental Security Income

Supplemental Security Income (SSI) is a last resort safety net program designed to provide financial support to impoverished individuals who are at least 65 years of age. It also provides cash assistance to individuals of all ages who are blind or disabled. Since it is an entitlement program, all individuals meeting the eligibility criteria are guaranteed assistance. While the federal Social Security Administration (SSA) administers the program, in New Jersey the SSA contracts with the Department of Labor and Workforce Development’s Division of Disability Determination Services (DDS) to determine eligibility. SSA performs the initial eligibility determination and sends the case to DDS to process medical eligibility. New Jersey, like many other states, provides additional funds to the program through an optional state supplement. The recipients to meet their most basic needs, such as food and housing, mostly use SSI funds.

SSI payment levels are based on the composition of a recipient’s household. The table below gives the maximum monthly payment amounts for different household compositions in 2013 and 2014. The total amount includes federal as well as state payments. It is important to note that not all SSI recipients receive the maximum amount.

Total SSI Monthly Payment by Category, 2013 & 2014

	2013	2014
Person living alone or with others in own household	\$741.25	\$752.25
Person living with spouse who is not eligible for SSI	\$863.00	\$847.00
Person living in someone else's household and receiving support & maintenance	\$517.65	\$524.98
Person living in licensed residential health care facility	\$920.05	\$931.05
Person living in public general hospital or Medicaid-approved long-term health facility	\$40.00	\$40.00
Couple living alone or with others in own household	\$1,091.36	\$1,107.36
Couple living in someone else's household and receiving support & maintenance	\$803.76	\$814.43
Couple living in licensed residential health care facility	\$1,804.36	\$1,820.36

Source: Social Security Administration

Number of Recipients in State (by Eligibility Category, Age, and Receipt of OASDI Benefits) and Amount of Payments, by County, December 2012

	Total	Category		Age			SSI recipients also receiving OASDI	Amount of payments (thousands of dollars)
		Aged	Blind and disabled	Under 18	18-64	65 or older		
<i>Total, New Jersey</i>	177,344	34,946	142,398	26,258	95,734	55,352	55,897	96,545
Atlantic	6,677	888	5,789	1,102	4,031	1,544	2,299	3,751
Bergen	11,633	4,918	6,715	910	4,411	6,312	3,585	5,830
Burlington	5,648	590	5,058	873	3,738	1,037	1,811	3,121
Camden	15,976	1,572	14,404	2,826	9,831	3,319	4,896	9,255
Cape May	1,823	118	1,705	249	1,318	256	675	999
Cumberland	5,493	431	5,062	1,000	3,479	1,014	1,812	3,120
Essex	28,449	3,948	24,501	4,900	16,051	7,498	8,173	16,403
Gloucester	4,560	341	4,219	736	3,117	707	1,522	2,500
Hudson	22,031	5,701	16,330	2,831	10,005	9,195	7,784	11,643
Hunterdon	820	127	693	54	568	198	268	399
Mercer	9,488	1,193	8,295	1,994	5,499	1,995	2,789	5,611
Middlesex	12,631	4,521	8,110	1,276	5,411	5,944	3,677	6,410
Monmouth	7,838	1,396	6,442	885	4,721	2,232	2,682	4,112
Morris	4,472	1,633	2,839	323	2,067	2,082	1,270	2,237
Ocean	6,978	760	6,218	1,072	4,511	1,395	2,426	3,743
Passaic	14,807	3,101	11,706	2,633	7,148	5,026	4,736	7,952
Salem	1,591	97	1,494	252	1,103	236	541	909
Somerset	3,031	1,008	2,023	339	1,433	1,259	786	1,514
Sussex	1,623	158	1,465	211	1,129	283	536	801
Union	10,400	2,287	8,113	1,599	5,260	3,541	3,169	5,485
Warren	1,375	158	1,217	193	903	279	460	749

Source: Social Security Administration

Number of Persons Receiving Federally Administered Optional State Supplementation, December 2012

Living arrangement	State code	Total	Aged	Blind	Disabled	
					Adult	Child
<i>All recipients, New Jersey</i>		173,985	34,225	777	113,294	25,689
Congregate care facility	A	4,545	(X)	(X)	4,011	119
Living alone or with others	B	138,207	23,413	610	90,532	23,652
Living alone with an ineligible spouse or essential person	C	4,531	2,300	16	2,215	0
Living in the household of another	D	21,191	7,152	102	12,393	1,544
Medicaid facility	G	4,028	898	19	2,737	374
Residential health care facility	I	1,483	(X)	(X)	1,406	0

Source: Social Security Administration

State SSI supplement payments have stagnated for 25 years, making New Jersey supplements the lowest among the high-cost states.

The federal portion of the SSI payment is adjusted annually for inflation, but the monthly state supplement has not been increased since 1986. It has remained unchanged, at \$31.25 for individuals and \$25.36 for couples, for the last 29 years, since 1985. New Jersey's supplement is relatively meager in comparison with many other high-cost states (such as California, Connecticut, Massachusetts, New York, and Rhode Island). The supplements in all these states exceed \$100 per month for an individual. New Jersey is also one of only seven states where the state supplement for couples is lower than the supplement for individuals. Additionally, effective January 2011, the state supplements decreased for SSI recipients living with ineligible spouses, from \$362.36 to \$153, escalating hardships for many recipients.

The combined federal and state SSI supplement is very low relative to the cost of housing in the state; recipients who are not able to pay their "fair share" of household expenses experience a cut in SSI benefits.

New Jersey has one of the highest housing costs in the nation. For 2014, the average Fair Market Rent (FMR) for a two-bedroom unit was \$1,296.⁷ Affording housing becomes burdensome for state residents with meager incomes. While the aggregate federal and state SSI supplements are quite low, their value diminishes even further because of the high cost of housing in the state. Given the low SSI payment rate versus cost of housing, many New Jersey SSI recipients cannot afford their share of housing expenses. These beneficiaries experience significant cuts in their federal SSI benefits. Typically, SSI benefit

is cut by a third of the maximum benefit when SSI recipients cannot afford to contribute their “fair share” to household expenses. For instance, if an individual’s normal benefit rate is \$752.25 per month, his benefit rate would be reduced to \$524.98. Such cuts could be avoided if their aggregate federal and state supplemental SSI benefit rates made it possible for them to pay their “fair share” of housing expenses.

Most SSI recipients have to wait for 11 months, on average, for a hearing—for a total average processing time between 365 and 400 days.

Most SSI applicants have to wait nearly a year before their case can even be heard, which may have devastating consequences for those with severe disabilities. As of February 2014, Jersey City had 5,030 cases pending and Newark had 7,325 cases. The average processing time for the cases was 412 and 404 days respectively. In addition, it is important to note that the average wait time before the cases could even be heard averaged 11 months in both Jersey City and Newark hearing offices, as of February 2014.

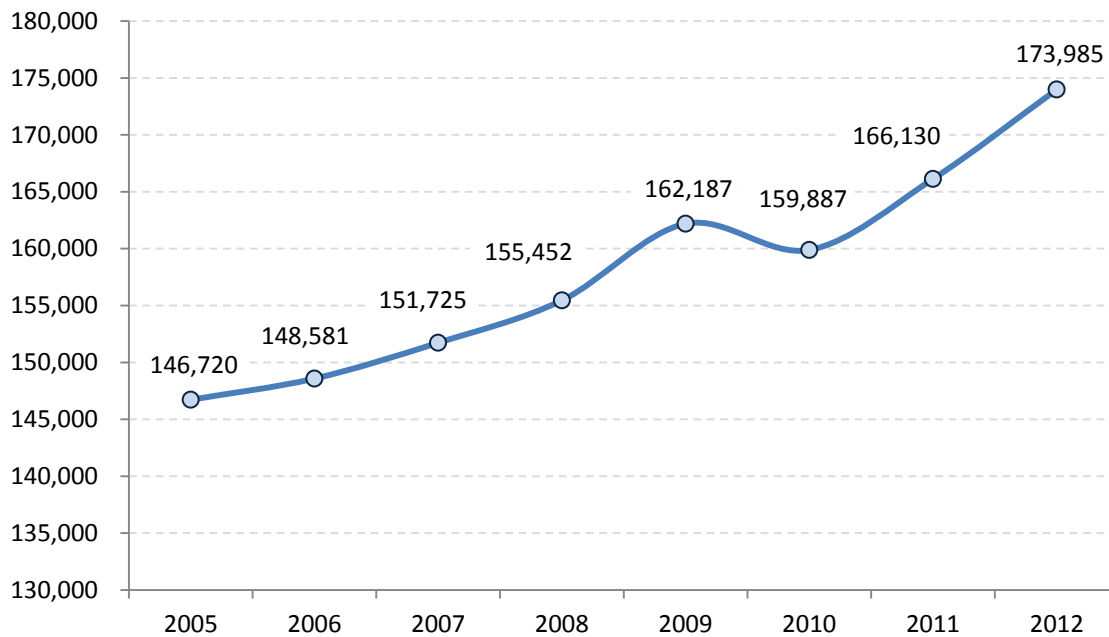
Hearing Office Workload, New Jersey, FY 2014 (9/28/13 to 2/28/14)

SSI Office	Receipts	Disposition	Cases Pending	Average Processing Time
Jersey City	1,866	1,415	5,030	412
Newark	2,302	1,649	7,325	404

Source: ODAR’s Data Report, Social Security Online

http://www.ssa.gov/appeals/DataSets/02_HO_Workload_Data.html

Number of Persons Receiving the Optional State Supplement, 2005 to 2012



Source: Social Security Administration Data

Number of Persons Receiving Optional State Supplement by Category, 2005 to 2012

	Total	Aged	Blind	Adult	Children
2005	146,720	32,732	883	85,540	27,564
2006	148,581	32,752	850	86,061	28,918
2007	151,725	33,115	830	87,387	30,393
2008	155,452	33,686	805	89,372	31,589
2009	162,187	34,632	1,607	93,072	32,876
2010	159,887	33,439	750	91,972	33,726
2011	166,130	33,495	731	96,535	35,369
2012	173,985	34,225	777	113,294	25,689
Change (2005-11)	27,265	1,493	-106	27,754	-1,875
Percent Change (2005-11)	18.6%	4.6%	-12.0%	32.4%	-6.8%

Source: Social Security Administration Data

The Affordable Care Act provides better health coverage to SSI recipients, which will be helpful in documenting disabilities more accurately.

Many applicants are on welfare when they apply for SSI assistance. Applicants with children are on TANF support, while those without children are on GA. To qualify for SSI, applicants need to go through a rigorous process of documenting their disabilities, which makes the quality of their health insurance plan very important. TANF recipients are covered by Medicaid HMO insurance. In contrast, GA recipients are covered by Plan G of Medicaid, which is of inferior quality. As a result, many SSI applicants who are GA recipients find it hard to document their disabilities because they cannot find a specialist who will accept their insurance plan. With the implementation of the Affordable Care Act (ACA), SSI applicants, who are currently GA clients, will have access to better health insurance coverage. As a result, they will be able to document their disabilities more accurately.

Employment

Minimum Wage

A minimum wage was first introduced at the federal level in 1938 when President Roosevelt signed the Fair Labor Standards Act (FLSA). This created a mandatory minimum wage of 25 cents per hour for covered workers. Since then, many states have introduced their own legislation. The federal minimum wage currently stands at \$7.25 for all covered workers.

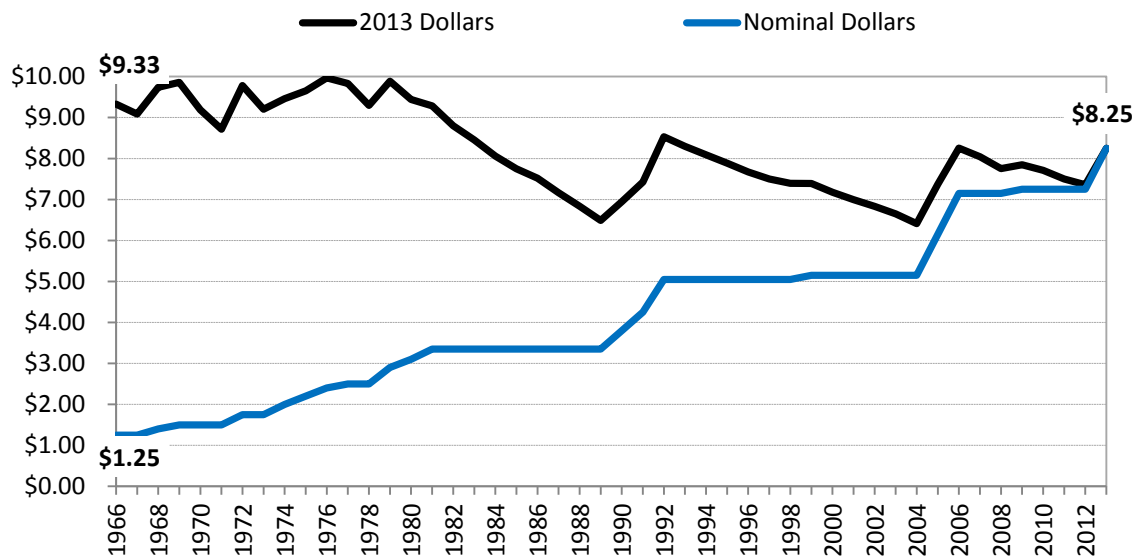
Many states augment the federal minimum wage law with their own state minimum wage requirements. New Jersey saw major developments in this area during 2013.

The recent increase in New Jersey's minimum wage to \$8.25 is a much-needed boost vital for the survival of the lowest wage earners in the state.

In New Jersey, a state minimum wage was first established in the 1960s, and has been increased 18 times since then. Until recently, the minimum wage in New Jersey echoed the federal rate. After increasing twice—to \$6.15 in 2005 and \$7.15 in 2007—it was raised again in 2009 when the federal minimum wage rate was increased to \$7.25. With the passing of a constitutional amendment in 2013, it rose to \$8.25. In addition, annual adjustments according to changes in the cost of living will be made every September. These changes are important as they help reduce wage erosion caused by many years of neglect and failure to adjust the minimum wage to reflect the changes in the cost of living.

