

State policies that promote the economic security of our nation’s families can help offset larger economic and social conditions that make it difficult for families to get by and get ahead. This four-part profile provides data on New Jersey’s low-income children and families and highlights state policy choices regarding families’ work attachment and advancement, income adequacy, and asset development.

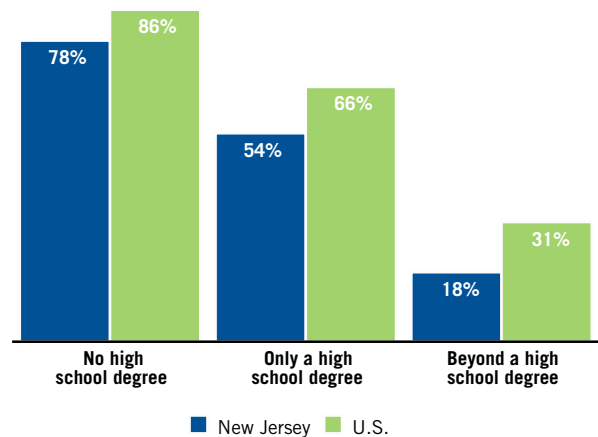
In New Jersey, there are 1,100,778 families, with 2,008,374 children. Among these children, 30 percent live in families that are low-income, defined as income below twice the federal poverty level (nationally, 45 percent of children live in low-income families). Young children are particularly likely to live in low-income families.

Low wages and a lack of higher education contribute to families having insufficient incomes. Nationally, 48 percent of low-income children have at least one parent who works full-time, year-round; in New Jersey, the figure is 45 percent.

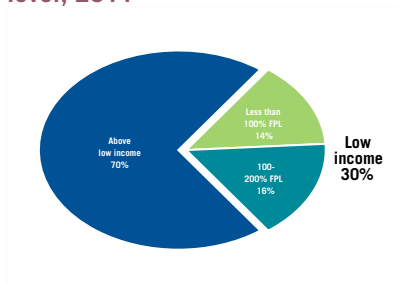
Parents without a college education often struggle to earn enough to support a family, but only 33 percent of adults in New Jersey have a bachelor’s degree. A substantial portion of children in New Jersey whose parents only have a high school diploma--54 percent--are low income.

Children of foreign-born parents are also more likely to be low income than children of native-born parents.

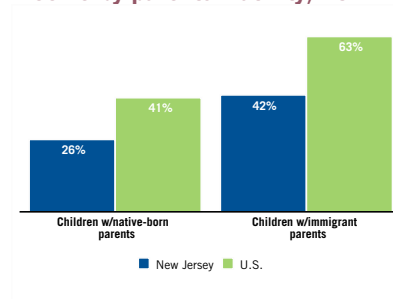
Percent of children who are low-income by parental education, 2011<sup>1</sup>



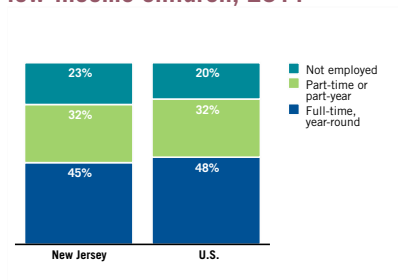
**Children in New Jersey by income level, 2011<sup>1</sup>**



**Percent of children who are low-income by parents' nativity, 2011<sup>1</sup>**



**Employment status of parents of low-income children, 2011<sup>1</sup>**



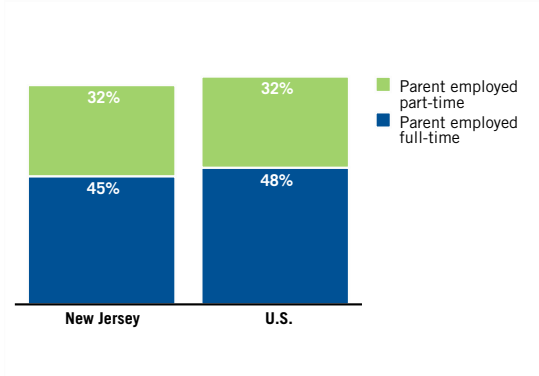
## WORK ATTACHMENT AND ADVANCEMENT

### State Choices to Promote Child Care Affordability and Access

#### Child Care and Development Fund (CCDF) Subsidies

Policy	New Jersey	U.S.
Earnings limit for a single-parent family of 3 <sup>2</sup>	\$33,200/year	No
Co-payment as percent of income for family of 3 at 150% FPL, 1 child in care <sup>3</sup>	7%	No
Providers prohibited from charging additional fees <sup>4</sup>	No	No
Provider payment rates at least 75th percentile of market rate <sup>5</sup>	No	No

