

THE TWO NEW JERSEYS **BY THE NUMBERS**

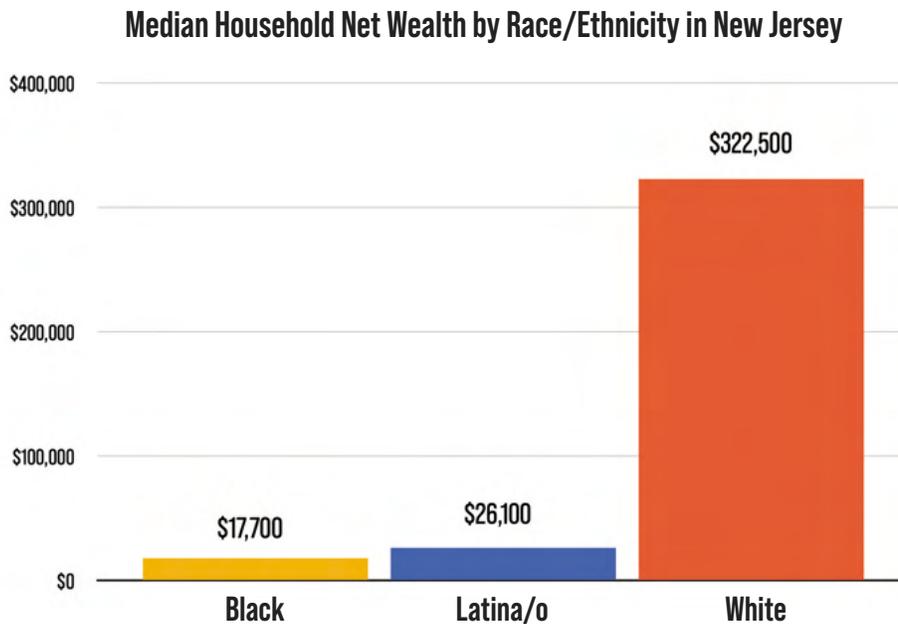
RACIAL WEALTH DISPARITIES IN THE GARDEN STATE



THE STAGGERING RACIAL WEALTH GAP IN NEW JERSEY

New Jersey has one of the highest racial wealth gaps in the country – a staggering \$300,000 – which is almost twice that of the national racial wealth gap. The median household wealth of white families in New Jersey is \$322,500, compared with just \$17,700 and \$26,100 for Black and Latina/o families. Families with wealth can invest in their futures and protect against setbacks, while those with limited wealth face long-term insecurity. The racial wealth gap in our state, which is a modern-day manifestation of generations of structural racism embedded in our policies, must be combatted through proactive investments and policy reforms. In order for the vast opportunities and prosperity of the state to be shared by all, policymakers must make closing the racial wealth gap a priority.

New Jersey’s Staggering Racial Wealth Gap Among Households



Source: New Jersey Institute for Social Justice (“Institute”) analysis of 2018 Survey of Income and Program Participation (SIPP).¹ Data represents December 2017.

New Jersey Median Net Wealth for Individuals



Source: Institute analysis of 2018 Survey of Income and Program Participation (SIPP).

Percentage of Households with Zero or Negative Net Wealth



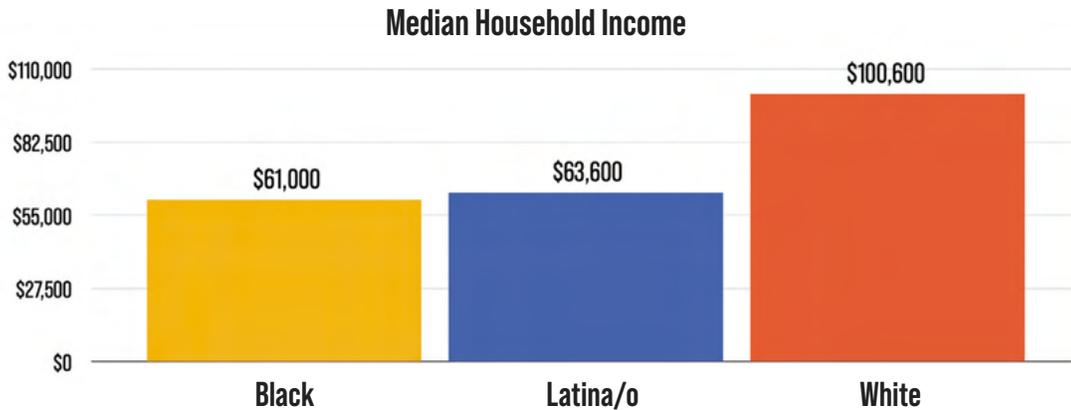
Source: Institute analysis of 2018 Survey of Income and Program Participation (SIPP).