The real value of the minimum wage has diminished over time so that even after this increase, its purchasing power is lower than in 1966 when it was the equivalent of \$9.33 in 2013 dollars. The high watermark of minimum wage was in 1976, when it had a purchasing power of \$9.97 in 2013 dollars. Nevertheless, the increase in the minimum wage rate is a step in the right direction and will be immensely helpful to low wage earners in the state.

The Purchasing Power of the Minimum Wage in New Jersey, 1966 to 2013



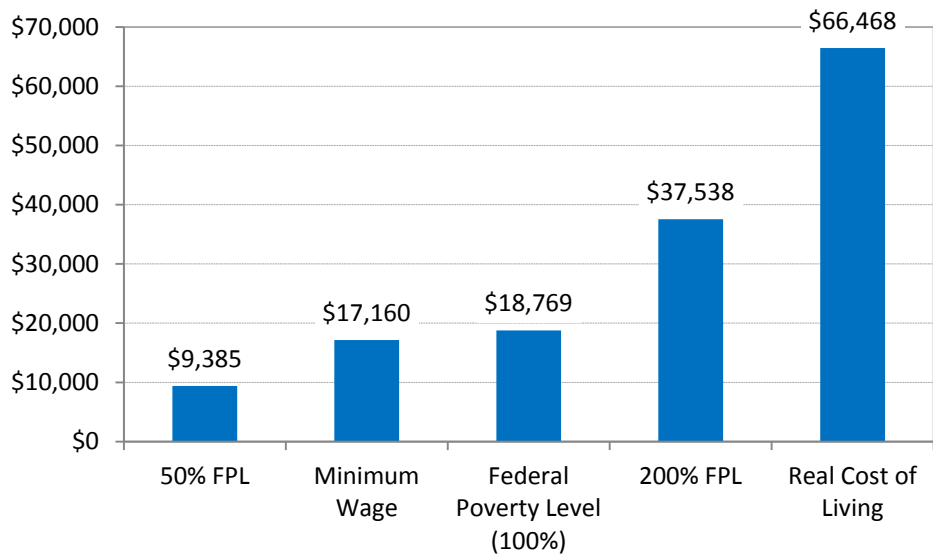
With the recent increase, the gap between minimum wage and the Real Cost of Living has narrowed. At its current level, the minimum wage does not lift a family above the official poverty level.

The table below shows the gap between minimum wage and the Real Cost of Living in New Jersey. While the gap has narrowed with the passage of the increase, the minimum wage needs to be raised further. For a single adult working full time and year round, the Real Cost of Living is \$29,586, the minimum amount needed to meet basic needs. Such a person working full time and earning a minimum wage will earn \$17,160, which is lower than even the official poverty level for a family of three. For larger families, the costs increase accordingly. A four-person family with two adults where both adults work full time and year round will earn \$34,320 when working at the minimum wage, while the Real Cost of Living for this family is \$75,919.

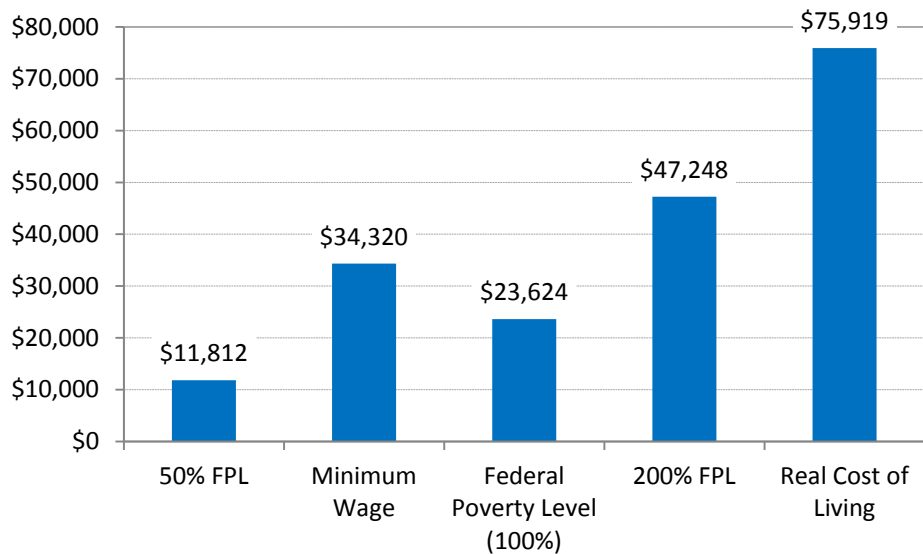
Federal Poverty Level, Real Cost of Living & Minimum Wage for Different Household Compositions

2013 Dollars	FPL	RCL	Minimum Wage
Single Adult	\$12,119	\$29,586	\$17,160
Two Adults	\$15,600	\$58,839	\$34,320
One Adult & Two Children	\$18,769	\$66,468	\$17,160
Two Adults & Two Children	\$23,624	\$75,919	\$34,320

Minimum Wage versus other Benchmarks of Income: One Adult and Two Children



Minimum Wage versus other Benchmarks of Income: Two Adults and Two Children



New Jersey’s minimum wage is still lower than many other states in the country; legislation introduced recently in the Congress would have raised the federal minimum wage, and state rate by proxy, to \$10.10 by 2015.

Currently, 22 states have a higher minimum wage than the federal rate, and four states have a higher minimum wage than New Jersey. This will change because New York is slated

to increase its minimum wage in a series of annual changes—to \$8.75 at the end of 2014 and \$9.00 at the end of 2015. California’s minimum wage, currently at \$8.00, will increase to \$9.00 in 2014 and \$10.00 in 2016. Hawaii also recently raised its minimum wage to \$10.10 an hour by 2018. With all these changes, the number of states with a higher minimum wage than New Jersey will rise to seven. If the Congress raises the federal minimum wage, than New Jersey’s minimum wage will increase automatically. The *Fair Minimum Wage Act of 2013* that would have raised the federal minimum wage to \$10.10 by 2015 and also index it to inflation, failed to advance in Congress.

Earned Income Tax Credit (EITC)

EITC is a work support program that benefits low- to moderate-income working adults and their families. It reduces the amount of taxes owed, and may provide a refund if taxes owed are less than the EITC amount. To qualify for EITC, individuals need to have earned income such as wages and salaries or income from self-employment. Income that is not earned from work, such as interest, capital gains, or welfare, cannot be used to obtain EITC. Individuals seeking EITC are also required to meet some other criteria including filing a tax return even if they do not owe taxes. There are two types of EITC—federal and state. Federal EITC is available to residents in all states, while state EITC is available only in states that support the state component. The state EITC program “piggybacks” on the federal EITC, meaning that eligibility requirements are mostly the same and the amount of the credit is calculated as a percentage of the total federal EITC.

In order to claim EITC in 2013, an individual or family had to meet the following income limits.⁸

- Less than \$46,227 (\$51,567 if married and filing jointly) with three or more qualifying children
- Less than \$43,038 (\$48,378 if married and filing jointly) with two qualifying children
- Less than \$37,870 (\$43,210 if married and filing jointly) with one qualifying child
- Less than \$14,340 (\$19,680 if married and filing jointly) with no qualifying children

EITC is the most effective tool for reducing poverty among working families and children.

The table below notes maximum EITC benefits at the federal and state level. In 2013, a family with three or more qualifying children could get a maximum benefit of \$6,044 from the federal credit and an additional \$1,208 from the state credit program in New Jersey. Those with no qualifying children have the lowest benefit amount. Such a family could get a maximum benefit of \$487 from the federal credit and \$97 from the state credit. These substantial amounts are of immense assistance to individuals with low incomes. The supplemental poverty measure report released by the Census Bureau highlights the poverty-reducing effect of EITC. According to another report by CBPP, EITC is the most effective tool for reducing poverty among working families and children. In 2012, the EITC

program alone lifted 6.5 million, half of them children, out of poverty.⁹ In fact, among all social programs that reduce poverty, EITC had the most far-reaching effect in reducing poverty among children.¹⁰

MAXIMUM CREDIT FROM EITC IN 2013

FEDERAL EITC	STATE EITC (NJ)
\$6,044 with three or more qualifying children	\$1,208 with three or more qualifying children
\$5,372 with two qualifying children	\$1,074 with two qualifying children
\$3,250 with one qualifying child	\$650 with one qualifying child
\$487 with no qualifying children	\$97 with no qualifying children

Forty-one states have a higher participation than New Jersey in the federal EITC program.

During the 2010 tax year, the latest for which data is available, 75.7% of eligible tax payers in New Jersey received EITC. This means that almost a quarter of the tax payers in the state did not claim the credit they were entitled to. Overall, 41 states (includes D.C.) had a higher participation rate than New Jersey, eight states had a lower participation rate, and one state had the same participation rate as New Jersey. States with lower participation rate include Arizona, California, Colorado, D.C., Nevada, Oregon, Nevada, Utah, and Washington. A majority of states in the northeast—Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New York, Pennsylvania, Rhode Island, and Virginia—had a higher participation rate than New Jersey.¹¹

The state EITC supplement in New Jersey is lower than five states in the northeast.

New Jersey is one of 25 states (includes D.C.) to have a state EITC component in 2013. In the northeast region, five states (Connecticut, Maryland, New York, Rhode Island, and Vermont), as well as D.C., have a higher state credit amount than New Jersey.

State component of EITC in New Jersey has experienced cuts in the recent years.

New Jersey's state EITC was reduced from 25% of the federal credit to 20% in January 2011. The table below shows average EITC amounts for the nation and New Jersey. New Jersey lagged that national average by \$139 in the 2012 tax year. The gap between the national and state average begins to widen from the 2011 tax year, when the state component of the EITC was reduced from 25% to 20% of the federal EITC.

Average EITC Amount

Tax Year	U.S.	NJ	Difference
2008	\$2,000	\$1,900	\$100
2009	\$2,200	\$2,100	\$100
2010	\$2,200	\$2,100	\$100
2011	\$2,250	\$2,100	\$150
2012	\$2,335	\$2,196	\$139

Source: Internal Revenue Service data

Congress is considering expansion of the EITC for childless adults; this would potentially benefit 350,000 childless workers in New Jersey.

As noted, EITC for childless workers or non-custodial parents is substantially lower than it is for workers with dependent children. The President's 2015 budget proposal expands EITC for childless workers. According to a report by CBPP, under the President's 2015 budget proposal, the credit for a childless adult would rise from just \$171 to \$841. This means that for a childless adult working full time at minimum wage, the credit would expand from \$22 to \$542 in 2015. As a result, 350,000 workers in New Jersey will become eligible for a larger return.¹²

Unemployment Insurance (UI)

The unemployment insurance program is designed to replace temporarily a portion of the wages of workers who lose a job through no fault of their own and meet certain eligibility criteria. Its primary purpose is to relieve the financial distress of jobless workers and their families. It is a combined federal-state program, meaning that federal rules determine broad eligibility requirements and the types of employment that are covered. Federal officials also oversee the state's adherence to federal guidelines. States have discretion when setting specific eligibility criteria and benefit levels. While UI is funded primarily through taxes imposed on employers, a part of state UI taxes is explicitly deducted from an employee's pay in New Jersey.¹³

To be eligible for unemployment benefits, a person must have worked for at least 20 weeks, earning \$145 per week in covered employment, or have earned a total of \$7,300. These wages must be earned during a 52-week period which is called a base year.¹⁴ Eligible workers can get up to 26 weeks of UI benefits through the state unemployment compensation program, which replaces 60% of a worker's previous wage. New Jersey has one of the highest compensation rates in the country. Eligible unemployed workers in the state received up to a maximum of \$624 per week in 2013 and can receive up to a maximum of \$636 in 2014. Assistance for additional weeks is available during periods of economic downturn when the unemployment rate is high. In addition to regular unemployment compensation, eligible jobless workers may also receive benefits for an extended period under two broad programs.

1. **Extended Benefits program (EB):** It provides 13 to 20 weeks of additional benefits to jobless workers who have exhausted their regular benefits in states where unemployment has worsened substantially, regardless of whether the national economy is in recession.¹⁵ It is a permanent program, meaning that it is permanently authorized and can be triggered when certain economic conditions specified in the law are met. Generally, the federal and state governments share the cost of the EB program. During the most recent recession, however, the federal government temporarily provided 100% of funding for the program.¹⁶
2. **Emergency Unemployment Compensation (EUC):** The federal government can also temporarily fund additional weeks of benefits during periods of high unemployment for workers who have exhausted their basic UI benefits. Following the recent recession, the federal government introduced the EUC program in June 2008. This program provided workers 14 additional weeks of benefits and, in states with particularly high unemployment rates, up to 47 weeks of additional benefits if certain other triggers were met. The program was fully funded by the federal government and expired at the end of 2013. Historically, the Congress has established similar temporary programs seven times—in 1958, 1961, 1971, 1974, 1982, 1991, and 2002.¹⁷

Additional state programs: States can also use their own funds to provide additional weeks of benefits to jobless workers who have exhausted all other forms of UI benefits.¹⁸

Employment benefits could be extended up to 53 weeks under EUC, and an additional 13 to 20 weeks under the EB program. However, the EB program expired in June 2012 and the EUC program in December 2013. Given the continuing weak employment situation, long-term unemployed workers will find it very hard to make ends meet.

Before February 2012, 53 weeks were available under the EUC program and 26 under the regular EC for a total of 79 weeks (with EB, it amounted to a total of 99 weeks).¹⁹ Federal legislation enacted in February 2012 decreased the number of additional weeks from 53 to 47. The EB program, which provided jobless workers an additional 13 to 20 weeks of unemployment insurance, also ended in New Jersey in June 2012. As a result, in 2013, jobless workers in New Jersey could receive 73 weeks unemployment insurance (26 weeks under the state-funded program and an additional 47 weeks under the EUC program). The EUC program, however, expired in December 2013. As a result, jobless workers in the state can get only 26 weeks of unemployment compensation. As of December 28, 2013, 90,300 claimants were cut off from federal unemployment insurance benefits.²⁰ According to

Department of Labor projections, about 260,100 individuals in New Jersey would be affected through December 2014 with the expiry of EUC.²¹

While the unemployment rate in the state has declined, the labor force participation rate is still troubling. It is, in fact, at one of its lowest points in 30 years. Low labor force participation means that many jobless workers have become so discouraged that they have stopped looking for jobs altogether, and hence left the labor force. Since unemployment rate calculation only looks at those in the labor force, the hardships of individuals outside the labor force is not reflected in the unemployment rate statistic. The unemployment rate would rise significantly higher if these individuals were to re-enter the labor market. Their absence keeps the unemployment rate artificially low. The expiration of the EUC and EB program means continuing and escalating hardships for those who are not able to find jobs within 26 weeks. Given the large number of long-term unemployed in the state, the expiry of extended unemployment is problematic.