**Low-income children who have parents working full- or part-time, 2011<sup>1</sup>**



**State Child and Dependent Care Tax Credit**

Refundable credit available <sup>6</sup>	No state credit
Benefit structure <sup>6</sup>	No state credit
Max benefit for family with 2 qualifying children <sup>6</sup>	No state credit

**State Choices to Promote Access to Health Insurance**

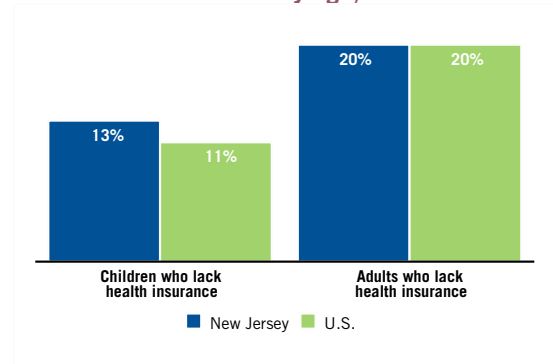
**Public Health Insurance for Parents**

Applicant earnings limit for single parent with 2 children <sup>7</sup>	\$35,200/year
Parents eligible up to same limit as children, single parent with 2 children <sup>8</sup>	No
Legal immigrants eligible for state-funded benefits when barred from federal <sup>9</sup>	Yes
Legal immigrants otherwise barred from benefits eligible for prenatal care <sup>11</sup>	Yes (no immigration test) <sup>10</sup>

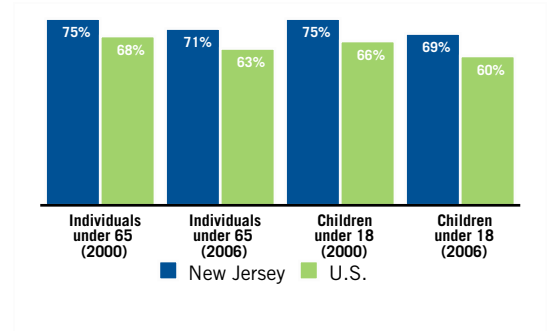
**Public Health Insurance for Children**

Medicaid income eligibility limit as % of FPL for children ages 1-5 in family of 3 <sup>12</sup>	133%
Medicaid income eligibility limit as % of FPL for children ages 6-19 in family of 3 <sup>12</sup>	133%
SCHIP (separate program) income eligibility as % of FPL for children in family of 3 <sup>13</sup>	350%

**Health insurance status by age, 2007<sup>15</sup>**



**Employer-based health insurance coverage, 2000 and 2006<sup>16</sup>**



## State Choices to Promote Access to Benefits for the Under- and Unemployed

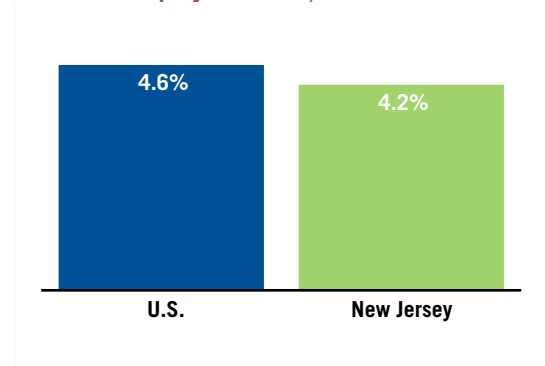
### Unemployment Insurance

State counts most recent earnings when determining eligibility <sup>17</sup>	Yes
Eligible if seeking part-time work <sup>19</sup>	Yes, in some cases <sup>18</sup>
State has general provision recognizing "good cause" for quitting work <sup>20</sup>	No <sup>18</sup>

