# NEWARK, NEW JERSEY

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#### THE DIRECT COST TO TAX PAYERS

Newark is the State of New Jersey's largest city, with a population of 307,220. The City of Newark has a reputation for being a tough, gritty town, known as Brick City, with a historically high crime rate. But more recently, Newark has become a model for how to effectively reduce gun violence.

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On July 12, 1967, longstanding tensions between Newark's Black community and the overwhelmingly White Newark Police Division (NPD) came to a head when a Black cab driver was badly beaten by police and rumors spread that he had been killed inside the Fourth Police Precinct. This touched off five days of protests with violent conflict that resulted in 26 deaths (primarily of Black residents), 725 injuries, 1,500 arrests, and \$10 million in property damage. These events further accelerated the city's economic decline and the exodus of White residents throughout the 1970s and 80s.

White flight and decades of disinvestment crippled Newark economically. The percentage of non-Hispanic Whites in Newark declined from 83% in 1950 to 12% in 2010.<sup>1</sup> Today, the City of Newark's population is approximately 47% Black; 36% Latino; 9% White, 2% Asian, 29% some other race, and 12% two or more races.

In the last few decades, Newark has made substantial progress toward economic development, and more recently, Newark has also made bold investments in violence reduction. In 2014, the City established the Newark Community Street Team, a cadre of outreach workers who aim to reduce violence by defusing conflict, building trust, and empowering victims. In 2020, the City reallocated 5% of its Public Safety budget to fund communitybased programs that address factors leading to crime

1 Newark: A Brief History | Street Fight | POV | PBS (archive.org) and violence and to help victims of violence recover from trauma. In 2021, Mayor Ras J. Baraka created the City of Newark Office of Violence Prevention and Trauma Recovery (OVPTR) to coordinate all of the City's anti-violence initiatives and serve as a liaison between law enforcement and the community. The City also announced the allocation of \$19 million for violence reduction initiatives over three years.

These investments have shown positive results. The 2022 Future of Public Safety report published by the Newark Community Street Team and OVPTR noted that "over the past six years, Newark experienced a dramatic decline in most forms of serious crime and violence.... And while in the past couple of years, during the pandemic, the prevalence of some crimes has gone up across the country, these increases are less pronounced in Newark than in many other cities." The report notes that before the pandemic, the city had reached a historic low in murders, with a 51% decrease since 2015.

When someone is shot in Newark, there is an immediate, multifaceted, and very expensive response from an array of government agencies. The Fire Department dispatches **Emergency Medical Technicians** (EMTs), government-contracted ambulances respond, and several NPD units and OVPTR staff descend on the scene. Investigators from the Essex County Prosecutor's Office also often arrive, and if the victim is declared dead on the scene, the Coroner is called. All of this is only for the shooting scene itself. There is also typically a hospitalization, which is frequently paid for by tax dollars. Rehabilitation follows in the case of serious injury, and victim compensation is generally provided. There is also often a lengthy investigation by the Newark Police Division and the Essex County Prosecutor's Office, who are sometimes joined by the US Attorney. A trial and a long incarceration period frequently follow. When there are multiple victims and/or suspects, these efforts and costs multiply for a single shooting incident. These are just some of costs of each injury shooting in Newark.

The National Institute for Criminal Justice Reform (NICJR) conducted this detailed analysis that documents the government expenses accompanying every injury shooting in Newark. In tracking the direct costs per shooting incident, NICJR has deliberately used the low end of the range for each expense. This study does not include the loss-ofproduction costs when the victim or suspect were working at the time of the incident. Nationally, those costs have been estimated at an additional \$1-2 million for each shooting incident. This means that the calculated cost of \$2,188,700 for a homicide in Newark is a conservative estimate; the real cost is likely even higher.

In the past three years, Newark has averaged approximately 268 combined homicides and non-fatal injury shootings annually, which cost taxpayers more than \$139 million per year. If Newark could reduce its gun violence rate by just 20%, that could result in government savings of almost \$28 million every year.