Family Leave Insurance (FLI)

New Jersey's Family Leave Insurance program provides workers with up to six weeks of partial wage replacement to care for newborns, newly adopted children, and seriously ill family members. New Jersey is the third state in the country to adopt a law that allows workers paid leave that is not for self-care. The program was implemented in July 2009, and is an extension of the state's Temporary Disability Insurance program. It is funded through an employee payroll deduction. Each year, workers are required to contribute a certain percentage of the taxable wage base, which changes annually. For 2014, the taxable wage base is \$31,500. While employers do not contribute to the program, they are required to post and distribute notices about the program.

To be eligible for FLI, workers must have earned a certain amount in covered employment during the base year. The base year is equal to 52 weeks immediately preceding the week during which family leave begins. The wage requirement in 2014 remains the same as in 2013—either \$145 or more per week during 20 calendar weeks in the base year, or \$7,300 or more during the base year.²² The actual benefit rate is based on the average weekly wage. For claims beginning January 2014, the weekly benefit rate is two-thirds of the average wage, up to a maximum of \$595, an increase from \$584 in 2013.²³

The FLI program has experienced a steady growth in the number of individuals seeking and qualifying for the program.

The FLI program became operational from July 2009. During that year, a total of 14,216 New Jersey residents were found eligible for the program. During the first full year of program implementation, a total of 28,457 residents qualified for the program. Between 2010 and 2013, program enrollment increased by 7.2%. As of April 2014, 9,298 individuals were already enrolled in the program.

As noted earlier, individuals can seek this program for taking care of their newborn or adopted children or for taking care of sick family members. For years 2009 to 2013, nearly 80% or more eligible claims were for taking care of newborn or adopted children and 20% or less were for taking care of sick family members. In addition, between 2009 and 2013, the percent of total claims for sick relatives has steadily declined, from 20.8% in 2009 to 16.9% in 2013. While full data for 2014 is not available, the data shows a slight increase in the percentage taking care of sick relatives (17.2%).

Annual FLI Statistics by Type of Claim: Bonding or Caring for Sick Family Members, New Jersey, July 2009 to April 2014

	Bonding Claims		Care Claims					Percent of Total Eligible Claims	
	Eligible	Ineligible	Eligible	Ineligible	Total Eligible Claims	Total Ineligible Claims	TOTAL (Eligible & Ineligible)	Eligible Bonding Claims	Eligible Care Claims
2009 (Jul-Dec)	11,263	1,611	2,953	822	14,216	2,433	16,649	79.2%	20.8%
2010	23,054	2,308	5,403	1,766	28,457	4,074	32,531	81.0%	19.0%
2011	24,106	2,071	5,301	1,421	29,407	3,492	32,899	82.0%	18.0%
2012	24,427	2,141	5,226	1,442	29,653	3,583	33,236	82.4%	17.6%
2013	25,363	2,412	5,145	1,566	30,508	3,978	34,486	83.1%	16.9%
2014 (Jan-Apr)	7,695	935	1,603	584	9,298	1,519	10,817	82.8%	17.2%

Source: New Jersey Department of Labor & Workforce Development

While many individuals have benefitted from FLI assistance since its inception in 2009, the program is underutilized because of the lack of job protection embedded in the original legislation.

While many New Jersey families have utilized the family leave program since its inception in 2009, one drawback of the FLI legislation is that it does not guarantee job protection. Workers do not have the right to return to their jobs after a period of family leave, although the job may be protected if the employer is also subject to the Federal Family and Medical Leave Act (FMLA) or the New Jersey Family Leave Act (NJFMLA).²⁴ FMLA and NJFLA are only applicable for employers with at least 50 employees. In addition, a worker needs to be employed at least 12 months with one employer, and must have worked 1,000 base hours in the preceding 12 months. As a result, not all workers eligible for FLI are covered by FMLA or NJFMLA. Consequently, their jobs are not protected and the fear of job loss keeps many from accessing this assistance.

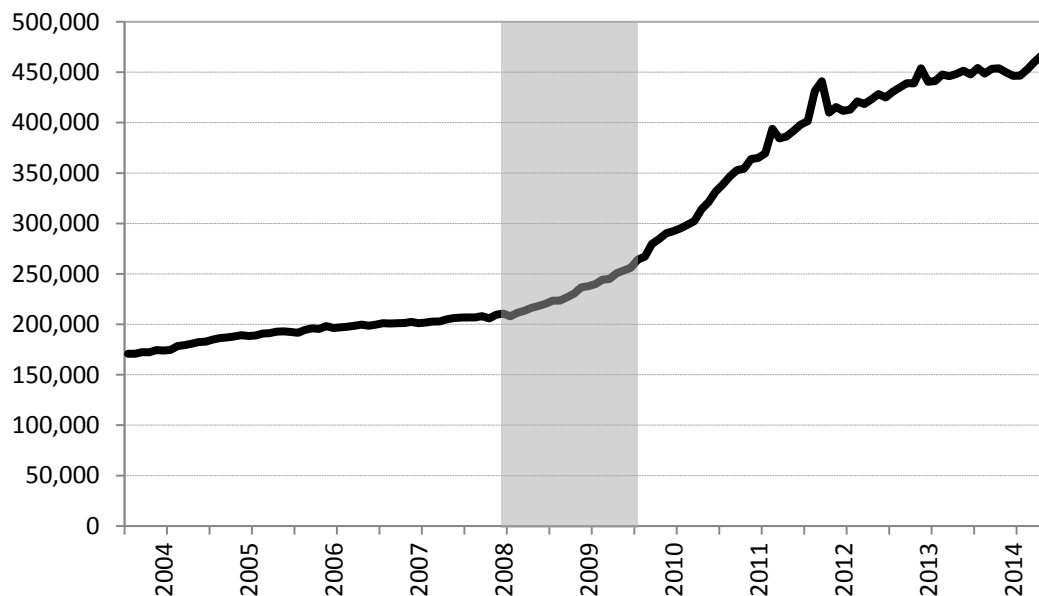
Food and Nutrition

Supplemental Nutrition Assistance Program (SNAP)

SNAP, formerly called the Food Stamp Program, is a federal entitlement program designed to provide food assistance to eligible individuals and families with low incomes. All residents with incomes below 130% FPL are eligible to participate in the program. In addition, a few other residents with incomes up to 185% FPL are eligible, if they meet certain criteria. To qualify for SNAP, households are required to have no more than \$2,000 in countable resources such as a bank account. In households, where at least one person is age 60 or older or if anyone suffers from a disability, the countable resource limit is increased to \$3,250. In New Jersey, there is no asset test for SNAP, which means that the value of a personal vehicle is not used as a screening tool for eligibility.

SNAP adult usage climbed sharply after the onset of the recession in December 2007. It continued to rise until the end of 2012. Since the beginning of 2013, the growth rate has slowed, but it is still rising steadily, reaching a new high in May 2014.

Number of Adults Receiving SNAP



Source: State of New Jersey, Department of Human Services, Division of Family Development

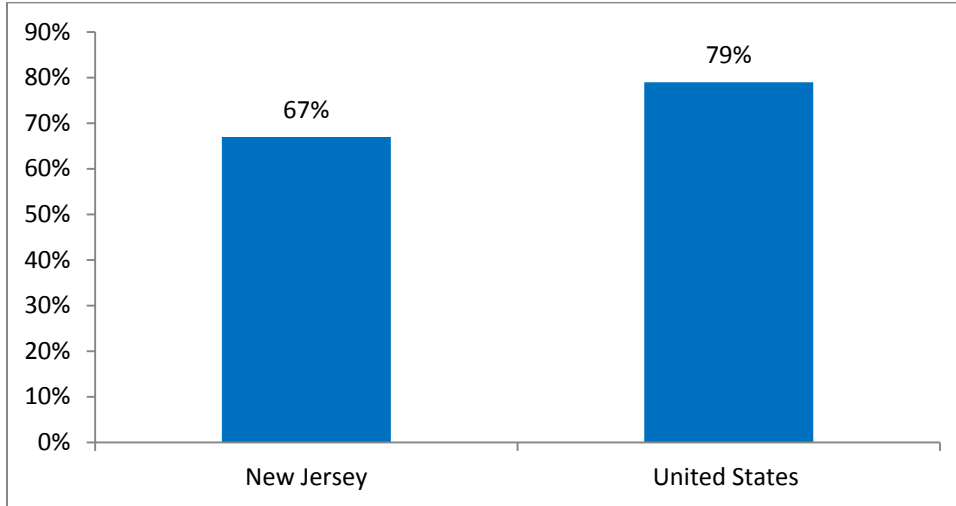
Note: Shaded area represents period of recession

New Jersey's participation in the SNAP program continues to be abysmally low, making it one of the worst performing states in the country.

More than one million New Jersey residents were eligible for the Supplemental Nutrition Assistance Program in 2011; however, only 675,360 individuals or 67 percent participated

in the program in 2011, making New Jersey 47th from the top among the 50 states and D.C., in terms of participation rate. At the national level, 79% of those eligible were enrolled in the program.

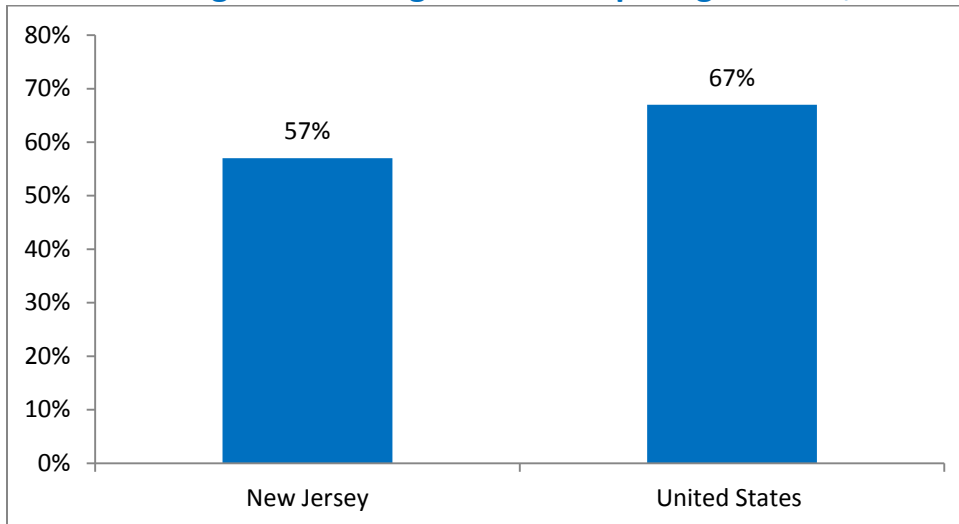
Percent of Eligible People Participating in SNAP, New Jersey & U.S., 2011



Source: Reaching Those in Need, State Supplemental Nutrition Assistance Program.
Karen E. Cunyngnam, Mathematica Policy Research

A total of 458,000 working poor individuals were eligible for SNAP in 2011; however, only 261,060 state residents or 57% participated in SNAP in 2011. At the national level, 67% participated in the program.

Percent of Eligible Working Poor Participating in SNAP, New Jersey & U.S., 2011

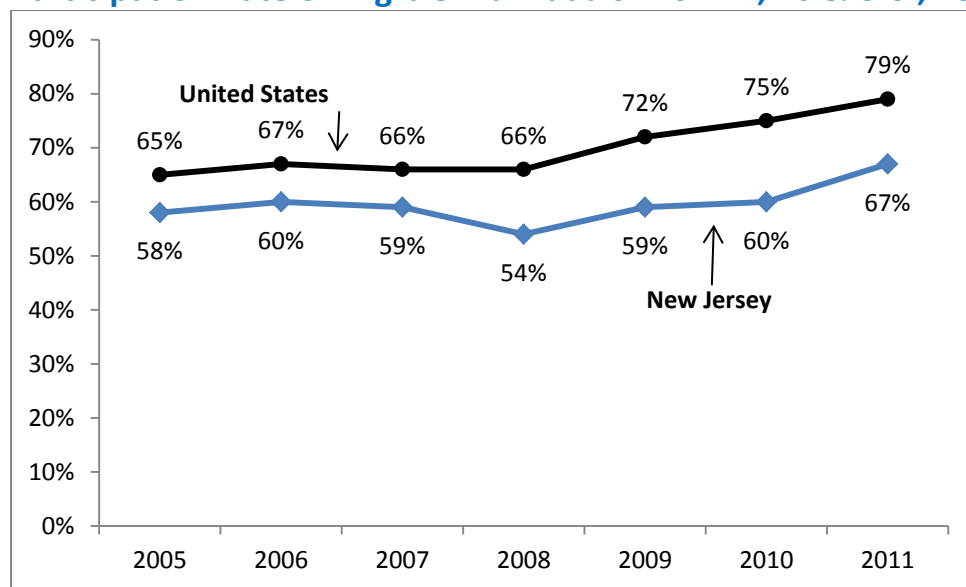


Source: Reaching Those in Need, State Supplemental Nutrition Assistance Program.
Karen E. Cunyngnam, Mathematica Policy Research

The participation rate of eligible residents for the most part has been low in the state—hovering between 54 to 60%. In 2011, however, it increased to 67%, crossing the 60% mark for the first time. The national participation rate between 2005 and 2011 has been

significantly above the NJ participation rate over this period, reaching a peak of 79% in 2011.

Participation Rate of Eligible Individuals in SNAP, NJ & U.S., 2005 to 2011



Source: Reaching Those in Need, State Supplemental Nutrition Assistance Program. Karen E. Cunyngnam, Mathematica Policy Research

New Jersey ranks at the 47th position, makes it among the five worst performing states in the nation.

Because of low participation, New Jersey ranks among the worst performing states in the country. It ranked 47th in 2011, a slight improvement over 2010 and 2009, when it ranked 49 and 50, respectively.