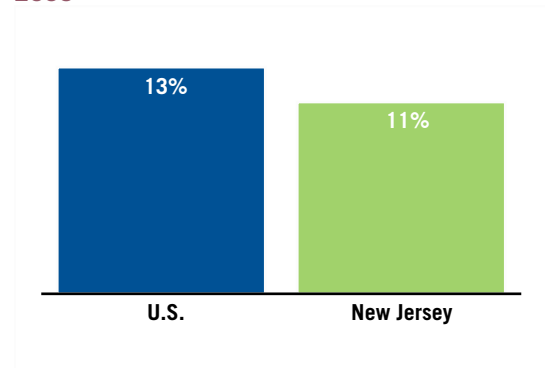
### Temporary Assistance for Needy Families (TANF) Cash Assistance

Earnings limit for a single-parent family of 3 <sup>21</sup>	\$7,632/year
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Official unemployment rate, 2007<sup>22</sup>



Part-time workers who want full-time work, 2003<sup>23</sup>



## INCOME ADEQUACY

### State Choices to Increase and Supplement Wages

#### Minimum Wage Standards

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Indexed to inflation <sup>24</sup>	Not applicable
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#### State Earned Income Tax Credit

Refundable credit available <sup>25</sup>	Yes
Percent of federal EITC <sup>25</sup>	25%

### State Choices to Reduce Tax Burdens

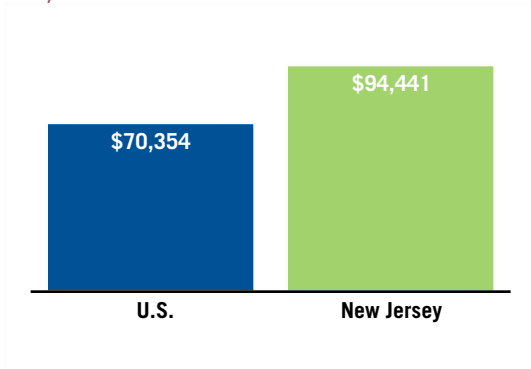
#### Income Tax Liability

Income tax threshold for single-parent family of 3 <sup>26</sup>	\$29,100/year
Income tax threshold for two-parent family of 4 <sup>26</sup>	\$30,800/year
Income tax burden for single-parent family of 3 at 100% FPL <sup>26</sup>	\$-895/year

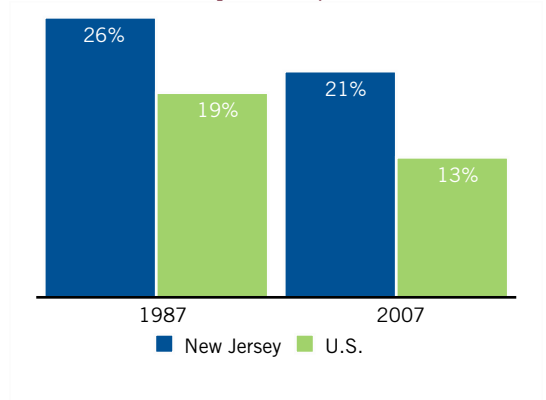
Income tax burden for two-parent family of 4 at 100% FPL<sup>26</sup>

\$-554/year

Median annual household income for family of four, 2006<sup>27</sup>



Workers covered by a union, 1987 and 2007<sup>28</sup>



## State Choices to Promote Access to Paid Leave

### Family and Medical Leave

State provisions for paid leave<sup>30</sup>

Employees who are temporarily disabled for medical reasons, including pregnancy and childbirth, can receive partial wage replacement through state temporary disability insurance.<sup>29</sup>

## State Choices to Promote Adequate Benefits for the Under- and Unemployed

### Unemployment Insurance

Minimum weekly benefit (no dependents) <sup>31</sup>	\$73/week
Additional dependent allowance provided <sup>31</sup>	Yes
Weekly benefit amount is indexed to average weekly wage <sup>32</sup>	Yes
Potential duration of benefits <sup>33</sup>	1 - 26 weeks

