



**THE TRUTH**

Money Needed to Pay Bills

- \$185.2 billion

Taxpayer Burden™

- \$58,300

Financial Grade

F

Ranking

49 out of 50

**New Jersey Ranked Second-To-Last For Its Fiscal Health**



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**Financial State of New Jersey**

Despite receiving support from COVID relief grants and other federal programs, New Jersey’s overall financial condition did not improve during the onset of the pandemic. Based upon the state’s fiscal year 2020 audited financial report, New Jersey had a Taxpayer Burden™ of \$58,300, earning it an “F” grade from Truth in Accounting.

New Jersey’s elected officials have repeatedly made financial decisions that left the state with a debt burden of \$185.2 billion. That burden came to \$58,300 for every state taxpayer. New Jersey’s financial problems stem mostly from unfunded retirement obligations that have over the years. The state had only set aside 34 cents for every dollar of promised pension benefits and has set aside no money for promised retiree health care benefits.

New Jersey did not have enough money set aside to weather the pandemic and the state has been in dire fiscal shape for years. Like all other states, New Jersey received federal assistance from the CARES Act and other COVID-19 related grants which came with stipulations on how the money could be spent. The state has not been properly funding its pension and retiree health care promises for years which has led to its financial condition continuing to deteriorate.

The data included in this report is derived from the state of New Jersey’s 2020 audited Annual Comprehensive Financial Report and retirement plans’ reports. To compare states’ financial information go to Data-Z.org.

**New Jersey’s Financial Breakdown**

**Fast Facts**

- New Jersey had \$31.7 billion available to pay \$216.9 billion worth of bills.
- The outcome was a \$185.2 billion shortfall, which breaks down to a burden of \$58,300 per taxpayer.
- New Jersey ranked dead-last for its fiscal health over the last six years but moved up in the rankings this year because Connecticut’s fiscal health deteriorated further during the onset of the pandemic.

**THE STATE’S BILLS EXCEEDED ITS ASSETS**

|                                       |                    |
|---------------------------------------|--------------------|
| Total assets                          | \$108,362,162,000  |
| Minus: Capital assets                 | -\$59,254,661,000  |
| Restricted assets                     | -\$17,418,607,000  |
| Assets available to pay bills         | \$31,688,894,000   |
| Minus: Total bills                    | -\$216,898,678,000 |
| Money available (needed) to pay bills | -\$185,209,784,000 |
| Each taxpayer’s share of this debt    | -\$58,300          |

**BILLS THE STATE ACCUMULATED**

|                                       |                   |
|---------------------------------------|-------------------|
| Bonds                                 | \$61,286,571,000  |
| Other liabilities                     | \$24,425,541,000  |
| Minus: Debt related to capital assets | -\$38,442,016,000 |
| Unfunded pension benefits             | \$100,254,201,000 |
| Unfunded retiree health care benefits | \$69,374,381,000  |
| Total bills                           | \$216,898,678,000 |

**Grade:**

**F**

Bottom line: New Jersey would need \$58,300 from each of its taxpayers to pay all of its bills, so it received an “F” for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden greater than \$20,000 receives an “F” grade.

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