New Jersey’s SNAP Participation Rate Rank (all eligible individuals) New Jersey, 2005 to 2011

Year	Participation Rate [Rank 1=best 50=worst]
2005	41
2006	40
2007	42
2008	47
2009	50
2010	49
2011	47

Source: Reaching Those in Need, State Supplemental Nutrition Assistance Program. Karen E. Cunyngnam, Mathematica Policy Research

The federal stimulus for SNAP ended in November 2013, reducing the maximum benefit amount available to SNAP recipients and signaling increasing hardships for nearly 875,000 New Jersey residents, many of whom live below half of the poverty line and are children, disabled, or elderly.

In November 2013, the federal stimulus provided for SNAP under ARRA (American Recovery & Reinvestment Act of 2009) ended. As a result, the maximum benefits for SNAP recipients were reduced effective November 1, 2013. The ARRA funding was initially expected to remain in effect through FY 2014; subsequent congressional action in 2010 accelerated the expiration first to April 1, 2014, and then to Oct. 31, 2013.²⁵ A family of four experienced a \$36 decrease in its monthly SNAP amount, and larger families even more. Without the stimulus, SNAP benefits will average less than \$1.40 per person per meal in 2014.²⁶ Because of this termination, New Jersey will receive at least \$90 million less in federal dollars from November 2013 to September 2014.²⁷ With a poor job market and high poverty, this is a troubling development. It will increase the financial hardships of almost 875,000 SNAP recipients or 10% of the total state population—many of whom live below half of the poverty line and are children, disabled, or elderly.²⁸

SNAP Maximum Benefit Amount With & Without ARRA Stimulus

Household Size	Maximum Benefit Until October 2013 (with ARRA Stimulus)	Maximum Benefit Beginning November 2013 (without ARRA Stimulus)	Monthly Decrease
1	\$200	\$189	\$11
2	\$367	\$347	\$20
3	\$526	\$497	\$29
4	\$668	\$632	\$36

Source: U.S. Department of Agriculture, "SNAP – Fiscal Year 2014 Cost-of-Living Adjustments and ARRA Sunset Impact on Allotments," Aug. 1, 2013.

Changes made to the "Heat and Eat" provision in the new Farm Bill disqualifies many earlier eligible residents from higher SNAP assistance.

Besides premature cut to SNAP because of the expiry of the ARRA stimulus, another recent development imposes additional strain on SNAP recipients. The 2013 Farm Bill approved by the Congress imposes cuts in 15 states, including New Jersey. These states use the "Heat and Eat" provision of SNAP. Previously, households using this provision could automatically qualify for higher SNAP benefits if they received utility assistance (specifically LIHEAP or Low Income Home Energy Assistance Program). Rather than collecting an applicant's actual utility bill, states were allowed, under this provision, to use an average of states' utility costs²⁹ (known as "standard utility allowance" or SUA).³⁰ To maximize SNAP aid, recipients were signed up for LIHEAP—even one dollar in utility

assistance was enough to meet the criteria for higher SNAP payments. As a result, many states provided nominal utility assistance so its residents could get higher SNAP assistance. The new Farm Bill, however, changed this provision. Now residents must receive at least \$20 in utility assistance to qualify for higher SNAP benefit. While many households can document that they pay for utilities and so their “countable income” and benefit amount will not change, many others are unable to do so because they share housing with others and pay utilities informally. Additionally, simplifying the administrative procedure by connecting LIHEAP to SNAP ensures that eligible households get all deductions that are due. In New Jersey, there are about 336,850 households using the SUA procedure, which is about 91.9% of SNAP households.³¹ Many of these households may no longer be able to receive higher SNAP assistance unless the state increases LIHEAP assistance to more than \$20. Many states have already taken steps to prevent the neediest residents from getting impacted. They include New York, Connecticut, Pennsylvania, Rhode Island, Vermont, Montana, Oregon, and D.C. These states boosted LIHEAP funding, in many cases, without using state dollars.³² New Jersey is yet to take steps to protect residents from this critical cut. While the state has more time to implement changes for current recipients, for new applicants, changes became effective on March 2014.

School Breakfast Program (SBP)

The School Breakfast Program (SBP) is a federally funded school-based nutrition program designed to provide free or reduced-price breakfast to children living in households with low incomes. Children living in households with income below 130% of the FPL qualify for free meals. Those with a household income between 130% and 185% of the FPL are eligible for reduced-price meals and can be charged up to 30 cents per breakfast. Children from families with incomes above 185% FPL pay for the meals. The actual meal charges are set by individual schools, although schools do receive some federal reimbursement per meal served. The amount of reimbursement depends on the type of meal a student qualifies for. For the 2012-13 school year, schools received \$1.55 per free breakfast, \$1.25 per reduced-price breakfast, and \$0.27 per paid breakfast from the federal government.³³ For the 2013-14 school year, participating schools will receive \$1.58 per free breakfast, \$1.28 per reduced-price breakfast, and \$0.41 per paid breakfast.

“STUDENT” PARTICIPATION IN SCHOOL BREAKFAST PROGRAM

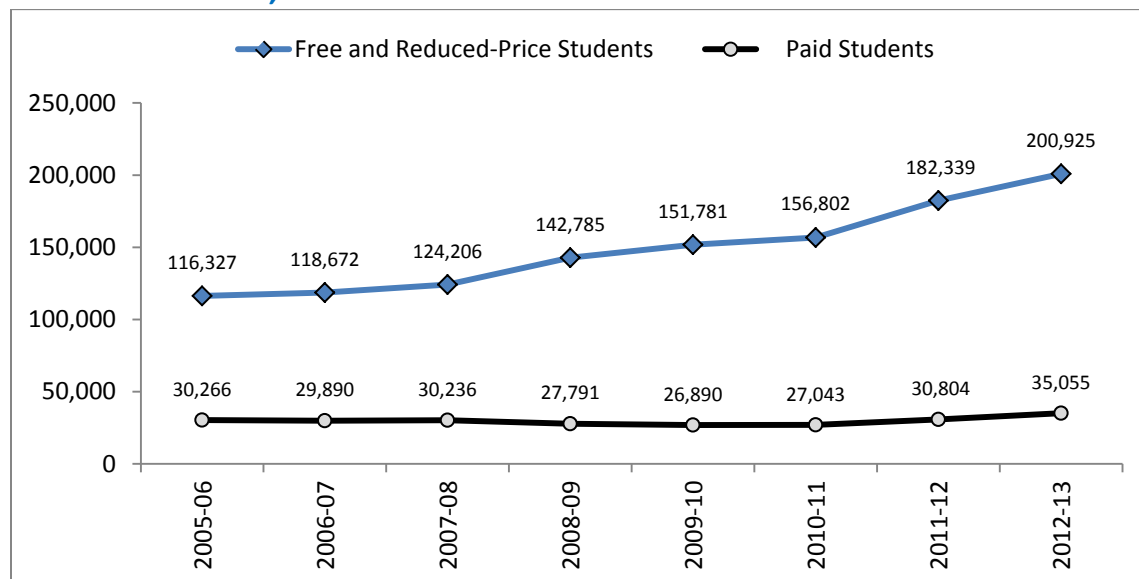
The number of New Jersey students participating in free and reduced-price breakfast continued to climb during the 2012-13 school year.

In order to get free or reduced-price breakfast, parents need to fill out an application form that certifies their income eligibility. Not all children need to fill out these forms. Children

who participate in programs such as SNAP (*Supplemental Nutrition Assistance Program*) or TANF (*Temporary Assistance to Needy Families*) are considered “categorically eligible” or automatically eligible. These children can forgo filling out applications. Some categorically eligible children can be missed through the process and may still be required to be certified through a formal application process.³⁴

The Food Research and Action Center’s (FRAC) School Breakfast Scorecard compiles data on student participation in SBC. According to its latest report, the number of New Jersey students participating in the free and reduced-price breakfast program continued to climb during the 2012-13 school year. It increased to 200,925 students in 2012-13, from 182,339 in 2011-12—which represents more than a 10% increase in one year.

Average Number of Students Participating in Free and Reduced-Price Breakfast & Paid Breakfast, School Year 2005-06 to 2012-13



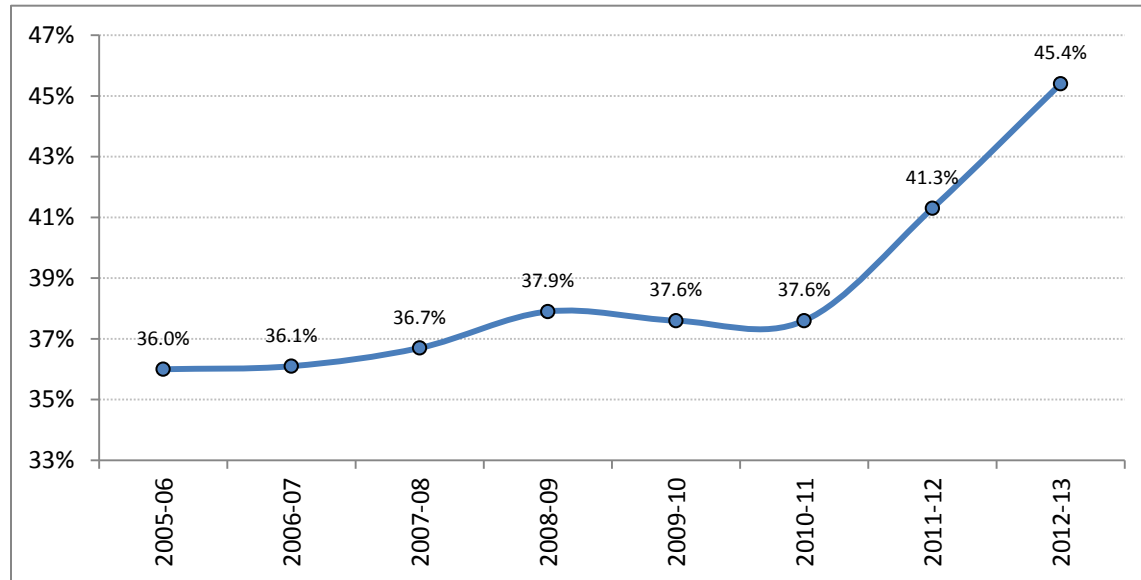
Source: Food Research and Action Center

As a result of increased participation, New Jersey’s position improved from the top five worst performing states (ranked 48th and 46th in 2010-11 and 2011-12) to the 37th position in 2012-13.

While the number of children receiving a free and reduced-price (F&RP) breakfast has increased, a substantial number of children eligible for subsidized school breakfast are still going without the needed nourishment. During the 2012-13 school year, only 45.4% of those participating in the National School Lunch Program participated in the SBP. Nevertheless, the percent of students receiving F&RP has increased considerably in the past couple of years. During 2010-11 school year, only 37.6% of eligible children participated in the program; this increased to 41.3% in 2011-12, and then to 45.4% in the 2012-13 school year. Because of increased participation, New Jersey’s position improved

from the top five worst-performing states (ranked 48th and 46th in 2010-11 and 2011-12 school years, respectively) to the 37th position in 2012-13.

Student Participation Rate in the School Breakfast Program School Years 2005-06 to 2012-13



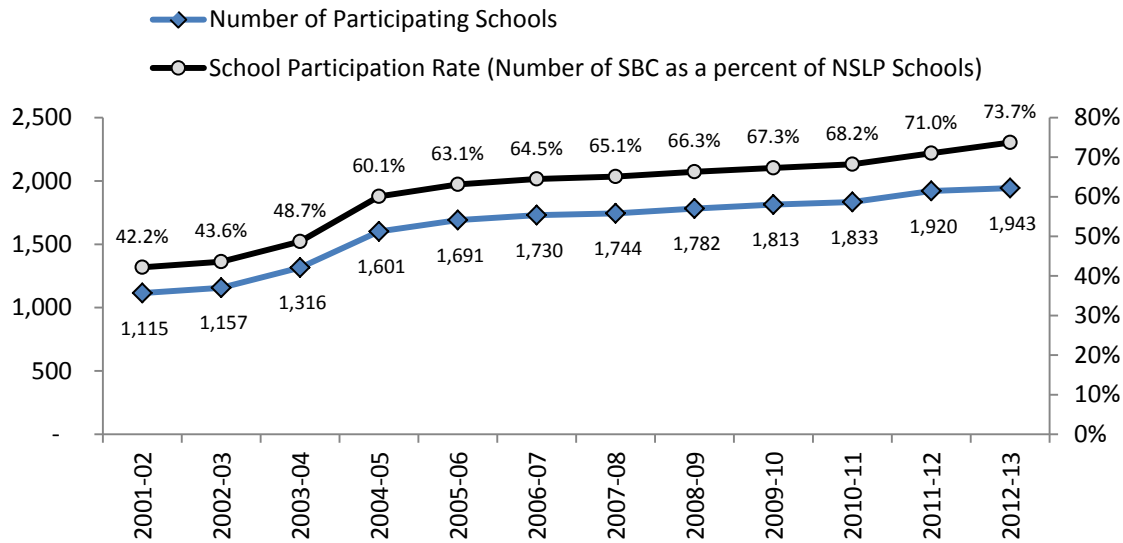
Source: Food Research and Action Center

New Jersey's "school" participation in the SBP is among the worst in the nation—ranked 50th during the 2012-13 school year.

For children to participate in the SBP, their schools must also participate in the program. According to the regulations, any public school, nonprofit private school, or residential child care institution can participate in the program.³⁵ Unfortunately, the participation of New Jersey schools in the SBP continues to be problematic. While about 74% of New Jersey schools participate in the SBP per 100 participating in the National School Lunch Program, this is very low compared to the school participation rates in other states. As a result, New Jersey ranked 50th among the 50 states and District of Columbia during the 2012-13 school year, unchanged from last year. However, the number of schools participating in the SBP increased from 1,920 schools in 2011-12 to 1,943 schools in 2012-13.