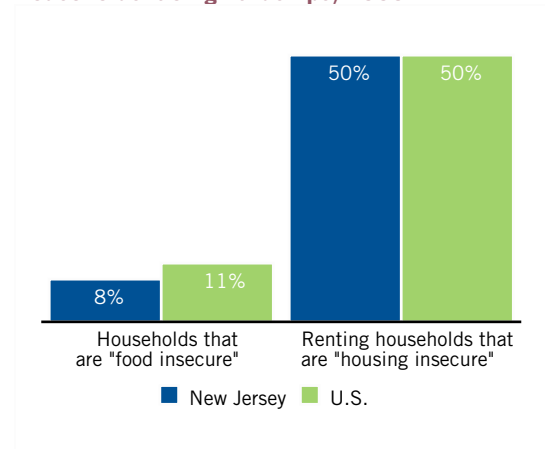
### Food Stamps

Legal immigrants eligible for state-funded benefits when barred from federal <sup>35</sup>	No
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### Temporary Assistance for Needy Families (TANF) Cash Assistance

Annual maximum benefit for family of 3 <sup>21</sup>	\$5,088/year
Treatment of child support income <sup>36</sup>	Up to \$50 passed through. Amount disregarded for purposes of eligibility and benefits.

Households facing hardships, 2006<sup>34</sup>



# ASSET DEVELOPMENT AND PROTECTION

## State Policy Choices to Promote Asset Development

### Individual Development Accounts

State-supported IDA program in operation<sup>37</sup> Yes

### State Choices to Promote Asset Protection

#### Public Health Insurance for Parents

Assets disregarded for eligibility determination<sup>13</sup> Yes

#### Public Health Insurance for Children

Assets disregarded for Medicaid eligibility<sup>38</sup> Yes

Assets disregarded for SCHIP (separate program) eligibility<sup>13</sup> Yes

#### Food Stamps

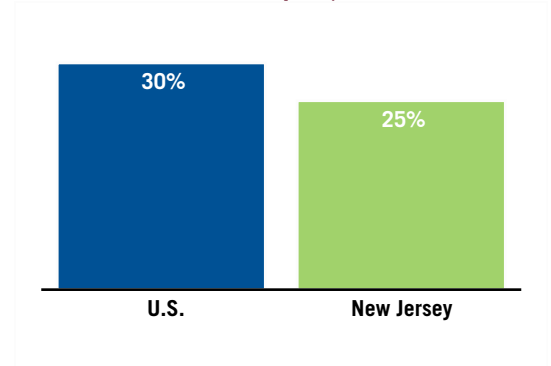
Treatment of vehicles in asset test<sup>39</sup> Aligned to TANF cash assistance rules

#### Temporary Assistance for Needy Families (TANF) Cash Assistance

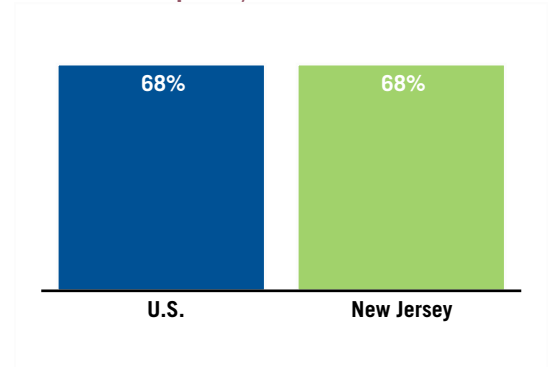
Assets disregarded for eligibility determination<sup>21</sup> No

Treatment of vehicles in asset test<sup>21</sup> Counts fair market value in excess of \$9,500<sup>40</sup>

Children who are "asset poor," 2004<sup>41</sup>



Homeownership rate, 2007<sup>42</sup>



## DATA NOTES AND SOURCES

Data were compiled from 50-state sources. Some state policy decisions may have changed since these data were collected.

