



SUNLIGHT
POLICY CENTER
— OF NEW JERSEY —

ISSUE UPDATE

NO, GOVERNOR MURPHY, NEW JERSEY IS NOT GROWING: THE DATA SHOW IT IS SHRINKING

WITH AN EYE ON THE WHITE HOUSE, MURPHY PREFERS TO IGNORE THE FACTS

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Introduction: 2022 Was Not a Good Year for New Jersey Migration

When Gov. Murphy was recently asked about interstate migration, he answered that New Jersey “has never been hotter than it is right now as a place for families to come and raise their kids and for businesses to locate. We’re growing,” (as [quoted](#) by the *Star-Ledger*).

That may be a soundbite for Murphy’s road-to-the-White-House narrative, but in the real world, the data says the opposite: New Jersey has one of the worst outmigration problems in the nation.

Here are the facts, according to several recent surveys of 2022 migration patterns:

- New Jersey lost a net -64,231 people to other states, 4th-worst in the nation.
- Retirees continue to flee New Jersey.
- Wealthy residents continue to migrate to other states, taking their wealth with them.
- Over the past two years, New Jersey’s population has actually decreased.

Unfortunately, outmigration has been a long-term trend for New Jersey. For the 2010-19 decade, New Jersey lost a net [-491,000](#) people to domestic outmigration, 4th-worst in the nation. During this decade, New Jersey had a small overall population gain because high levels of foreign immigration cancelled out domestic outmigration. But that has changed: during both 2021 and 2022 – the years following Murphy’s pandemic lock-downs -- New Jersey has seen an absolute decline in population: [-0.14%](#) in 2021 and [-0.1%](#) in 2022.

This has broad negative implications for the state’s future. As [Pew Charitable Trusts](#) stated:

“Population trends are tied to states’ economic fortunes and government finances. More people usually means more workers and consumers adding to economic activity ... which generates more tax revenue. A growing economy ... can attract even more workers and their families. The reverse is true for states with ... shrinking populaces.”

Unsurprisingly, wealth is leaving the state along with people. In-migrants only have about [two-thirds the income](#) of out-migrants, so departing New Jerseyans took a net [\\$24.6 billion](#) with them from 2010-19. But because \$24.6 billion only reflects the single

year before the out-migrant left the state, it does not include every year in the future when that person is no longer in New Jersey. So the real loss is multiples higher. Per Pew, the consistent outmigration of people and wealth bodes ill for New Jersey’s economic and fiscal future . These are the facts, Gov. Murphy, and we ignore them at our peril.

(This report is an update of Sunlight’s study of NJ’S outmigration problem “[Beware the Downward Spiral](#)”).

A Sunlight Migration Index: NJ Ranks 4th-Worst in the Nation

There are many measures of migration and population change. The [Tax Foundation](#) has tabulated three measures: Census Bureau population statistics and United Van Lines and U-Haul moving surveys. Using Census data, the [National Association of Realtors](#) looked at domestic migration among the states. Each of these measures is slightly different, so Sunlight took the average of all four rankings to come up with an index – we will call it the Sunlight Migration Index – that provides a snapshot of where each state stands using all four of these measures.

Using this index, we can see in Table 1 that New Jersey ranks 47th out of 50 states, with an average ranking of 44th in the four surveys. Note that all five of the bottom five states are big government, high tax, powerful government union, “Blue” states that had comparatively stringent COVID lock-down policies that kept schools closed – in accordance with the wishes of their teachers unions.

Table 1. Sunlight Migration Index: Bottom Five States

State	Index Score
46. Massachusetts	43.50
47. New Jersey	44.00
48. California	45.50
49. New York	48.00
50. Illinois	48.50

Source: National Association of Realtors, Tax Foundation

New Jersey’s breakdown for the Sunlight Migration Index is in Table 2 below:

Table 2. New Jersey’s Rankings in Sunlight Migration Index

Study	Rank
Census population growth	35
NAR domestic migration	47
United Van Lines	49
U-Haul	45
Overall Average	44

Sources: National Association of Realtors, Tax Foundation.

By contrast, the Table 3 shows that the top five states are all smaller government, lower tax, Red states that generally had more lenient COVID policies that kept schools open.

Table 3. Sunlight Migration Index: Top Five States

State	Index Score
1. South Carolina	3.50
2. Florida	4.00
3. North Carolina	5.50
4. Texas	5.75
5. Tennessee	8.25

Source: National Association of Realtors, Tax Foundation

Domestic Out-Migration Means Wealth Out-Migration

The Sunlight Migration Index measures both migration of people and the overall impact on New Jersey's population. But when it comes to the migration of wealth, the three relevant measures are NAR, United Van Lines and U-Haul, all of which measure domestic migration.

Domestic migration provides an excellent barometer of a state's competitiveness, affordability and overall quality of life because people and businesses are free to choose among the states for the most hospitable environment. New Jersey is clearly lagging in this competition and it is hurting the state.