“School” Participation in School Breakfast Program

School Participating Rate & Number of Schools Participating in the School Breakfast Program New Jersey, School Years 2011-02 to 2012-13

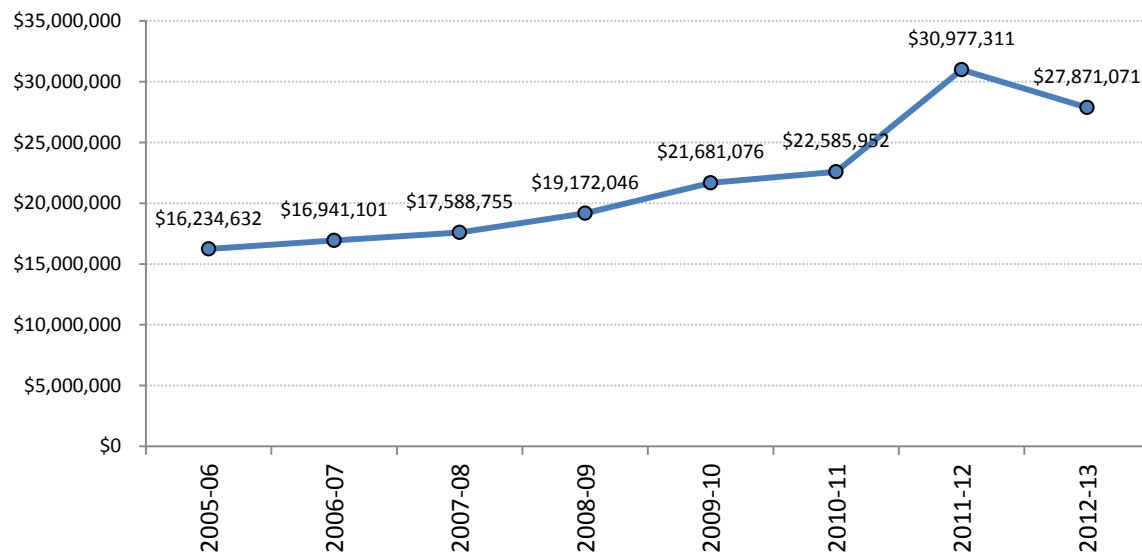


Source: Food Research and Action Center

New Jersey could have received an additional \$27.8 million in federal funds for the 2102-13 school year, and more than \$173 million since 2005-06, if the state met the benchmark participation goal.

During the 2011-12 school year, the benchmark goal of the SBP was expanded to at least 70 children with low incomes participating in the program for every 100 eating free lunch, from 60 per 100 the previous years. If the state had met this benchmark goal, New Jersey would have received an additional \$27.8 million in federal funds for the 2102-13 school year, and more than \$173 million since the 2005-06 school year. Nevertheless, it is encouraging to note that the federal funds lost during 2012-13 school year were less than in the 2011-12 school year because of increased participation.

Annual Federal Funds Lost Because of Failure to Reach Benchmark Goal*



Source: Food Research and Action Center

Note: *Benchmark goal denotes enrollment of **60 SBP students per 100 NSLP students from 2005-06 to 2010-11** and **70 SBP students per 100 NSLP students from 2011-12 onwards**

Recent initiatives will improve access of students to subsidized breakfast and lunch in high poverty areas of the state.

A new initiative termed “community eligibility provision,” implemented for the first time during the 2011-12 school year in 11 states, promises to broaden the reach of the SBP in the next few years. This provision will be available in all states beginning in the 2014-15 school year. Under the community eligibility program, participating schools where at least 40% of children qualify for F&RP lunch will have breakfast available for all students free of cost. This includes any district or school with 40% or more “identified students” or students who are certified for free meals without an application because they are homeless, migrant, enrolled in Head Start, or are in foster care.³⁶ It is important to note that the majority of identified students are directly certified through data matching because their households also receive SNAP or TANF.³⁷ As a result, it is expected that students in about 500 high-poverty schools in the state will be able to access nutritious breakfast and lunch at no cost to them.

Summer Food Service Program (SFSP)

The Summer Food Service Program (SFSP) provides subsidized meals and snacks to children during the summer months at eligible sites throughout the state. All the children who receive subsidized meals during the school year are also eligible to receive comparable nutrition during the summer. A key goal of the Summer Food Service Program is to provide meals to as many children during the summer months as during the school

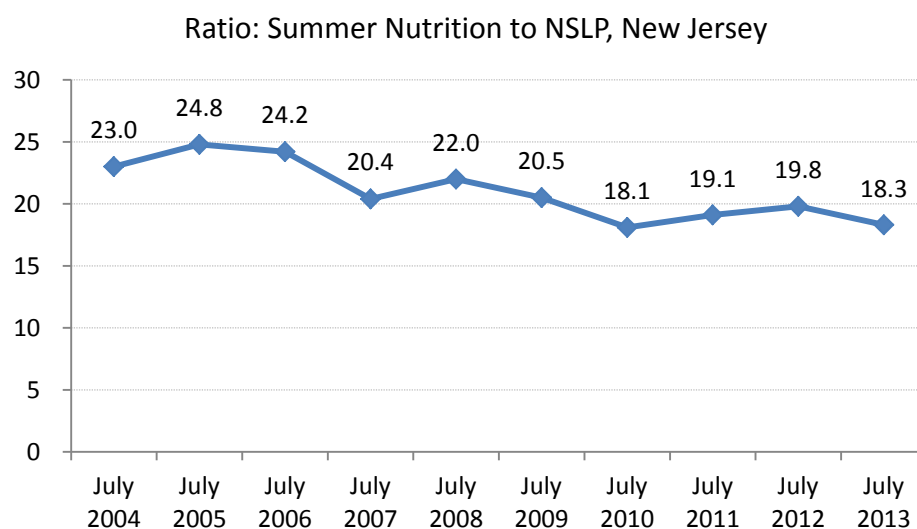
year. Unfortunately, a very small percentage of students from families with low incomes receive nutritious meals during the summer months in New Jersey. In fact, taking care of nutritional needs of children from families with low incomes becomes very challenging during the summer months when school is not in session. During the school year access to children is much easier because they regularly gather in schools every day.

The number of students who were served subsidized summer meals declined in 2013.

In July 2013, the SFSP provided nutrition to about 76,000 students in New Jersey. This is about 5,700 less than the total number of children participating during the previous year (July 2012). It is also more than five times lower than the number receiving subsidized meals through the National School Lunch Program during that year (416,304). In addition, in July 2013, only 18.3 children in the state received summer nutrition for every 100 low-income students who received lunch in the 2012-13 school year. This represents a reduction in numbers served when compared to 19.8 SFSP per 100 NSLP during July 2012.

Both the number of SFSP sponsors and sites decreased in New Jersey in July 2013 compared to July 2012. The number of SFSP sponsors in New Jersey decreased from 98 in July 2012 to 96 in July 2013. The number of sites decreased from 1,076 in July 2012 to 1,038 in July 2013.

Tracking longer-term data, participation in Summer Nutrition was highest in 2005 when 24.8 children in the state received summer nutrition for every 100 low-income students who received F&RP lunch.



Source: Food Research and Action Center

Note: Summer Nutrition includes the SFSP & free- & reduced-price NSLP, including Seamless Summer Option

Housing

As the previous section showed, the high cost of housing makes it out of reach for individuals with low incomes, and many are forced to settle for more unstable options. Many state and federal programs try to assist low-income individuals meet their housing needs, but the demand for assistance exceeds the resources available to close the gap. Once the appropriated resources run out, an otherwise eligible person is not able to get assistance even though he or she qualifies for assistance. Added to the paucity of affordable units is the recent federal sequestration³⁸ that has caused shortage in the availability of vouchers.

The federal government funds a number of different programs to assist individuals with low income. Unfortunately, these programs reach only a fraction of renters needing assistance.

The federal government funds a number of different programs to assist individuals with low incomes. A majority of federal rental assistance falls under three broad programs—Public Housing, Rental Assistance Voucher (or Housing Choice Voucher), and Project-based Section 8 Rental Assistance. Unfortunately, these programs reach only a fraction of renters needing assistance in the state. The three main federal rental assistance programs are described below:

Public Housing:

Public housing was the first major housing assistance program designed to serve individuals with low incomes.³⁹ The Department of Housing and Urban Development (HUD) oversees it at the federal level. At the local level, it is administered by local public housing agencies (PHAs). New Jersey has approximately 100 PHAs, many of them with long waiting lists.⁴⁰ To be eligible for this program, a family's income must not exceed 80% of the area median income (denotes an annual income of \$57,000 for a family of three during FY2014). Additionally, 40% of new families admitted into the program must be extremely low income (ELI), meaning that their incomes must be below 30% of the area median income (an income of \$23,100 for a family of three during FY 2014).⁴¹ Public housing recipients are required to pay no more than 30% of their total income towards rent.

Rental Assistance Voucher (Housing Choice Voucher):

The Housing Choice Voucher Program is federally funded but managed by a network of state and local housing agencies.⁴² The program allows low-income residents to use vouchers to find affordable homes in the private market. The voucher pays the difference between the family's contribution towards rent and the actual rent of the unit.⁴³ A family pays up to 30% of its adjusted income towards rent, although they can chose to pay more.⁴⁴

As in the Public Housing program, to be eligible for this program a family's income must not exceed 80% of the area median income. At least 75% of all vouchers are reserved for those who are extremely low income or have incomes below 30% of the area median income.

Project-based Rental Assistance (Section 8):

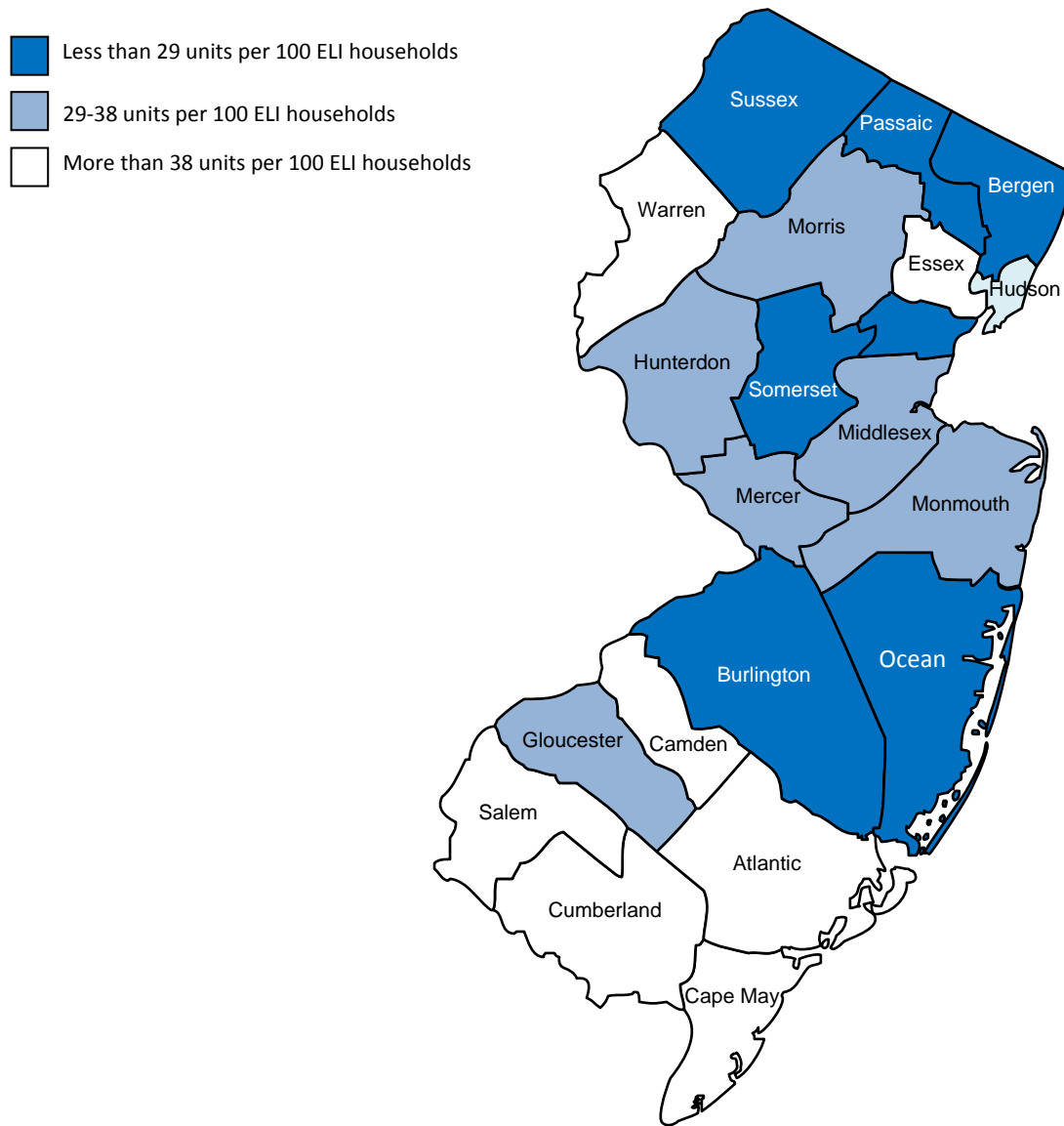
Project-based units refer to privately owned subsidized housing. Under "project-based rental assistance," contracts are entered into with private owners who agree to rent their housing units to eligible low-income residents. The program pays the difference between the tenant's contribution and the actual rent. Tenants are required to pay 30% of their income or a minimum of \$25.⁴⁵ Families are eligible for this assistance if their income is at or below 80% of the area median income, although 40% of units made available each year are reserved for ELIs or those whose incomes are at or below 30% of the area median income.⁴⁶ No new Section 8 project-based vouchers have been issued since the mid-1980s. While existing contracts can be renewed when they expire, not all contracts are renewed. As a result, there has been a net loss of project-based Section 8 vouchers over time.⁴⁷

There is extreme shortage of affordable housing in New Jersey. The deficit of units both affordable and available continues to worsen in the state.

According to a report by the National Low Income Housing Coalition, in 2013, the deficit of units that are both affordable and available to extremely low-income renter households in New Jersey was about 188,974 units.⁴⁸ This increased to 201,286 units in 2014.⁴⁹ Overall, for every 100 ELI renters in the state—those with incomes less than 30% of the area median income (AMI)—there were only 30 units that are both affordable and available, down from 31 units available in 2013. For individuals with very low incomes (VLI)—incomes below 50% of the AMI—only 40 units were both affordable and available in 2014, down from 41 in 2013.

