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What's Behind New Jersey's Surprising Census Results?

Analysis for GSI by Charles Steindel, Ph.D.

This week the Census Bureau released the official 2020 population counts. Quite surprisingly, New Jersey's population was about 400,000—more than 4% — larger than was thought. Not only will New Jersey's congressional count remain intact, but we can also now confidently say that there are more than (rather than “around” or “almost”) 9 million New Jerseyans. Our undercount was, proportionately, the highest in the nation.

Why were the earlier Census estimates of New Jersey so low? Several special factors come to mind that may have caused the surprise:

1. **Outreach to communities.** In New Jersey there was extensive outreach to ensure that minority and immigrant communities were counted in the Census. Similar efforts happened elsewhere in the nation but, given that these groups are proportionally larger in New Jersey, and the effort may have been stronger here, the net effect on our overall count could have been greater.
2. **At-home students.** New Jersey regrettably is the state with the largest net loss of college students—the number of New Jersey students attending out-of-state schools is roughly 30,000 larger than the number of students coming in from other states. With the pandemic, New Jersey students came home, and could have been counted as our residents (normally, students are considered residents of their college's state).
3. **Migration from Puerto Rico.** In the wake of Hurricane Maria, large numbers of Puerto Rico's residents moved to the mainland. It would have been difficult for the Census Bureau to get a handle on the specifics of this shift as it occurred. For instance, one good tool to monitor internal migration in the US is the annual IRS report on interstate movements of filers. However, residents of Puerto Rico are not subject to federal income tax, so that wasn't available.

It's not unreasonable to think that many former residents of Puerto Rico moved to the New York metropolitan area, where they would have family, friends, and other contacts, resulting in New York and New Jersey receiving a larger share. In indirect support of this

idea, New York was the state with the second largest proportional undercount. (Ongoing information from the Census Bureau's American Community Survey had suggested that Florida was the main destination for Puerto Rico's migrants, with few headed for New Jersey, but those figures were derived from fairly small samples and could have been in error).

If these hypotheses are valid --the first seems likely to be the most consequential--the implication is that New Jersey's unusually large undercount had little or nothing to do with a perceived improvement in our state's general economic climate, which certainly influences the size of the population. All three of the impacts noted involve special, noneconomic forces at work at the time the Census was taken last year.

About the Author

Charles Steindel is Resident Scholar, Anisfield School of Business, Ramapo College. He was previously Chief Economist of the New Jersey Department of the Treasury and, earlier, a Senior Vice President at the Federal Reserve Bank of New York. He received his Bachelor's degree from Emory and his Ph.D. from MIT.

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