The City of Newark should consider even greater upfront investment in violence reduction as well as develop a plan to maintain the investments made in violence reduction efforts from federal American Rescuer Plan Act funds that expire in 2026. As the city has experienced, a relatively small investment in effective gun violence intervention strategies can yield significant reductions in shootings, save lives, and produce massive savings.

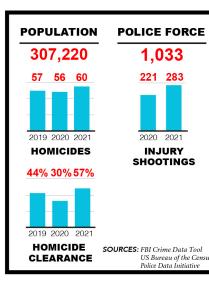
#### **Greater Community Cost of Gun Violence**

In addition to the direct financial burden borne by taxpayers, areas with high rates of gun violence experience significant community costs in the form of lost community resources, community tension, and trauma.

Community events, businesses, and other crucial resources tend to flee from violent neighborhoods. These losses are often accompanied by decreased property values. A recent study by the Controller for the City of Philadelphia examining the economic impact of gun violence on property values found that "a single homicide lowers sale prices by 2.3% in the immediate neighborhood (within 0.75 miles of the homicide)."

Residents of violent neighborhoods also bear the burden of community tension. The expectation of violence can lead to high rates of gun possession, eroded trust, interpersonal conflict, and the resolving of minor disputes with gun violence. Like disease, violence is a contagion that can breed in areas of social dysfunction. In "The Contagious Spread of Violence Among US Adolescents Through Social Networks," the National Institutes of Health found that "Contagious diseases and violence tend to cluster in similar ways," noting that, "There are geographic 'hot spots' for contagious diseases, such as the 2015 measles outbreak linked to Disneyland in California involving clusters of unvaccinated children. Likewise, there are geographic hot spots for violent crime on specific streets and in specific neighborhoods."

Finally, experiencing violence, witnessing violence, and having close friends or family members victimized by violence produces trauma and vicarious trauma. For children in particular, the effects of that trauma can be devastating. In the 1990s, the Centers for Disease Control and Kaiser Permanente Adverse Childhood Experiences (ACEs) study found that children who have traumatic experiences when they are young have significantly higher rates of poor health outcomes as they age. Additional studies have proven that the experience of trauma negatively impacts the brain function of youth and can cause depression, behavioral challenges, academic disruption, and delinquency—all of which can have lifelong ramifications.



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### CRIME SCENE RESPONSE

The crime scene response to a severe injury shooting or homicide typically includes a heavy police presence, fire/ EMT staff, and medical transport staff. Based on national averages, the Newark Police Division could deploy up to 15 officers, including patrol, homicide unit personnel, and other supervisory-level officers, to respond to a typical homicide shooting.



# HOSPITAL & REHABILITATION

Once a victim has been transported to the hospital, the costs of treatment in a trauma unit, surgery, an inpatient stay, and rehabilitation are exorbitant. Average costs range from \$88,000 to \$144,000 per incident. With a little more than 40% of gunshot victims either uninsured or on Medicaid, these costs represent a tremendous strain on Newark's hospital network.



## CRIMINAL JUSTICE

Justice system costs include police investigation, prosecution and defense attorneys, court personnel and judges, and the use of court facilities. Due to the consequences of a homicide conviction, these cases go to trial more often than other types of cases. Sometimes these cases involve multiple suspects with multiple court dates and separate trials. From the time of arrest, court proceedings in an injury shooting or homicide case average about two years.



### **INCARCERATION**

Incarceration accounts for a large portion of the costs once a suspect is arrested. A stay in the Newark jail system for the pretrial incarceration period costs \$388,000. Following a trial, an inmate is incarcerated within the New Jersey state prison system at a cost of \$424,560 for those convicted of attempted murder and \$1,485,960 for those convicted of homicide.



### VICTIM SUPPORT

The majority of victim support costs are covered by the New Jersey Victim of Crime Compensation Office. Compensation includes burial expenses, lost wages for a year, medical expenses, and counseling. Other costs in this category include social services and autopsy costs, as well as the long-term cost of families losing a financial contributor.