At the county level, less than 25 affordable units were available for every 100 ELI renters in Sussex, Passaic, Bergen, Somerset, and Burlington counties. Between 25 to 34 affordable units were available per 100 ELI renters in Morris, Hunterdon, Hudson, Union, Middlesex, Monmouth, Ocean, and Gloucester counties. More than 34 affordable units were available per 100 ELI renters in Warren, Essex, Mercer, Camden, Cumberland, Cape May, and Salem counties.⁵⁰ The situation has deteriorated since 2013 when less than 28 affordable units were available per 100 ELI renters in Sussex, Bergen, Union, Somerset, Passaic, Ocean, and Burlington counties. Between 29 and 38 units (per 100) were available in Morris, Hudson, Monmouth, Hunterdon, Mercer, and Gloucester counties. Finally, more than 38 affordable units per 100 ELI renters were available in Atlantic, Cumberland, Camden, Essex, and Salem counties.⁵¹

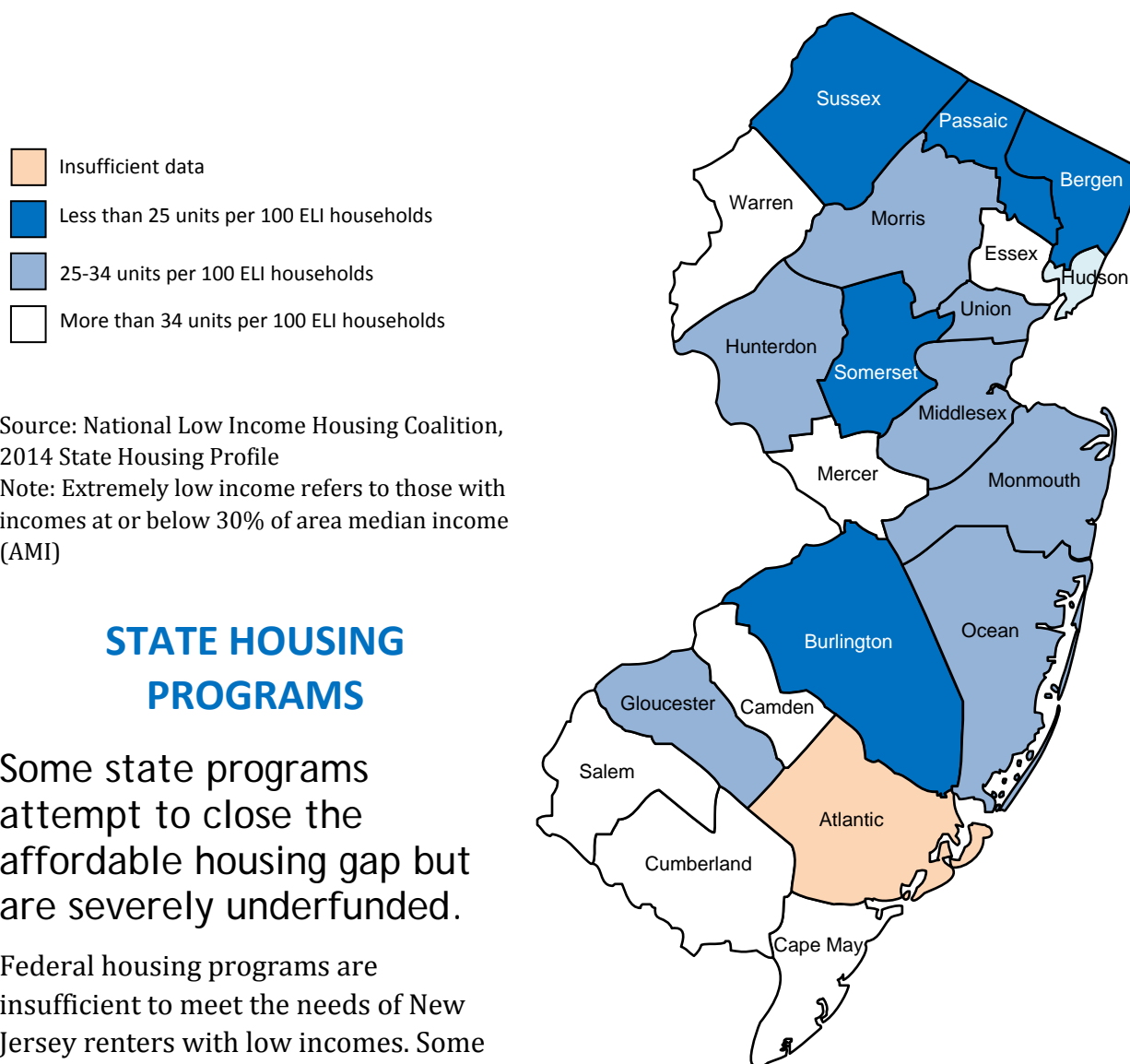
Affordable and Available Housing Units for Extremely Low-Income Renters, 2013



Source: National Low Income Housing Coalition, 2014 State Housing Profile

Note: Extremely low income refers to those with incomes at or below 30% of area median income (AMI)

Affordable and Available Housing Units for Extremely Low-Income Renters, 2014



Source: National Low Income Housing Coalition, 2014 State Housing Profile

Note: Extremely low income refers to those with incomes at or below 30% of area median income (AMI)

STATE HOUSING PROGRAMS

Some state programs attempt to close the affordable housing gap but are severely underfunded.

Federal housing programs are insufficient to meet the needs of New Jersey renters with low incomes. Some state programs attempt to close the affordable housing gap for low-income individuals, but are similarly severely underfunded. Foremost among these programs is the State Rental Assistance Program, or SRAP.

I. State Rental Assistance Program (SRAP)

SRAP was enacted into law in 2004. It is a state funded program, administered by the New Jersey Department of Community Affairs (DCA), and provides rental assistance to individuals with low incomes. SRAP also provides rental assistance to some other groups, such as seniors, homeless families with children, graduates of transitional housing programs, and households currently participating in temporary housing assistance programs and facing homelessness due to termination of funding.

Rental assistance is provided in two categories—tenant-based and project-based. Tenant-based assistance is given without regard to where the applicant is living. It is allocated by “lottery” from the current pool of applicants on the waiting list. Project-based assistance is directed to a specific housing rental project. It is allocated to new or rehabilitated housing for a period of 15 years, and paid when qualified tenants occupy the units.⁵² If the tenant moves out of the project, they lose the right to rental assistance.

SRAP assistance is limited to five years for all participants, except for the elderly or disabled. The total assistance amount is set to a level where the recipient’s portion of the rent does not exceed 30% of his annual household income.⁵³

A large portion of the SRAP assistance is in the form of rental assistance vouchers, and is comparable to the Federal Housing Choice Voucher (formerly known as Section 8 Housing Assistance program). SRAP rental assistance is only available to families who also meet the federal program requirements, but for lack of funding or other reasons are not recipients of Section 8 vouchers. As a result, SRAP assistance is terminated if an individual or family is awarded Section 8 federal rental assistance.

The demand for SRAP far exceeds the available resources and many resident eligible for the program are unable to secure assistance.

Since SRAP is not an entitlement program, not everyone who is eligible actually gets assistance. In fact, the demand for the program far exceeds the resources available. Those who are unable to secure assistance can get themselves placed on a waiting list. However, the waiting list for tenant-based cases has been closed since 2007 and will most likely remain closed in the foreseeable future. While the waiting list for project-based cases is active, only a fraction of those on the list have been able to secure assistance. As of April 2014, there were 301 cases on the waiting list for project-based assistance, an increase from 289 cases in June 2013. The SRAP family caseload declined from 61 to 59 because no new persons are being added to the waiting list for this category. The SRAP homeless category experienced a slight increase from 154 cases in June 2013 to 160 cases in April 2014 (even though the waiting is closed) because a new waiver transferred nine households that were a part of the HCV emergency vouchers (issued as a direct result of Hurricane Sandy and were currently facing homelessness due to termination of funding) to the SRAP homeless waiting list.⁵⁴

	March 2012	June 2103	April 2014
SRAP Family	1,204	61	59
SRAP Homeless	222	154	160
SRAP Elderly	1,578	1,059	1,058
SRAP PBA	333	289	301
Total	3,337	1,563	1,578

Source: New Jersey Department of Community Affairs

II. Mt. Laurel, Fair Housing Act, and COAH

Despite substantial accomplishments with the adoption of the Mount Laurel Doctrine, more efforts are required to ensure that local municipalities provide their “fair share” of affordable housing.

The Mt. Laurel housing program is named after the South Jersey municipality involved in landmark affordable housing litigation, aimed at eliminating systemic process that excluded low-income residents from housing in towns with good schools and good jobs. Previously, through a practice known as “exclusionary zoning,” many low-income residents effectively were excluded from towns.⁵⁵ Two unprecedented New Jersey Supreme Court rulings in Mt. Laurel I (1975) and Mt. Laurel II (1983) ordained that municipal land use regulations that prevent affordable housing opportunities for the poor are unconstitutional. The law now requires New Jersey municipalities to:

- Plan, zone, and take affirmative steps to provide their “fair share” of regional housing for low- and moderate-income residents.
- These opportunities must be realistic, meaning that towns cannot “zone wetlands or an isolated location in an industrial park.”⁵⁶

In response to these decisions, the Fair Housing Act of 1985 created the Council on Affordable Housing (COAH), a state-level entity tasked with monitoring municipalities, and ensuring that they were meeting their “fair share” obligations. Under the new plan, COAH was to provide rules every six years on the number of affordable units each municipality was required to produce. The first round rules, released in 1986, called for the creation of 10,849 low- and moderate-income homes per year statewide. The second round rules released in 1994 called for the creation of 6,465 such homes per year statewide. COAH was supposed to release the third round rules in 1999 but failed to do so for several years. Earlier in May 2014, COAH proposed “new rules with the number of homes needed in each town.”⁵⁷ These rules reduce obligations from first and second round rules by 18,000 affordable units. According to Fair Share Housing Center, these rules state that just 40,000 additional units are needed through 2024, when the state itself has postulated the need for an additional 116,000 affordable homes by 2018. Based on guidelines by the Supreme Court, the state must adopt new rules by November 2014. At this point, it is unclear if the proposed rules will cover the housing needs of low-income New Jerseyans.

III. Programs to Prevent Homelessness

Housing assistance programs exist at two different levels—those addressing permanent housing needs and those that address temporary needs. Permanent housing refers to affordable housing units, which people with low incomes can rent on a permanent basis.

Emergency housing refers to units assisting people with short-term housing needs triggered by circumstances, such as loss of employment, medical situations, etc. In other words, these programs are geared to prevent imminent homelessness.

Two major housing programs are directed at preventing or alleviating homelessness—the Homelessness Prevention Program (HPP) and the Emergency Assistance program (EA). EA is available only to people receiving TANF, GA, or Supplemental Security Income (SSI). HPP is potentially available to people who are working, or receiving unemployment benefits, disability payments, or some other type of income.

a. Homelessness Prevention Program (HPP)

The Homelessness Prevention Program (HPP) is funded by the state and usually administered by a county nonprofit organization, pursuant to contracts with the New Jersey Department of Community Affairs. It is available to homeowners as well as renters. The program provides short-term assistance to individuals who are homeless or in imminent danger of eviction or foreclosure due to temporary financial problems beyond their control, such as unemployment or hospitalization.

For renters who face eviction because they have fallen behind in rent payments, the program offers a chance to keep their housing unit by providing a security deposit and a few months' rent. HPP can pay at least three months of back or future rent and up to six months total, in certain cases. In order to receive assistance, however, applicants must be able to demonstrate that they can pay the full rent after the assistance period is over. To be eligible for assistance, the applicant must meet certain other criteria, such as strict income limits. In addition, applicants must demonstrate that they fell behind on rental payments because of a temporary crisis. Funds are disbursed in the form of grants or loans to landlords and mortgage companies on behalf of eligible households in danger of homelessness.

Low funding of the HPP program means that only limited needy households can be served during any given year.

The HPP program receives a relatively small amount of funding from the state every year. In most years, it does not get nearly enough funding to help more than a limited number of people in need. In FY 2012, the program assisted approximately 1,600 households. Inadequate funding also means that the local offices ration funds to make them last as long as possible. Nevertheless, they are likely to run out of money, particularly in the spring towards the end of the fiscal year.

b. Emergency Assistance (EA)

New Jersey's Emergency Assistance (EA) program provides up to three months' past-due rent or utility payments for an eligible household that falls behind on payments. It can also

provide temporary rental assistance of at least six months with the possibility of additional extensions, depending on the income programs involved. The primary purpose of the program is to prevent or alleviate homelessness and/or maintain necessary utility service.

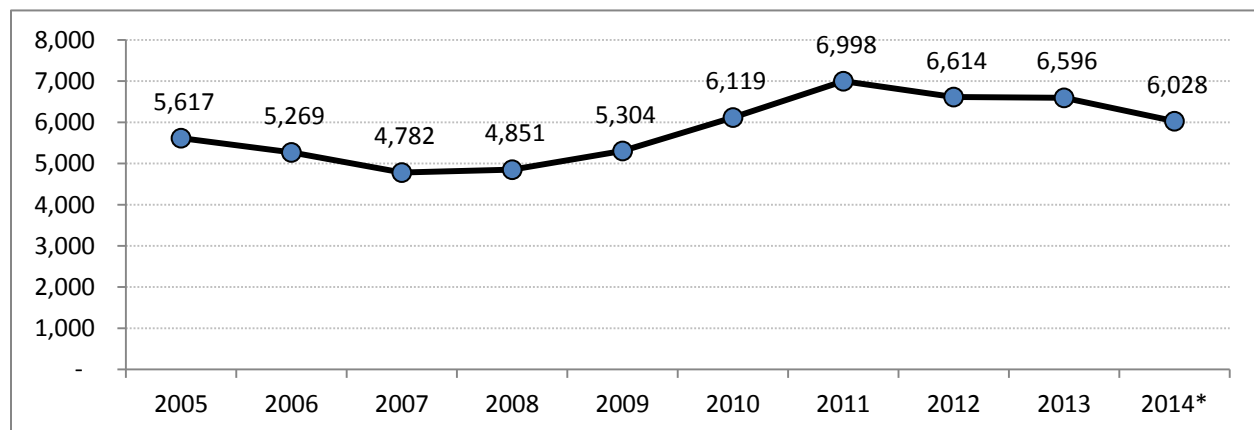
In order to qualify for EA, households must be receiving Supplemental Security Income (SSI) or be enrolled with or eligible for WorkFirst New Jersey (WFNJ). In addition, they must be homeless or be in imminent danger of losing their homes.