¹ Institute analysis of 2018 Survey of Income and Program Participation (SIPP), Wave 1 representing Dec. 2017. For more information on the Institute’s SIPP analyses cited throughout this data brief, see Endnote 39 of the Institute’s [Making the Two New Jerseys One](#) report (2022).

FAMILIES OF COLOR IN NEW JERSEY STRUGGLE TO MAKE ENDS MEET

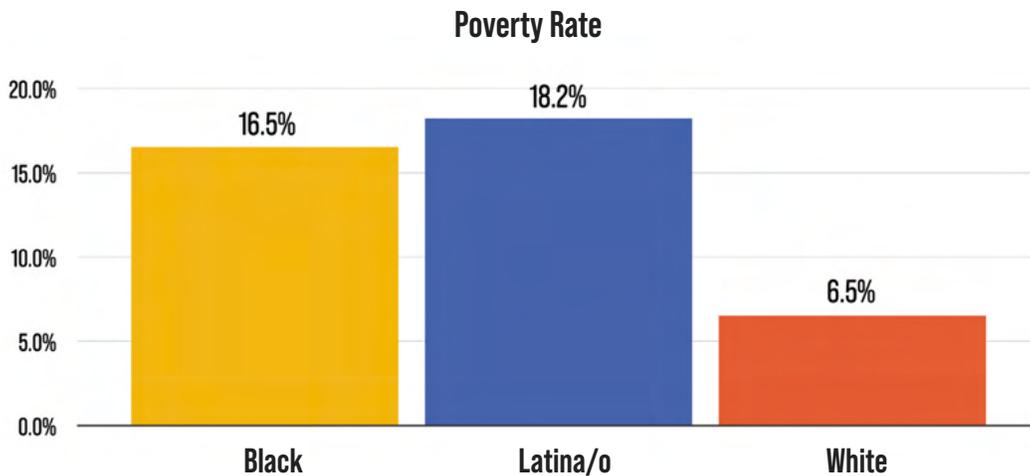
Wealth is crucial for long-term security, while income helps families meet everyday needs. In New Jersey, the median income for Black and Latina/o households is less than two-thirds of that for white households and Black and Latina/o people are much more likely to face poverty. About one in six Black New Jerseyans were living below the poverty level in 2021, as were almost one in five Latina/o New Jerseyans. With lower incomes, few financial reserves and more limited access to banking services, the pandemic has been a powerful economic shock from which many Black and Latina/o New Jerseyans are still recovering. In order for everyone in our state to thrive, we must ensure that all families in New Jersey have the resources they need to make ends meet today and to build security for tomorrow.

Black & Latina/o Household Income Two-Thirds That of White Households



Source: American Community Survey (ACS) 2021 1-Year Estimates.²

Poverty is Widespread in New Jersey's Communities of Color



Source: American Community Survey (ACS) 2021 1-Year Estimates among residents in the state.³

One in Five Black and Latina/Latino New Jerseyans Do Not Have a Banking Account



Source: Institute analysis of 2018 Survey of Income and Program Participation (SIPP). Analysis at individual level.

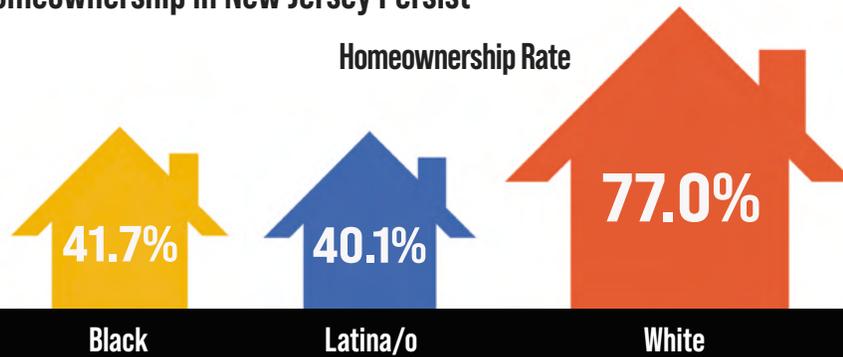
² U.S. Census Bureau. *Table S1903: Median Income in the Past 12 Months, 2021: ACS 1-Year Estimates Detailed Tables, New Jersey*, [S1903: MEDIAN INCOME IN THE PAST 12 ... - Census Bureau Table](#), (last visited February 6, 2023).

³ U.S. Census Bureau. *Table S1702: Poverty Status in the Past 12 Months, 2021: ACS 1-Year Estimates Detailed Tables, New Jersey*, [S1701: POVERTY STATUS IN THE PAST ... - Census Bureau Table](#), (last visited February 6, 2023).