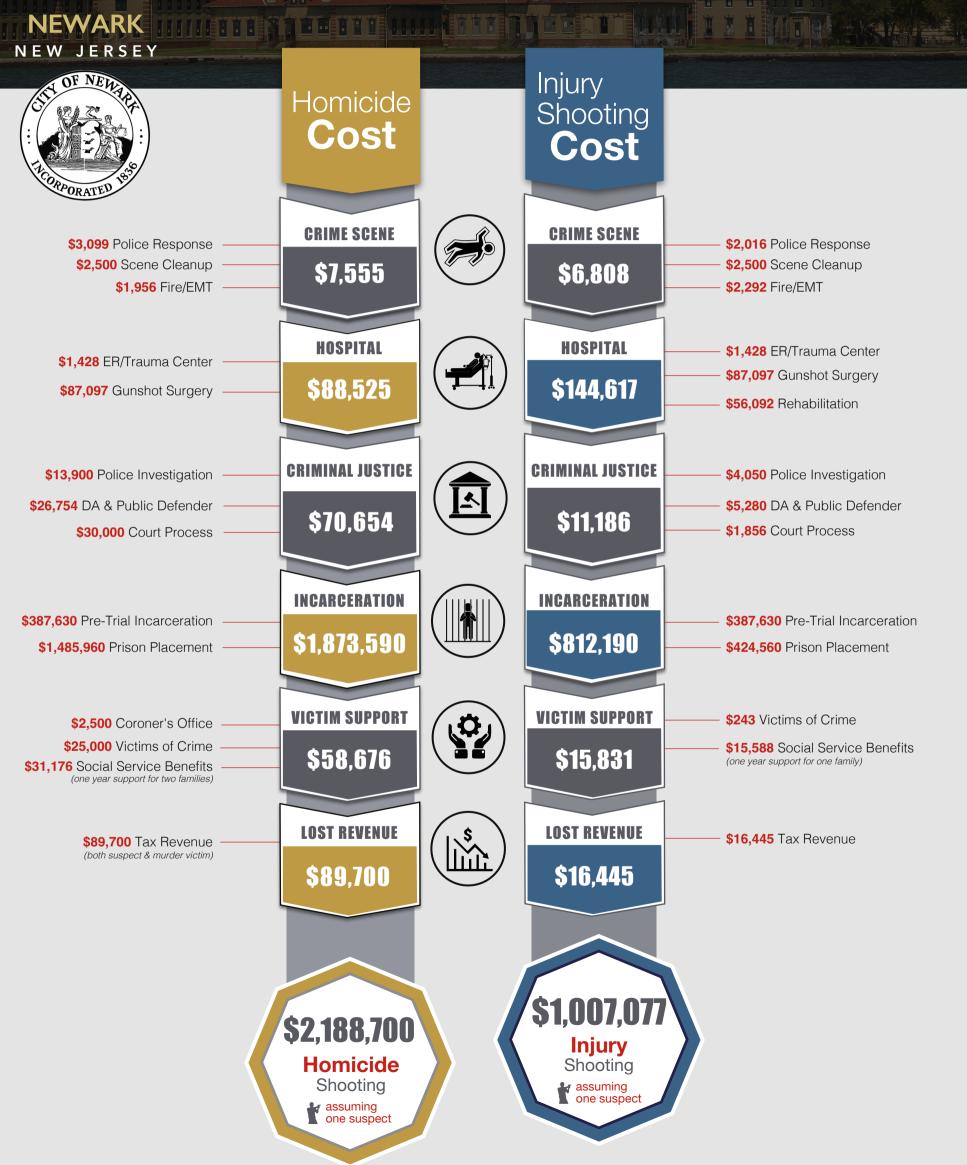
### LOST TAX REVENUE

New Jersey has a state income tax of 1.75% and a sales tax of 6.625%. Essex County has a county general tax of 3.73%. When an injury shooting or homicide occurs, the City loses the ability to collect both income and sales tax from the incarcerated individual(s) and homicide victim(s). Each incident can represent lost tax revenue from a minimum of two individuals for 10 to 30 years.

# The Cost Per Shooting

The governmental cost of gun violence to the City, County, and State.