The EA program can also provide emergency shelter; security deposits; payments to hotels, motels, or homeless facilities' utility deposits for a new apartment; and an allowance for furniture, if needed. EA payments are ostensibly limited to a period of 12 months over the course of the recipient's lifetime. Under certain hardship conditions, however, extensions can be granted.

The number of families assisted by the EA program decreased by 8.9% between 2013 and now.

In 2012, an average of 6,614 families received EA in New Jersey. This was a decrease of 5.5% from the previous year's caseload of 6,614 families. The caseload continued to decrease after that. In 2013, 6,596 families received EA assistance on average. The 2014 average up to date is 6,028. Between 2013 and now, the number of families assisted by the EA program has declined by 8.9 %, from 6,614 to 6,028 families.

Average Number of Families Receiving Emergency Assistance, 2005-2014*



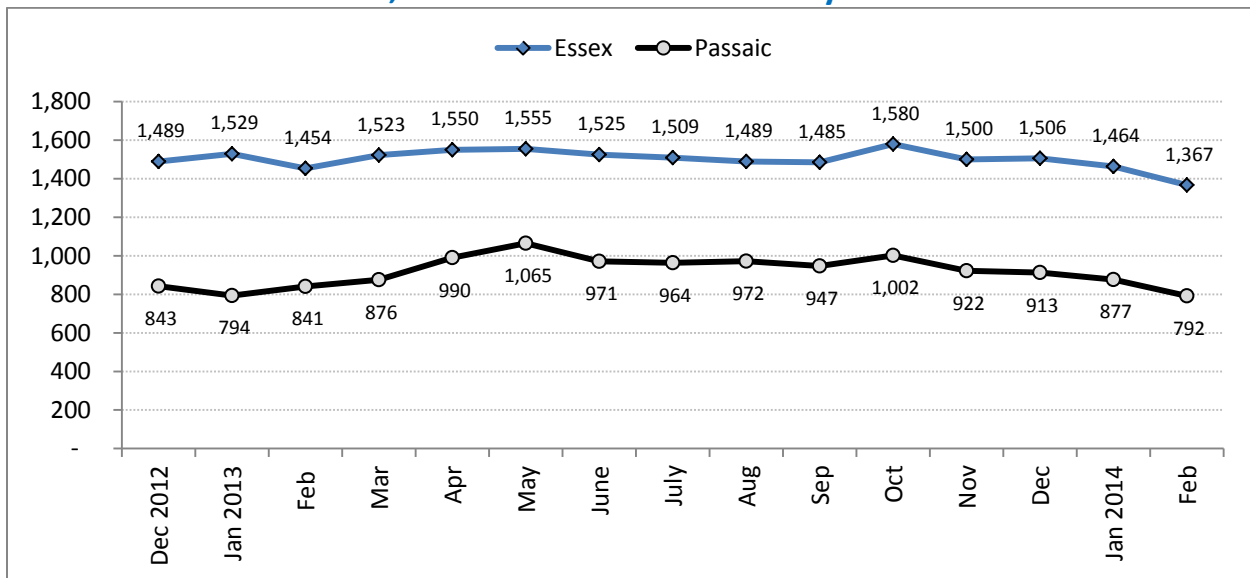
Source: Department of Human Services, Division of Family Development. Program Statistics

*Only the months of January & February 2014 are included in the average for 2014

Essex and Passaic counties continued to have the highest number of EA recipients in the state; Cumberland, Hunterdon, and Salem counties had the lowest number of families receiving EA assistance.

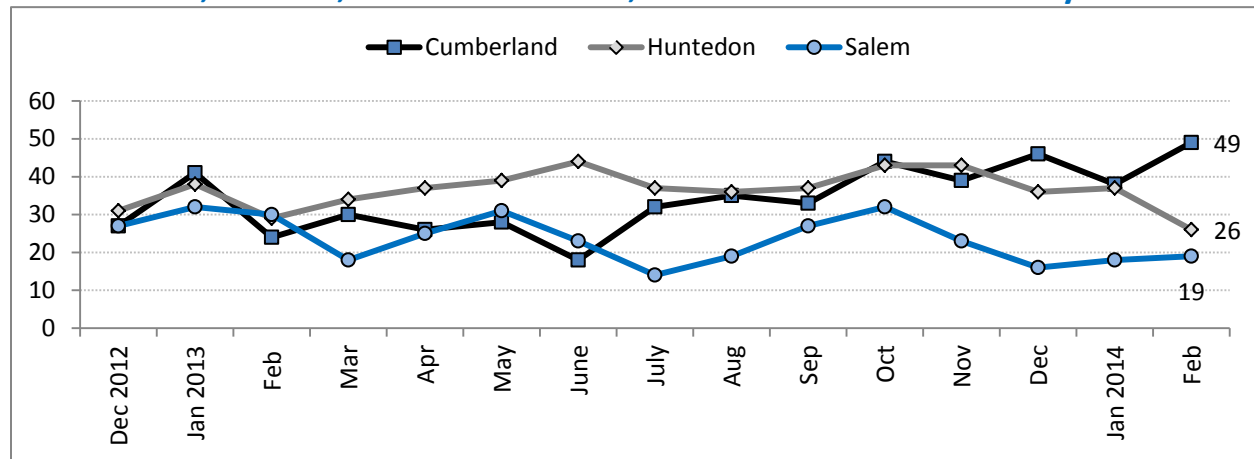
Essex and Passaic counties continued to have the highest number of EA recipients in the state. During February 2014, the EA program assisted 1,367 families in Essex County and 792 families in Passaic County. On the other hand, Cumberland, Hunterdon, and Salem counties have consistently had the lowest number of families receiving EA assistance. During February 2014, only 19 families in Salem County received EA, 26 families in Hunterdon County, and 49 families in Cumberland County.

Number of Eligible Families Receiving Emergency Assistance Payments, Essex & Passaic Counties, December 2012 to February 2014



Source: Department of Human Services, Division of Family Development

Number of Eligible Families Receiving Emergency Assistance Payments, Cumberland, Hudson, & Salem Counties, December 2012 to February 2014



Source: Department of Human Services, Division of Family Development

IV. Hurricane Sandy

New Jerseyans are still reeling under the effects of Hurricane Sandy.

Hurricane Sandy caused extensive housing damage, and many families were either displaced or lost their homes. While more than fifteen months have passed since the storm bore down on the state, many New Jerseyans are still feeling the pain. The damage caused by the storm to the subsidized housing stock in the state has made the housing situation exponentially worse. According to the New Jersey Department of Community Affairs (DCA) the unmet housing need is so vast that the demand far exceeds resources available. The storm damaged a large portion of the subsidized housing stock in the state, including public housing. In fact, nearly all public housing authorities (PHAs) in New Jersey reported roof damage from high winds, and minor to moderate flooding.⁵⁸ According to a DCA report, other subsidized affordable multi-family housing projects were also affected by the storm, including projects funded by Low Income Housing Tax Credit program (LIHTC), bond financed properties, housing financed primarily for older adults or persons with disabilities, and housing for Housing Choice Voucher (HCV) recipients located in the flood plains.⁵⁹ After the storm, it was reported that 2,188 federally-subsidized units in 192 multi-family properties were damaged and that 740 HCV recipient households were displaced.

The state was already experiencing a critical shortage of affordable housing units when the storm hit. Hurricane Sandy further reduced the supply of rental stock. Increased demand because of displacement from existing homes coupled with a limited supply of available units has generated a substantial spike in rents,⁶⁰ further escalating the housing woes of the lowest income residents. As a result of rise in prices and declining incomes, the real cost of vouchers has gone up.⁶¹

Those who owned their homes experienced problems at another level because their needs are not limited to construction-related activities. A report by DCA states that “displaced homeowners are making both mortgage and rent payments on budgets still strained by other unanticipated storm-related expense. As long as homeowners remain displaced, these storm-related expenses will persist, straining household budgets and reducing household disposable income that otherwise might support economic recovery and reconstruction.”⁶²

Healthcare

The Affordable Care Act (ACA) changes public healthcare in New Jersey.

The year 2014 is crucial for healthcare because it is the year of implementation of the Affordable Care Act (ACA), which promises affordable healthcare to all New Jerseyans. While many hitches have haunted the initial process of enrollment, the ACA has the potential to extend coverage to as many as 1.3 million uninsured New Jerseyans, and about 47 million nonelderly uninsured individuals nationally.⁶³ Adults up to age 65 with income up to 138% FPL are now eligible for Medicaid Expansion under ACA. Persons not eligible for Medicaid with income between 100-400% FPL are now eligible for subsidies to buy policies from new health insurance marketplaces. Enrollment for coverage began on October 2013. A new aspect of Medicaid Expansion under ACA is that there is no resource test for enrollment; only income is taken into account. Additionally, financial eligibility for both premium subsidies and most Medicaid programs is now based on Modified Adjusted Gross Income (MAGI), using essentially the same rules as the federal tax return. Using one set of income eligibility rules across programs will make it easier for people to apply for health coverage through one single application. Prior to MAGI implementation, the process for calculating Medicaid eligibility used income deductions known as “disregards” that were not only different in each state but also differed by eligibility group.⁶⁴

Federal Matching and Administration of Healthcare

Under the ACA, states are required to provide all persons (under 65) with incomes below 133% FPL with Medicaid (the “Medicaid expansion”). A subsequent ruling by the Supreme Court, however, made state participation in the Medicaid expansion voluntary. New Jersey is one of 26 states that decided to adopt Medicaid expansion in 2014. For the years 2014-16, 100% of the cost for providing subsidized healthcare will be borne by the federal government. From 2017, the federal government will bear 95% of the total cost, which will be gradually reduced to 90% in 2020. It is significant to note that the federal government bears costs only for enrollees newly eligible because of the Medicaid expansion. For enrollees under previous programs, the federal government covers 50% of costs for Medicaid and 65% for CHIP. According to the Congressional Budget Office, states will spend only 1.6% more on Medicaid and CHIP due to health reform than they would have spent without the reform. This figure does not include the significant savings that Medicaid expansion will produce.⁶⁵

Mandated and Optional Provisions in the Healthcare Law

Even though the majority of the cost for Medicaid expansion is going to be borne by the federal government, many states have decided not to participate in the expansion. While state participation in the program is voluntary, it is important to note that the Supreme Court upheld the constitutionality of the “individual mandate” which means that all individuals (with limited exceptions) are required to have some form of health insurance or pay a tax penalty. Besides deciding whether to adopt Medicaid expansion, states are also required to make a decision on whether to create a state-run marketplace or adopt the federally-facilitated marketplace for enrolling potential beneficiaries. New Jersey decided to participate in the federally-facilitated Marketplace. In all, about 27 states participate in a federally-facilitated Marketplace, 17 in state-based Marketplace and another seven operate some sort of partnership between the two. The year 2014 also marks the rebranding of New Jersey’s public healthcare program—all parts of Medicaid and CHIP, including Medicaid expansion, are now covered under the broad umbrella of New Jersey FamilyCare.

Changes in NJ-subsidized healthcare before and after the implementation of the ACA:

	PRE-ACA	POST- ACA
*Adults (19-64 years)	Adults without dependent children only covered if they qualify for General Assistance (23% FPL). Parents only covered up to 29% FPL for parents with “unearned income” (income that is not from active employment such as unemployment insurance, child support, Social Security Disability). Parents with income from work were grandfathered up to 133% FPL, but any change in income could result in being cut off from the program.	All adults Covered up to 138% of poverty under Medicaid expansion.
Seniors (65 years & over)	Covered up to 100% FPL	Covered up to 100% of poverty. However, permanent residents who have spent less than five years in the country are not eligible for Medicaid.
Children	Covered up to 100 or 133% FPL under Medicaid (depending on age), and 350% FPL under CHIP	Covered up to 147% FPL under Medicaid expansion, and 350% FPL under CHIP.
*Individuals with Income between 100-400% FPL (not eligible for Medicaid, CHIP, Medicare, or employer coverage):	Not covered	Under Medicaid expansion, adults with incomes between 100-400% FPL can purchase subsidized health insurance from the new Marketplace (premium subsidies and reduced cost-sharing).
Pregnant Women	Covered up to 200% FPL	Covered up to 200% FPL
Aged, blind, disabled, or long-term care	Dependent on degree of disability, covers individuals with limited resources at income levels ranging from 100-250% FPL	SAME

*coverage was expanded for these groups

With the implementation of the ACA, subsidized healthcare coverage will be extended to many uninsured New Jerseyans.

In October 2013, the process of providing healthcare coverage to many more individuals began in the state. With the implementation of ACA in January 2014, subsidized healthcare coverage includes not only children and pregnant women, but many more parents and caretaker relatives, single adults, and childless couples. Additionally, coverage has been expanded to include individuals with incomes up to 400% FPL.

Specifically, individuals (19-64 years) with income up to 133% FPL (138% if there is any earned income, for which a 5% disregard is applicable) can receive healthcare through Medicaid expansion. They are not required to share costs in the form of premiums or copayments. Previously parents were covered up to 29% FPL if they had “unearned income” or income that was not from work such as unemployment insurance and child support. For those with earned income or income through active employment, the threshold was higher at 133% FPL.

Under ACA, adults with incomes between 100-400% FPL who are not eligible for Medicaid, CHIP, Medicare, or employer coverage can purchase subsidized coverage from the new health care Marketplace, also known as the Exchange. Once they purchase coverage, they become eligible for premium tax credits. The amount of tax credits is based on an individual’s income, and is only available to those who are citizens or lawfully present immigrants. Those with income above 400% FPL can purchase unsubsidized insurance from the Marketplace.⁶⁶

The following table summarizes the groups that experienced an expansion in coverage and those for which there was no change post-ACA.

