

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 2363

STATE OF NEW JERSEY
220th LEGISLATURE

DATED: MARCH 22, 2022

SUMMARY

- Synopsis:** Concerns SNAP services provided at county board of social services.
- Type of Impact:** Potential increase in State expenditures and revenues; potential increase in county costs.
- Agencies Affected:** Department of Human Services, County Boards of Social Services.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
Potential State Cost Increase	Indeterminate
Potential State Revenue Increase	Indeterminate
Potential County Cost Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that the Department of Human Services (DHS) will potentially realize higher administrative costs in order to establish the SNAP training program for employees of County Boards of Social Services, publish certain county-level SNAP data on the DHS website, and establish and oversee the focused outreach pilot program to increase SNAP enrollment among certain vulnerable populations.
- State revenues will likely increase under the bill, since the federal government provides matching funds for qualifying State administrative expenditures under SNAP. Any revenue increase from the receipt of federal matching funds will depend upon the extent to which the State allocates ARPA funding to help offset higher SNAP administrative costs stemming from this bill.
- County Boards of Social Services may also realize increased costs, pursuant to a provision in the bill that requires each County Board of Social Services to ensure that all employees who assist individuals with the SNAP enrollment and recertification processes complete the SNAP training program newly established under the bill.

BILL DESCRIPTION

This bill would require the DHS, to the maximum extent permissible under federal law, to establish a training program for each employee of a County Board of Social Services who assists individuals with the SNAP enrollment and recertification process. The purpose of the training will be to educate employees on current federal laws, regulations, and standards concerning SNAP, and best practices to comply with federal SNAP requirements. The DHS is required to periodically review and modify the training program, as needed, to incorporate any changes to federal SNAP laws, regulations, and standards. Each County Board of Social Services is responsible for ensuring that all required employees complete the training program, at least once in each calendar year.

The bill additionally requires the DHS to publish county-level case tracking data for SNAP on its website, including: application approval rates, reasons for application denial, and average application approval time.

Finally, the DHS is to establish a one-year pilot program in order to conduct focused outreach and provide SNAP application assistance to certain underserved populations. The goal of the pilot program, which will operate in three counties across the State, is to increase enrollment among underserved populations of eligible SNAP participants, including, but not limited to, college students, immigrants, and older adults.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the DHS will potentially realize higher administrative costs in order to establish the SNAP training program for employees of County Boards of Social Services, publish certain county-level SNAP data on the DHS website, and establish and oversee the focused outreach pilot program to increase SNAP enrollment among certain vulnerable populations.

Since the federal government shares all administrative expenses with the State, the requirements under this bill may increase in State revenues by an indeterminate amount. Any increase in SNAP benefits resulting from the requirements under the bill would not have any fiscal impact on the State, as SNAP benefits are paid directly from federal funds.

The OLS notes that the federal ARPA provides \$1.135 billion over a three-year period for state SNAP administrative costs in order to partially alleviate increased public demand for benefits resulting from the COVID-19 pandemic. This additional federal funding does not require that states provide matching funds for eligible SNAP administrative expenditures. Between FY 2021 and FY 2022, New Jersey is scheduled to receive \$21 million under ARPA for SNAP administrative costs. By comparison, total SNAP administrative costs incurred by the State in FY 2019 totaled \$326.8 million. Furthermore, guidance from the United States Department of Agriculture, which administers SNAP at the federal level, directs states to utilize ARPA funds for the following purposes, which largely align with the provisions of this bill: explore opportunities to improve service delivery and access for vulnerable populations; revise SNAP outreach materials to ensure program information is clear, concise, and easy to access; and invest in technology to

improve client access to SNAP. To the extent that the DHS utilizes ARPA funding to meet the requirements under this bill, State costs incurred will decrease, and may potentially be eliminated.

Section: Human Services

*Analyst: Anne Cappabianca
Associate Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).