# Data Sources



### NEWARK NEW JERSEY

			CORPORATED 15		
	Subject:	Police Response	Fire/EMT Transport	Scene Clean Up	
<b>GRIME SGENE</b>	Source	NICJR National Cost of Violence Report	NICJR National Cost of Violence Report	Bio-Recovery New Jersey	
	Notes	Initial police response to a homicide scene typically includes 6 Patrol, 1 Lieutenant, 2 Sergeants, and 6 Detectives. They remain on the scene for 2-6 hours. Initial police response to an injury shooting scene typically includes 6 Patrol, 1 Sergeant, and 2 Detectives. They remain on scene for 2-6 hours.	NICJR's national study of 25 cities found average fire/EMT transport costs of \$1,956 for homicides and \$2,292 for non-fatal shootings.	Average cost among competitive vendors to clean up crime scenes involving blood = \$2,500	
	Subject:	Emergency Room/Surgery for Gunshot Victin	ncy Room/Surgery for Gunshot Victim		
HOSPITAL	Source	<ul> <li>2020 National Trends and Cost Burden of Surgically Treated Gunshot Wounds in the US</li> <li>2021 Firearm Injuries: Health Care Service Needs and Costs</li> </ul>			
	Notes	Average cost of gunshot victims treated and released the same day: \$1,428 (ER base cost) Average cost of gunshot victims requiring surgery and hospital stay: \$87,097 (surgery cost) + \$56,092 (hospital stay and care) Average cost of gunshot victims requiring surgery, hospital stay, and release to outpatient care: \$144,667 (ER, surgery, rehabilitation) Formula: base cost + surgery cost - 20% of surgery cost = \$70,820 per shooting victim requiring surgery and rehabilitation			
	Subject:	Police Investigation	District Attorney & Public Defender	Court Process	
<b>CRIMINAL</b> JUSTICE	Source	<ul> <li><u>Time estimates from NICJR National Cost of</u> <u>Violence Report</u></li> <li>Hourly salary calculated from averages of Newark Police Department salaries from <u>glassdoor.com</u>, <u>indeed.com</u>, <u>salary.com</u></li> </ul>	<ul> <li>Time estimates from NICJR National Cost of Violence Report</li> <li>Hourly salaries calculated from averages of Newark district attorney and public defender salaries from glassdoor.com, salary.com, ziprecruiter.com</li> </ul>	<ul> <li>Time estimates from NICJR National Cost of Violence Report</li> <li>Judicial salary data from National Center for State Courts, Survey of Judicial Salaries</li> <li>Staff salary data from New Jersey Courts, Essex Vicinage job postings</li> </ul>	
	Notes	The cost of the police investigation is calculated by multiplying the average salary and benefits of an officer with 4-6 years experience in the Newark Police Department by the average amount of time spent investigating homicides and non-lethal shootings. \$50/hour X 278 hours = \$13,900 for a homicide \$50/hour X 81 hours = \$4,050 for a non-fatal shooting	The cost of prosecution and defense is calculated by multiplying the average amount of time spent by attorneys and support staff by hourly salaries. DA: \$51/hour X 84.1 hours for a homicide = \$4,289 plus support staff costs of \$4,504 = \$8,793 Public Defender: \$68/hour X 236.1 hours for a homicide = \$16,055 plus support staff costs of \$1,906 = \$17,961 DA: \$51/hour X 7.3 hours for a non-fatal shooting = \$372 plus support staff costs of \$271 = \$643 Public Defender: \$68/hour X 60.1 hours for a non-fatal shooting = \$4,087 plus support staff costs of \$550 = \$4,637	The cost to the court system is calculated by multiplying the average amount of time spent by judges and court staff by hourly salaries. Hourly rate for judge, \$94/hour X 48.8 hours for a homicide = \$4,587 Combined hourly rate for 4 court staff, \$129/hour X 197 hours for a homicide = \$25,413 Hourly rate for a judge, \$94/hour X 3 hours for a non- fatal shooting = \$282 Combined hourly rate for 4 court staff, \$129/hour X 12.2 hours for a non-fatal shooting = \$1,574	