HEALTH INSURANCE COVERAGE

EXPANSION

1. Parents/Caretaker Relatives
2. Adults (19-64) without dependent children

NO CHANGE

- | | |
|---|---|
| 1. Pregnant women | No change: covered with incomes up to 200% FPL |
| 2. Aged, blind, or disabled or long-term care | No change: covers individuals up to 100%, 224%, or 250% FPL depending on degree of disability & ability to work |
| 3. Children | No change: covers children with incomes up to 350% FPL |

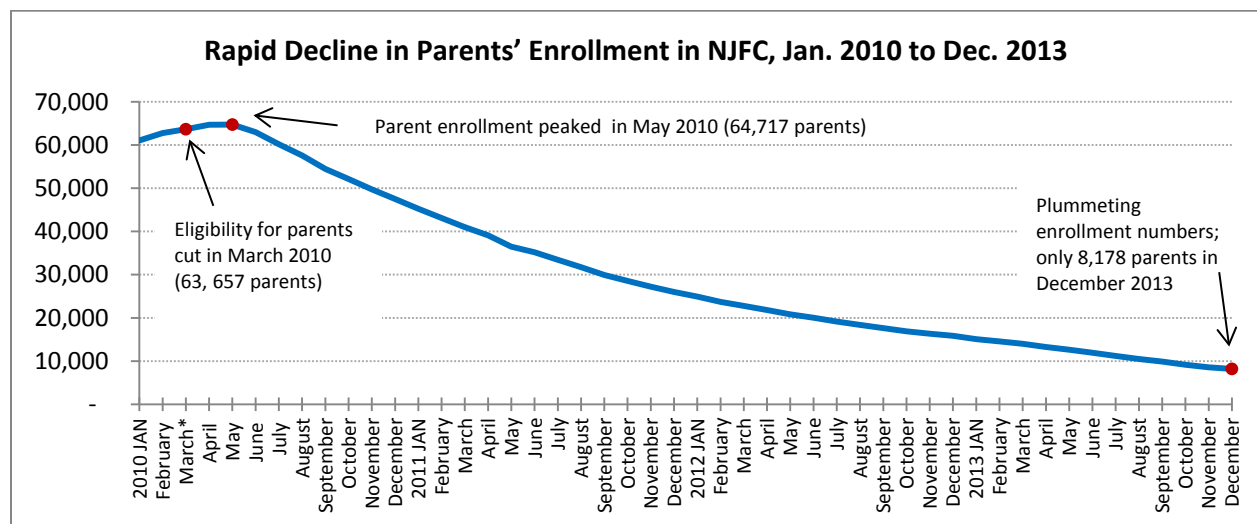
Many individuals with subsidized coverage are not required to share costs in the form of premiums, copayments, or deductibles under the ACA.

For adults up to 138% FPL, there are no premiums or copays required. Children up to 150% FPL also do not have any premiums or copays. While premiums are also not required

for children with incomes between 150-200% FPL, they are required to share the cost in the form of copays that range \$5-\$10.

The ACA implementation in New Jersey was well-timed; since March 2010 parent enrollment in New Jersey’s public healthcare program had plummeted because of a 2010 cut in eligibility, reaching an all-time low in December 2013. With the implementation of the ACA in January 2014, there has been a huge increase in enrollment, particularly among adults.

In March 2010, parents’ eligibility under NJFC was reduced from 200% FPL to 29% FPL for parents with “unearned income” [unearned income denotes income that is not from active employment such as unemployment insurance or child support]. For parents who received income from work, eligibility was reduced to 133% FPL. For these parents, the total income that was earned and unearned (income not from work such as child support) could not exceed 133% FPL income for them to be eligible for state-sponsored healthcare. While those that were covered prior to the change in eligibility were “grandfathered” under the plan, meaning that they continued to be covered even though they no longer qualified under the new criteria, any subsequent change in income often resulted in them being cut off from the program. As a result, parents’ enrollment in NJFC declined by 87.4% between March 2010 and December 2013—from 63,657 to only 8,178 parents in December 2013.



Source: New Jersey Division of Medical Assistance and Health Services

While the healthcare safety net for parents shriveled with the cut in eligibility in 2010, the implementation of ACA has vastly improved access to affordable care in the state. Since the full implementation of the ACA in January 2014, adult enrollment has increased by 58.9%. A total of 325,746 adults were enrolled in January 2014. This increased to 517,507 adults in July 2014; of these, 194,019 were parents. It is significant to note that only 8,178 parents were enrolled in December 2013.

New Jersey Adult FamilyCare Enrollment, January to July 2014

	Jan	Feb	Mar	April	May	June	July
Traditional Medicaid	93,883	94,043	94,511	95,841	96,053	96,219	98,611
Alternate Benefit Plan Parent up to 133% FPL	156,988	163,926	167,799	175,619	180,792	189,919	194,019
Alternate Benefit Plan Adult up to 133% FPL	74,875	99,469	108,821	142,769	175,309	210,232	224,877
Total	325,746	357,438	371,131	414,229	452,154	496,370	517,507

Source: New Jersey Division of Medical Assistance and Health Services

Besides improved access to healthcare, the ACA also promises improved quality of care.

The NJ FamilyCare expansion under the new federal law requires that adults below 65 years with incomes below 138% FPL or what is called the “expansion population or the newly eligible” receive an Alternate Benefit Plan (ABP). While federal guidelines provide a framework on what must be included in ABP, states are allowed to make it more comprehensive than what is required. New Jersey has chosen to offer a very comprehensive plan that includes 10 Essential Health Benefits (EHB), all original Medicaid benefits, and additional mental health and substance abuse services. New Jersey is also considering increasing the original Medicaid benefit plan (Plan A) so that it aligns with and is as comprehensive as ABP.

While implementation of ACA is a step in the right direction, key issues remain.

Although the implementation of the ACA is a step in the right direction, questions remain about the effectiveness of the new law. Regarding health benefits, it remains to be seen if the network of doctors will be adequate. Additionally, the issue of low reimbursements continues to persist. For individuals who do not qualify for subsidized care, it remains to be seen whether they will be able to afford premiums in the Marketplace. Finally, legal immigrants face a long waiting period before they can qualify for Medicaid. Such individuals, when over 65 years, face not only a resource test (unseen for other groups) but also are covered only up to 100% FPL (for other groups, it is 138% FPL).

Endnotes

1. Because of the small size of the populations of Cumberland and Salem counties, the Census combines the data for the two counties in their PUMS publications.
2. Inconsistency in unemployment numbers from one Benchmarks Report to another is the result of changes made the Bureau of Labor Statistics and the Census. At the beginning of each calendar year, numbers are benchmarked and adjustments made to previously published numbers.
3. The official unemployment rate includes all jobless persons who are available to take a job and have actively sought work in the past four weeks.
4. Discouraged workers are not in the labor force but want and are available for work and looked for a job sometime during the prior 12 months but not in the prior four weeks because they believed there were no jobs available for them. Marginally attached workers are similar to discouraged workers but cited any other reason for not looking for work during the prior four weeks. Part-time or involuntary part-time, workers are those working less than 35 hours a week but want full-time work, are available to work full-time, and gave an economic reason for not working full-time.
5. *Bureau of Labor Statistics News Release New York-New Jersey Information Office*, April 9, 2014.
6. *When Unionization Disappears: State-Level Unionization and Working Poverty in the United States*, David Brady, Regina S, Baker and Ryan Finnigan, *American Sociological Review* 2013, 78: 872-896.
7. National Low Income Housing Coalition, *Out of Reach Report*, 2014
8. <http://www.njeitc.org/>
9. "How much would a State Earned Income Tax Credit Cost in Fiscal Year 2015?" by Erica Williams & Michael Leachman. Center for Budget & Policy Priorities, December 2013
10. "Various Supports for Low-income Families Reduce Poverty and Have Long-Term Positive Effects on Families and Children" by Arloc Sherman, Danilo Trisi, and Sharon Parrot. July 2013
11. EITC Participation Rates by State. Available at www.eitc.irs.gov/EITC-Central/Participation-Rate. retrieved from the web on 3/7/14
12. New Jersey Fact Sheet: Tax Credits Promote Work and Fight Poverty by Center for Budget & Policy Priorities
13. "Introduction to Unemployment Insurance" by Chad Stone and William Chen, Center on Budget & Policy Priorities (February 2013)
14. New Jersey Department of Labor
15. "Introduction to Unemployment Insurance" by Chad Stone and William Chen, Center on Budget & Policy Priorities (February 2013)
16. CBPP, "Introduction to Unemployment Insurance" by Chad Stone and William Chen (February 6, 2013)
17. "Unemployment Insurance: Programs and Benefits" by Julie M. Whittaker & Katelin P. Issacs (September 19, 2012)
18. CBPP, "Introduction to Unemployment Insurance" by Chad Stone and William Chen (February 6, 2013)
19. "How many weeks of unemployment compensation are available?", Center on Budget & Policy priorities (December 2013)
20. National Employment Law Project's Analysis of Department of Labor Data
21. "Failure to Extend Emergency Unemployment benefits Will Hurt Jobless Workers in Every State: Nearly Five Million Expected to Lose Out on benefits in Next 12 Months" by Chad Stone, Center on Budget & Policy Priorities (December 11, 2013)

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22. <http://lwd.dol.state.nj.us/labor/forms-pdf/tdi/wpr-119.pdf>
- 23 New Jersey Department of Labor & Workforce Development
- 24 Both provide time off from work due to an employee's own disability.
- 25 <http://www.ncsl.org/research/human-services/federal-update-supplemental-nutrition-assistance-program-snap-fiscal-year-2014-cost-of-living-adjustments-cola-and-arra-sunset-impact-on-allotments.aspx>
- 26 "SNAP Benefits will be Cut for Nearly All Participants in November 2013" by Stacy Dean & Dorothy Rosenbaum, Center for Budget & Policy Priorities (August 2013)
- 27 "SNAP Benefits will be Cut for Nearly All Participants in November 2013" by Stacy Dean & Dorothy Rosenbaum, Center for Budget & Policy Priorities (August 2013)
- 28 "SNAP Benefits will be Cut for Nearly All Participants in November 2013" by Stacy Dean & Dorothy Rosenbaum, Center for Budget & Policy Priorities (August 2013)
- 29 In order to check income eligibility, SNAP does not use gross income but net income or disposable income. This is income after paying for all essential items, including housing and utilities. . As a result, payments made for housing or utilities is deducted from the gross income and then matched against existing eligibility thresholds. To make it even simpler, another provision was added by the Congress. It added the SUA provision, under which any household that was receiving utility assistance through LIHEAP was assumed to be incurring utility costs.
- 30 "Heat and Eat" and SNAP Changes in the 2014 Farm Bill (Agriculture Act of 2014 P.L. 113-79) by Tadeo Melean, National Conference of State Legislatures (April 16, 2014)
- 31 "The Next Farm Bill: Changing the Treatment of LIHEAP Receipt in the Calculation of SNAP Benefits" by Randy Alison Aussenberg. Congressional Research Service (May 13, 2013)
- 32 "States Resist Food Stamp Cuts" by Jake Grovum, The Pew Charitable Trusts, (March 2014)
- 33 Food Research & Action Center, School Breakfast Scorecard: 2012-2013 School Year
- 34 Food Research & Action Center, School Breakfast Scorecard: 2012-2013 School Year
- 35 Food Research & Action Center, School Breakfast Scorecard: 2012-2013 School Year
- 36 Food Research & Action Center, School Breakfast Scorecard: 2012-2013 School Year
- 37 Food Research & Action Center, School Breakfast Scorecard: 2012-2013 School Year
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- 40 New Jersey Department of Community Affairs, Guide to Affordable Housing in New Jersey
- 41 "Introduction to Public Housing" by Center on Budget & Policy Priorities
- 42 "The Housing Choice Voucher Program" by Center on Budget and Policy Priorities
- 43 Ways and Means Committee, Green Book
- 44 Ways and Means Committee, Green Book
- 45 "Section 8 Project-based Rental Assistance" by Center on Budget and Policies Priorities. (January 2013)
- 46 Ways and Means Committee, Green Book
- 47 Ways and Means Committee, Green Book
- 48 National Low Income Housing Coalition, State Housing Profile (updated 7/26/12)
- 49 National Low Income Housing Coalition, 2014 State Housing profile
- 50 2014 State Housing Profile, National Low Income Housing Coalition
- 51 2013 State Housing Profile, National Low Income Housing Coalition
- 52 Department of community Affairs Response to Office of Legislative Services Analysis, Fiscal Year 2010-11

⁵³It is important to note that some portion of the household income can be deducted before the 30 percent is calculated. The deducted amount usually falls in the following categories – deduction for elderly or disabled head of household, deduction for each household member who is under 18 years, and deduction for the estimated cost of tenant-paid utilities (which is based on the DCA utility schedule chart).

⁵⁴Information extracted through an email from the New Jersey Department of Community Affairs, dated June 16th, 2014

⁵⁵Mount Laurel Doctrine, Fair Share Housing Centre

⁵⁶ Mount Laurel Doctrine, Fair Share Housing Center

⁵⁷ Fair Share Housing Center

⁵⁸ New Jersey Department of Community Affairs, Superstorm Sandy Community Development Block Grant – Disaster Recovery. Action Plan Amendment Number 7 (March 25, 2014)

⁵⁹ New Jersey Department of Community Affairs, Superstorm Sandy Community Development Block Grant – Disaster Recovery. Action Plan Amendment Number 7 (March 25, 2014)

⁶⁰ New Jersey Department of Community Affairs, Community Development Block Grant Disaster recovery Action Plan. For CDBG-DR Disaster Recovery Funds, Disaster Relief Appropriations Act of 2013 (Public Law 113-2, January 29, 2013)

⁶¹ Voucher recipients are required to pay no more than 30 percent of their income towards housing costs. If their incomes decline and rents go up, the cost of vouchers go up and the state has to pay a larger share.

⁶² Voucher recipients are required to pay no more than 30 percent of their income towards housing costs. If their incomes decline and rents go up, the cost of vouchers go up and the state has to pay a larger share.

⁶³ Kaiser Family Foundation, “How will the Uninsured in New Jersey Fare under the Affordable Care Act?” (Jan 2014)

⁶⁴ MAGI: Medicaid and CHIP’s New Eligibility Standards, Center for Medicaid and CHIP Services, Department of Health and Human Services.

⁶⁵ “CBO Finds Health Reform’s Medicaid Expansion is an Even better Deal for States” by Edwin Park, Center on Budget and Policy Priorities (April 2014)

⁶⁶ “How will the Uninsured in New Jersey Fare under the Affordable Care Act?” Kaiser Family Foundation (Jan 2011)