1. National data were calculated from the 2011 American Community Survey, representing information from 2011. State data were calculated from the 2009-2011 American Community Survey, representing information from the years 2009 to 2011.
2. Karen Schulman and Helen Blank, *State Child Care Assistance Policies 2007: Some Steps Forward, More Progress Needed*, National Women's Law Center, September 2007.
3. If the state calculates co-payments based on the cost of care, figure reflects the co-payment for a 4-year-old in licensed, nonaccredited center care at the maximum state payment rate.  
Karen Schulman and Helen Blank, *State Child Care Assistance Policies 2007: Some Steps Forward, More Progress Needed*, National Women's Law Center, September 2007.
4. Karen Schulman and Helen Blank, *Child Care Assistance Policies 2005: States Fail to Make up Lost Ground, Families Continue to Lack Critical Supports*, National Women's Law Center, September 2005.
5. States were asked to report state reimbursement rates and the 75th percentile of market rates for their state's most populous city, country, or region. Data reflect basic provider payment rates (higher rates may be available for particular types of care). Rates are considered below the 75th percentile if they are based on an out-dated market rate survey (more than 2 years old).  
Karen Schulman and Helen Blank, *State Child Care Assistance Policies 2007: Some Steps Forward, More Progress Needed*, National Women's Law Center, September 2007.
6. Nancy Duff Campbell, Joan Entmacher, Amy K. Matsui, Cristina Martin Firvida, and Christie Love. 2006. *Making Care Less Taxing: Improving State Child and Dependent Care Tax Provisions*, with updates from National Women's Law Center, 2009 Supplement to *Making Care Less Taxing*. Washington, DC: National Women's Law Center.
7. Figure reflects limit under Medicaid plan with highest income eligibility limit for parents, taking into account the value of earnings disregards (which may be time-limited in some cases).  
Donna Cohen Ross and Caryn Marks. 2009. *Challenges of Providing Health Coverage of Children and Parents in a Recession: A 50-State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2009*, Kaiser Commission on Medicaid and the Uninsured. <http://www.kff.org> (accessed February 16, 2009).
8. Value reflects comparison of applicant earnings limit for a single parent with 2 children to the highest Medicaid or SCHIP program eligibility limit for children ages 6-19.  
Donna Cohen Ross and Caryn Marks. 2009. *Challenges of Providing Health Coverage of Children and Parents in a Recession: A 50-State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2009*, Kaiser Commission on Medicaid and the Uninsured. <http://www.kff.org> (accessed February 16, 2009).
9. Lawful permanent residents (LPRs) are generally barred from federal benefits during their first 5 years as LPRs, unless they entered the U.S. before 8/22/96. Exceptions include refugees and U.S. veterans (and their families). See data source for more details.  
National Immigration Law Center, *Guide to Immigrant Eligibility for Federal Programs, Fourth Edition*, 2002; with updates from Update Page, [www.nilc.org/pubs/Guide\\_update.htm](http://www.nilc.org/pubs/Guide_update.htm) (accessed October 17, 2008).
10. Limited funds for prenatal services are available to women up to 200% of the federal poverty level, regardless of immigration status.
11. States have the option of using federal State Children's Health Insurance Program (SCHIP) funds to provide prenatal care to women regardless of immigration status. They can also extend prenatal care to immigrant women using state funds.  
National Immigration Law Center, *Guide to Immigrant Eligibility for Federal Programs, Fourth Edition*, 2002; with updates from Update Page, [www.nilc.org/pubs/Guide\\_update.htm](http://www.nilc.org/pubs/Guide_update.htm) (accessed October 17, 2008).
12. Limit includes SCHIP-funded Medicaid expansions, where applicable.  
Donna Cohen Ross and Caryn Marks. 2009. *Challenges of Providing Health Coverage of Children and Parents in a Recession: A 50-State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2009*, Kaiser Commission on Medicaid and the Uninsured. <http://www.kff.org> (accessed February 16, 2009).
13. Donna Cohen Ross and Caryn Marks. 2009. *Challenges of Providing Health Coverage of Children and Parents in a Recession: A 50-State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2009*, Kaiser Commission on Medicaid and the Uninsured. <http://www.kff.org> (accessed February 16, 2009).
- 14.
15. Figures reflect the percent of children (under age 18) and adults (ages 18-64) who did not have health insurance coverage at any point during the year.  
Current Population Survey, 2008 Annual Social and Economic Supplement, "Health Insurance Coverage Status and Type of Coverage by State and Age for All People" <http://pubdb3.census.gov> (accessed September 3, 2008).
16. 2000:  
Figures reflect the percent of children under age 18 and the percent of adults under 65 who were covered by employer-based health insurance during at least part of the year.  
Current Population Survey, 2001 Annual Social and Economic Supplement, "Health Insurance Coverage Status and Type of Coverage by State and Age for All People," <http://pubdb3.census.gov> (accessed March 5, 2008).  
2006:  
Figures reflect the percent of children under age 18 and the percent of adults under 65 who were covered by employer-based health insurance during at least part of the year.  
Current Population Survey, 2007 Annual Social and Economic Supplement, "Health Insurance Coverage Status and Type of Coverage by State and Age for All People," <http://pubdb3.census.gov> (accessed March 5, 2008).
17. In most states, the base period consists of the first 4 of the 5 most recently completed quarters. Some states allow claimants to use an alternative base period that includes more recent earnings.  
U.S. Department of Labor, Office of Workforce Security, *Comparison of State UI Laws, 2006*, <http://www.ows.doleta.gov> (accessed July 11, 2007).
18. State extends eligibility to persons seeking part-time work only if they have a history of part-time work or meet other limited criteria.
19. Rick McHugh and Andrew Stettner, *How Much Does Unemployment Insurance for Jobless Part Time Workers Cost?*, National Employment Law Project, May 2005, <http://www.nelp.org> (accessed July 13, 2005).