	Subject:	Pre-Trial Incarceration	State Prison: Attempted Murder Case	State Prison: Murder Case	
INCARGERATION	Source	<ul> <li>Essex County Jail Budget</li> <li>Average Daily Population Information</li> <li>Clearance rate from NICJR National Cost of Violence Report</li> </ul>	<ul> <li>New Jersey Department of Corrections Cost per Inmate (NJ Legislature)</li> <li>NJ Statute Aggravated Assault</li> <li>Clearance and conviction rates from NICJR National Cost of Violence Report</li> </ul>	<ul> <li>New Jersey Department of Corrections Cost per Inmate (NJ Legislature)</li> <li>NJ Statute Homicide</li> <li>Clearance and conviction rates from NICJR National Cost of Violence Report</li> </ul>	
	Notes	Essex County Department of Corrections budget: \$106.7 million Average daily population: 550 Average daily cost per inmate: \$531 Average period of pre-trial incarceration: 2 years \$531/day x 2 years = \$387,630	New Jersey Department of Corrections annual cost to house an adult: \$53,070 Aggravated assault sentence: 10 years, subtracting pretrial time served \$53,070 x (10 years - 2 years) = \$424,560	New Jersey Department of Corrections annual cost to house an adult: \$53,070 Murder conviction sentence: 30 years, subtracting pretrial time served \$53,070 (30 years - 2 years) = \$1,485,960	
VIGTIM SUPPORT	Subject:	Victims of Crime Act	Social Service Assistance	Medical Examiner's Office	
	Source	New Jersey Attorney General Victims of Crime Compensation Office	SNAP Maximum Award Amounts     TANF Maximum Award Amounts	<ul> <li>Essex County Coroner's Office</li> <li>Essex County Medical Examiner</li> <li>NICJR National Cost of Violence Report</li> </ul>	
	Notes	Maximum award amount per claim: \$25,000 • Mental health counseling • Medical bills • Loss of wages • Funeral/burial expenses • Crime scene cleanup • Relocation • Child care	A severely injured shooting victim often cannot return to work immediately. Since the victim and perpetrator may be major financial contributors to their households, many families may need to apply for social services support. This study estimates 1 year of assistance. \$1,299/month x 12 months x 2 families = \$31,176	CY19 budget: \$4,250,000 CY19 total number of autopsies: 1,004 Cost per autopsy = \$2,500 According to NICJR's research, the average national cost for a post-homicide autopsy is \$2,500.	
LOST REVENUE	Subject:	Lost Tax Revenue: One Person Incarcerated	Lost Tax Revenue: Murder (Loss of Revenue	for Two People)	
	Source	<ul> <li><u>New Jersey Division of Taxation (Sales Tax)</u></li> <li><u>New Jersey Tax Rate Schedules (Income Tax)</u></li> </ul>	<ul> <li><u>New Jersey Division of Taxation (Sales Tax)</u></li> <li>New Jersey Tax Rate Schedules (Income Tax)</li> </ul>		
	Notes	State income tax: 1.75% Total annual income tax at \$30,000/year: (\$30,000 x .0175) - \$70= \$455 State sales tax: 6.625% County general tax: 3.73% Total combined sales tax: 10.4% Total annual sales and income tax for person earning \$30,000/year and spending 1/3 of income: \$1,495 Lost tax revenue for a 10-year sentence for attempted murder (\$1,484.60 x 10 years): \$14,950 If the shooting victim does not work for one year, an additional \$1,495 of revenue is lost. Total lost tax revenue = \$16,445	State income tax= 1.75% Total income tax for person earning \$30,000/year: \$455 State sales tax= 6.625% County general tax= 3.73% Total combined sales tax: 10.4% Total sales tax for person earning \$30,000/year and spending 1/3 of income: \$1,040 Lost tax revenue for a 30-year sentence for murder (\$1,495 x 30): \$44,850 A shooting victim who loses their life represents another 30 years of lost revenue. Total lost tax revenue for perpetrator and victim (\$44,850 x 2) = \$89,700		