This report shows that New Jersey went into the coronavirus pandemic in dire fiscal health, and it will probably come out of the crisis even worse. Based upon the state’s latest audited financial report, which is dated before the crisis began, New Jersey had a Taxpayer Burden™ of $57,900, earning it an “F” grade from Truth in Accounting.

New Jersey’s elected officials have made repeated financial decisions that left the state with a debt burden of $189.6 billion. That burden equates to $57,900 for every state taxpayer. New Jersey’s financial problems stem mostly from unfunded retirement obligations that have accumulated over the years. Of the $225.6 billion in retirement benefits promised, the state has not funded $95.7 billion in pension and $76.8 billion in retiree health care benefits.

New Jersey did not have enough money set aside to weather the current pandemic and fluctuations in the market. According to rough estimates by Truth in Accounting, New Jersey is projected to lose $14 billion in revenue as a result of this crisis. The uncertainty surrounding this crisis makes it impossible to determine how much will be needed to maintain government services and benefits, but New Jersey’s overall debt will most likely increase.

The data included in this report is derived from the state of New Jersey’s 2019 audited Comprehensive Annual Financial Report and retirement plans’ reports. To compare states’ financial information go to Data-Z.org.