20. A general "good cause" provision extends eligibility to persons who leave their jobs for "personal emergencies" or "compelling circumstances", which should include--among others--child care conflicts, illness, domestic violence, and spousal relocation. Eligibility determinations, however, may vary in practice. States may also specifically recognize certain reasons as "good cause"; for more information see Appendix B in Rebecca Smith, Rick McHugh, Andrew Stettner, and Nancy Segal, *Between a Rock and a Hard Place: Confronting the Failure of State Unemployment Insurance Systems to Serve Women and Working Families*, National Employment Law Project, 2003.  
Rebecca Smith, Rick McHugh, Andrew Stettner, and Nancy Segal, *Between a Rock and a Hard Place: Confronting the Failure of State Unemployment Insurance Systems to Serve Women and Working Families*, National Employment Law Project, July 2003.
21. Gretchen Rowe with Jeffrey Versteeg, *The Welfare Rules Databook: State Policies as of July 2005*, Assessing the New Federalism, The Urban Institute, 2006.
22. Figure reflects the percent of people age 16 and above who do not have a job but are available for and actively seeking work.  
U.S. Department of Labor, Bureau of Labor Statistics, "Unemployment Rates for States, Annual Average Rankings, 2007," <http://www.bls.gov> (accessed March 14, 2008).
23. Figure reflects the percent of part-time workers who are available to work full-time, but usually work less than 35 hours per week due to slack work or unfavorable business conditions, inability to find full-time work, or seasonal declines in demand.  
U.S. Department of Labor, Bureau of Labor Statistics, *Geographic Profile of Employment and Unemployment, 2003*, "Estimates for States, Table 16: Employed and Unemployed Persons by Full- and Part-Time Status, Sex, Age, Race, and Hispanic or Latino Ethnicity," <http://www.bls.gov> (accessed March 14, 2008).
24. U.S. Department of Labor, Employment Standards Administration. 2011. *Minimum Wage Laws in the States, January 2011*. <http://www.dol.gov> (accessed March 17, 2011).
25. State EITC Online Resource Center, <http://www.stateeitc.com> (accessed June 3, 2009); with additional information from NCCP.
26. Calculations include income tax credits that are available to all low-income families in the state, such as state earned income tax credits.  
Jason A. Levitis and Andrew C. Nicholas, *The Impact of State Income Taxes on Low-Income Families in 2007*, Center on Budget and Policy Priorities, 2008. Available at: <http://www.cbpp.org> (Accessed March 19, 2009).
27. U.S. Department of Health and Human Services, Administration for Children and Families, "State Median Income," <http://www.acf.hhs.gov> (accessed March 13, 2008).
28. Percent of employed workers who are covered by a collective bargaining agreement.  
Union Membership and Coverage Database, "Union Membership, Coverage, Density, and Employment, 1983-2007," [www.unionstats.org](http://www.unionstats.org) (accessed March 5, 2008).
29. The maximum benefit period is 26 weeks. In addition to the paid medical leave benefits through its temporary disability insurance program, New Jersey recently enacted a paid family leave program that is scheduled to go into effect in 2009.
30. These reflect provisions for private sector employees; more generous rules may apply for the public sector.  
National Conference of State Legislatures, "State Family and Medical Leave Laws" (including external links to individual state statutes), 2006, <http://www.ncsl.org> with additional information from National Partnership for Women and Families, "Expecting Better: A State-by-State Analysis of Parental Leave Programs," 2005, <http://www.nationalpartnership.org> (accessed October 1, 2007); with additional information from NCCP.
31. U.S. Department of Labor, Office of Workforce Security, *Comparison of State UI Laws, 2006*, <http://www.ows.doleta.gov> (accessed July 11, 2007).
32. Andrew Stettner, Rebecca Smith, and Rick McHugh, *Changing Workforce, Changing Economy: State Unemployment Insurance Reforms for the 21st Century*, National Employment Law Project, 2004.