As mentioned above, in-migrants – whether foreign or domestic – only bring in about two-thirds the income that departs with out-migrants and virtually all out-migrants are domestic (to states like Florida). So even if the population changes appear minimal, it is the domestic flow of migrants that affects the flow of wealth, and these rankings are decidedly negative for New Jersey: 47th, 49th and 45th. This averages out to 47th, or 4th-worst in the nation, which mirrors New Jersey's decadal domestic outmigration ranking mentioned above. In other words, New Jersey has had one of the worst outflows of wealth in the nation for a long time, and that outflow continues unabated.

Analysis of the Surveys on 2022 Domestic Migration

Each of the domestic migration surveys is worth examining in detail. Each has something to add to our knowledge of New Jersey's outmigration problem.

National Association of Realtors: -64,231 People Left NJ in 2022. As shown in Table 4, according to Census data, New Jersey lost a net -64,231 people to domestic out-migration in 2022. Just like the Sunlight Policy Migration Index, all the bottom five states have a lot in common: they are all "Blue" states.

Table 4. Bottom Five States for Net Migration

State	Net Migration
46. Massachusetts	(57,292)
47. New Jersey	(64,231)
48. Illinois	(141,656)
49. New York	(299,557)
50. California	(343,230)

Source: National Association of Realtors

Table 5 shows that the top five states also have a lot in common: they are all “Red” states.

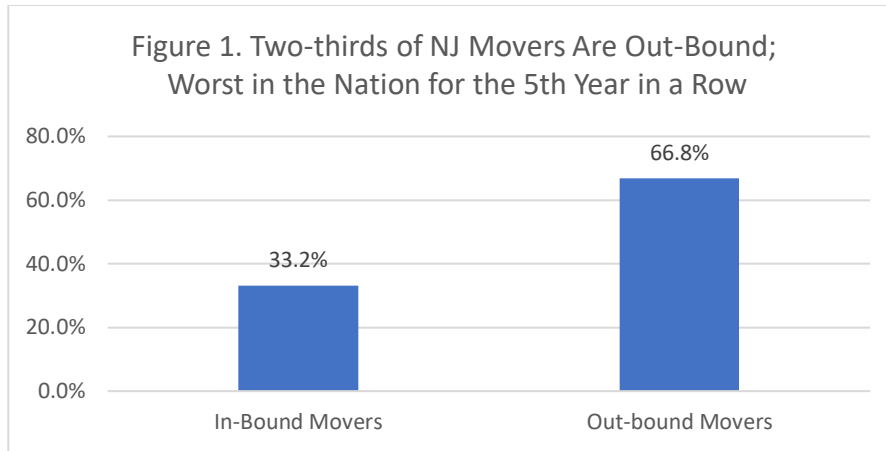
Table 5. Top Five States for Net Migration

State	Net Migration
1. Florida	318,855
2. Texas	230,961
3. North Carolina	99,796
4. South Carolina	84,030
5. Tennessee	81,646

Source: National Association of Realtors

United Van Lines: Worst in Nation for 5th Year in a Row; Wealth and Retirees Flee. The annual United Van Lines (UVL) [study](#) is based on movers who use UVL, so it is not as comprehensive as Census data. In addition, the UVL survey only provides the percentages of people moving in and out of a state, not the absolute numbers, so the ranking of relatively small states like Wyoming and Vermont undoubtedly reflect much smaller numbers of movers than large states like New York and Florida. Therefore, the UVL survey is less reflective of the broader trends in domestic migration in America.

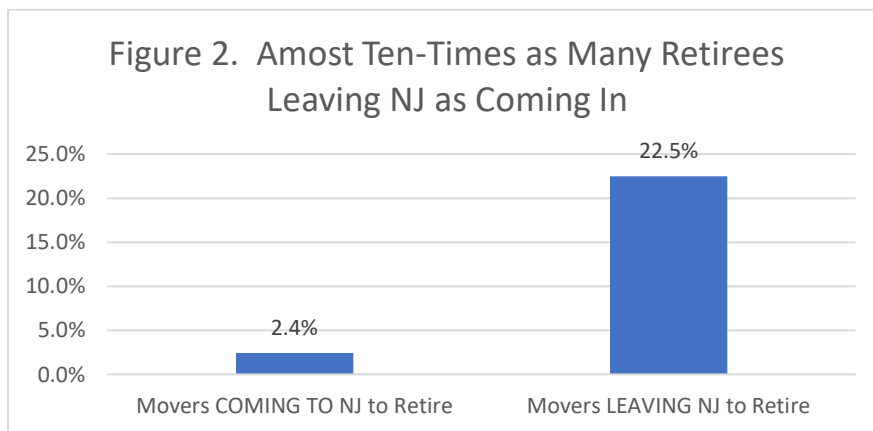
With that said, the 2022 UVL survey does show that -- *for the fifth consecutive year and for every year Murphy has been in office* -- New Jersey had the highest percentage of out-bound movers in the nation at 66.8%, with only 33.2% in-bound, as shown in Figure 1. Illinois, New York, Wyoming, and Pennsylvania complete the bottom five. Vermont, Oregon, South Carolina, Delaware, and North Carolina make up the top five.