Unequal Access to the Building Blocks of Wealth

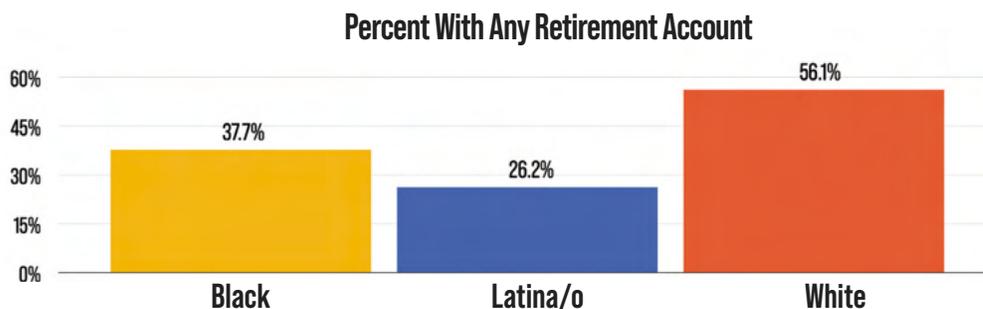
For families to be able to build wealth, they must have access to its key building blocks, such as homeownership opportunities, stable incomes and retirement security. However, access is not enough; policy must equalize the playing field so that race, ethnicity and zip code do not determine the financial benefits of household assets. The data here highlight that enormous racial disparities exist in who owns a home and who has access to retirement benefits at work in New Jersey. In addition, Black New Jerseyans are particularly likely to hold student debt with one in four Black residents ages 15 and above holding student loan debt, limiting their capacity to build wealth. Policymakers should think proactively and creatively about ways to both close the disparities in access to the building blocks of wealth and also combat barriers to asset growth for families of color such as discrimination in lending, segregation and divestment in higher education and other public resources.

Disparities in Homeownership in New Jersey Persist



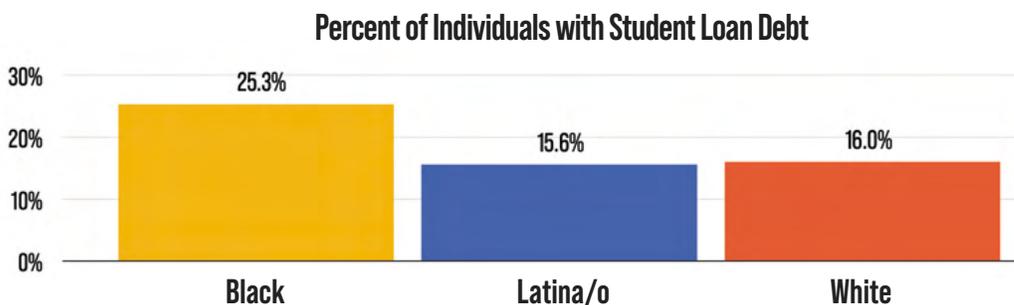
Source: American Community Survey (ACS) 2021 1-Year Estimates. Percent of Occupied Housing Units that are Owner Occupied.⁴

Increased Retirement Savings Are Urgently Needed For New Jersey Black and Latina/o Residents



Source: Institute analysis of SIPP 2018, Wave 1. Analysis at individual level among residents ages 15+.⁵

Student Loans Are a Major Barrier to Wealth-Building for Black New Jerseyans



Source: Institute analysis of SIPP 2018, Wave 1. Analysis at individual level among residents ages 15+.

⁴ U.S. Census Bureau. *Table B25003H: Tenure (White Alone, Not Hispanic or Latino Householder), 2021: ACS 1-Year Estimates Detailed Tables, New Jersey*, [B25003H: TENURE \(WHITE ALONE, NOT ... - Census Bureau Table](#); U.S. Census Bureau, *Table B25003B: Tenure (Black or African American Alone Householder), 2021: ACS 1-Year Estimates Detailed Tables, New Jersey*, [B25003B: TENURE \(BLACK OR AFRICAN ... - Census Bureau Table](#); U.S. Census Bureau, *Table B25003I: Tenure (Hispanic or Latino Householder), 2021: ACS 1-Year Estimates Detailed Tables, New Jersey*, [B25003I: TENURE \(HISPANIC OR ... - Census Bureau Table](#), (last visited February 6, 2023).

⁵ Percentage includes people ages 15+ who hold any type of workplace-based retirement account, including 401k, 403b, 503b, and/or a Thrift Savings Plan account, people who participate in a defined-benefit (traditional) pension or cash balance plan, and people who hold an IRA or KEOGH account.