33. Potential duration is the maximum number of weeks of benefits that a claimant is eligible for under the regular state program. In most states, it is determined based on the amount and distribution of the recipient's earnings in the base period; eight states have a uniform potential duration for all claimants.  
U.S. Department of Labor, Office of Workforce Security, *Comparison of State UI Laws, 2006*, <http://www.ows.doleta.gov> (accessed July 11, 2007).
34. Food Insecurity:  
Figure reflects the percent of households forced to reduce food intake, disrupt normal eating patterns, or go hungry because they lack the money or resources to obtain adequate food.  
Mark Nord, Margaret Andrews, and Steven Carlson, *Household Food Security in the United States, 2006*, Economic Research Service, United States Department of Agriculture, 2007, <http://www.ers.usda.gov> (accessed March 14, 2008).
- Housing Insecurity:  
Figure reflects the percent of families living in rental units who pay 30 percent or more of their income on housing.  
U.S. Census Bureau, "American Community Survey Custom Tables, 2006: Gross Rent as a Percentage of Household Income in the Past 12 Months," <http://factfinder.census.gov> (accessed March 14, 2008).
35. Adult lawful permanent residents (LPRs) are generally barred from federal benefits during their first 5 years as LPRs. Exceptions include refugees and U.S. veterans (and their families). See data source for more details.  
National Immigration Law Center, *Guide to Immigrant Eligibility for Federal Programs, Fourth Edition*, 2002; with updates from Update Page, <http://www.nilc.org> (accessed October 28, 2005).
36. A child support pass-through is the amount of collected child support that the state gives to families on whose behalf the child support was collected. A child support disregard is the amount of child support that the family can keep without lowering their TANF benefits.  
Jan Justice, *State Policy Re Pass-Through and Disregard of Current Month's Child Support Collected for Families Receiving TANF-Funded Cash Assistance*, Center for Law and Social Policy, 2007.
37. Community-based IDA programs are operating in all states but often without state support. Also, in some states without state-supported IDA programs, IDA legislation was passed but never implemented due to lack of state funding, or IDA legislation expired, and no new state support was allocated.  
Center for Social Development, Washington University, "Summary Tables: IDA Policy in the States, Table 1," October 2006, <http://gwbweb.wustl.edu>
38. Rule applies to SCHIP-funded Medicaid expansions, where applicable.  
Donna Cohen Ross and Caryn Marks. 2009. *Challenges of Providing Health Coverage of Children and Parents in a Recession: A 50-State Update on Eligibility Rules, Enrollment and Renewal Procedures, and Cost-Sharing Practices in Medicaid and SCHIP in 2009*, Kaiser Commission on Medicaid and the Uninsured. <http://www.kff.org> (accessed February 16, 2009).
39. Households in which all members receive TANF cash assistance or SSI benefits do not have to meet gross income or asset eligibility criteria. Most states also waive these criteria for recipients of certain other benefits; some states waive these criteria for

nearly all applicants.

Center on Budget and Policy Priorities, "States' Vehicle Asset Policies in the Food Stamp Program," November 2006.

40. Households with two adults may exempt up to \$4,650 in fair market value of a second vehicle if it is essential for work, training, or used to transport a disabled person.
41. Figure reflects the percent of children in households that have insufficient net worth to subsist at the federal poverty level for three months in the absence of income.  
Corporation for Enterprise Development, *Assets and Opportunity Scorecard*, <http://www.cfed.org> (accessed February 25, 2008).
42. Figure reflects the percent of households who are homeowners.  
U.S. Census Bureau, "Housing Vacancies and Homeownership, Annual Statistics 2007, Table 13," <http://www.census.gov> (March 14, 2008).