Source: United Van Lines

The UVL survey also provides meaningful insight with its breakdown of the reasons why people are moving, their ages and their incomes. Accordingly, the UVL data on New Jersey reveals a lot about who is leaving New Jersey and why.

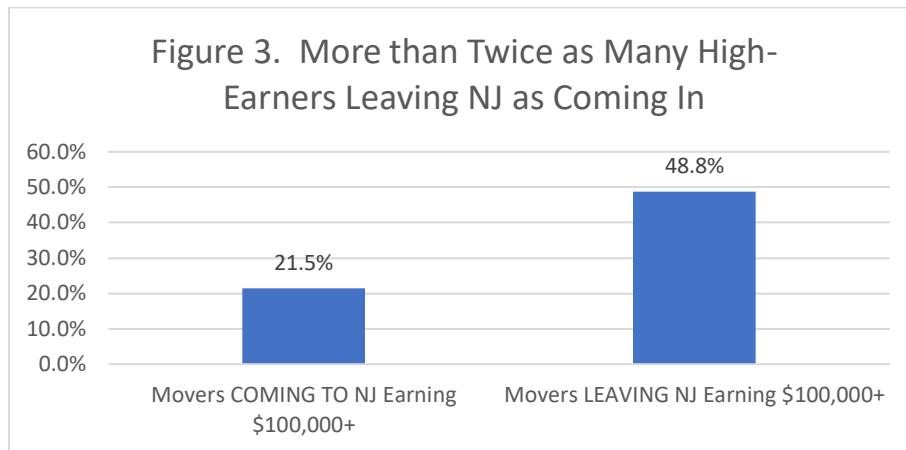
Two datapoints jump out. First, retirees continue to leave New Jersey in droves, which is part of a long-term trend as detailed in Sunlight’s previous retirement [report](#). As shown in Figure 2, in 2022, a mere 2.4% of all movers came to New Jersey to retire, while 22.5% of all movers left New Jersey to retire.¹ That is almost a 10-to-1 ratio.



Source: United Van Lines

Second, wealth is leaving New Jersey along with people. Those approaching or at the age of retirement happen to be the wealthiest demographic, so it is no surprise that wealth is leaving. Figure 3 shows that 21.5% of all movers were earning \$100,000 or more and moving to New Jersey, while a whopping 48.8% of all movers were earning \$100,000 or more and leaving New Jersey. So more there are more than two high-earners leaving for every one coming in.

¹ These percentages are derived from UVL’s statistics for New Jersey. For example, according to UVL, 7.34% of inbound movers identified retirement as their primary reason for moving, while 33.73% of outbound movers did so. All told, 33.2% of all movers were inbound to New Jersey and 66.8% were outbound. So, 7.34% of 33.2% equals 2.4% of all movers. Likewise, 33.73% of 66.8% equals 22.5% of all movers.



Source: United Van Lines

U-Haul: NJ 45th Among the States, Dropping 9 Spots from 2021. The [U-Haul annual survey](#) measures one-way moves in 2022 by the over 2 million renters. Like UVL, the U-Haul survey only measures U-Haul users, so it is not as comprehensive as Census data. But it is useful as “an effective gauge of how well states and cities are attracting and maintaining residents.” Once again, the top and bottom five are strikingly similar to the other surveys.

According to the survey, there has been a notable consistency in the results. California and Illinois ranked 50th and 49th, respectively, for the third consecutive year, meaning those states saw the greatest net losses of one-way U-Haul trucks. Table 6 includes the bottom six states to show New Jersey’s ranking at 45th. New Jersey dropped nine spots from 36th in the 2021 survey.

Table 6. Bottom Six States

State
45. New Jersey
46. New York
47. Massachusetts
48. Michigan
49. Illinois
50. California

Source: U-Haul

On the other hand, Texas is the No. 1 growth state for the second consecutive year and the fifth time since 2016. Florida, which ranks second, has been a top-three growth state seven years in a row. Table 7 shows the top five states in the U-Haul survey.

Table 7. Top Five States

State
1. Texas
2. Florida
3. South Carolina
4. North Carolina
5. Virginia

Source: U-Haul

Conclusion: Murphy's Narrative vs. the Real World

By many accounts, Gov. Murphy wants to run for president. To do that, he must present his time in office as a success story. He appears to be working hard on this narrative.

So he pretends that New Jersey is a great place to locate a business – except that New Jersey has ranked *dead last* in the [Tax Foundation's survey](#) of tax climates for businesses – *for every year that Murphy has been governor*.

When asked about migration, he pretends that New Jersey is growing when the data show the opposite. For every year Murphy has been governor, New Jersey has seen one of the worst out-migrations of people and wealth in the nation. For the past two years, our population has actually shrunk.

As with so many of New Jersey's long-term problems, Murphy apparently hopes to be long gone when the reckoning comes. Rather than address his state's most difficult issues, Murphy is content to be a status quo governor, taking care of his government union supporters and his own political ambitions. New Jersey looks like a mere stepping-stone in Murphy's political career, nothing more.

Meanwhile, back in the real world, people and wealth continue to flee the state.