

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 5086
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: JANUARY 27, 2023

SUMMARY

Synopsis: Increases minimum monthly benefit under State SNAP Minimum Benefit Program from \$50 to \$95 and authorizes DHS to increase program benefit amount.

Type of Impact: Annual State cost increase.

Agencies Affected: Department of Human Services.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Cost Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that State costs would increase annually by an indeterminate amount to raise the minimum monthly benefit under the State Supplemental Nutrition Assistance Program (SNAP) Minimum Benefit Program by \$45 per month, from \$50 to \$95.
- Because data on the distribution, by dollar amount, of federal SNAP benefits among the State's SNAP households are not publicly available, the OLS cannot determine the magnitude of the annual cost increase.

BILL DESCRIPTION

This bill increases the minimum monthly benefit under the State SNAP Minimum Benefit Program from \$50 to \$95 and authorizes the Department of Human Services to increase the program's benefit amount further if it deems appropriate. The bill also states that if federal funds become available for the purposes of the State SNAP Minimum Benefit Program, the department is required to utilize such federal funds as the primary source for issuing the monthly benefit before any State funds are expended.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that State costs would increase annually by an indeterminate amount to raise the minimum monthly benefit under the State SNAP Minimum Benefit Program from an amount equal to the difference between an eligible household's federal SNAP benefit and \$50, to an amount equal to the difference between an eligible household's federal SNAP benefit and \$95.

Because data on the distribution, by dollar amount, of federal SNAP benefits among the State's SNAP households are not publicly available, the OLS cannot determine the magnitude of the annual cost increase. It is important to note that SNAP is a federal entitlement program, meaning that any individual who qualifies for SNAP is entitled to receive SNAP benefits.

According to monthly NJ SNAP enrollment data, reported in the November 2022 *Current Program Statistics* report issued by the Department of Human Services, 397,363 households, composed of 768,584 individuals, received SNAP benefits in that month. In federal fiscal year 2023, the minimum federal SNAP benefit is \$23 per month. For context, data published by the federal government shows that in FY 2019, prior to any supplemental COVID-19 benefits initiated under the program, the average monthly benefit per SNAP-enrolled household in New Jersey was \$224. If ten percent of households receiving SNAP benefits in the State receive the minimum federal SNAP benefit of \$23 per month, and all other SNAP households receive SNAP benefits over the \$95 monthly minimum set under the bill, the bill would increase annual State expenditures by \$21.5 million to bring these households' monthly SNAP benefits up to the \$95, an increase of \$45 per month from the existing State minimum monthly supplemental SNAP benefit of \$50.

This estimate does not assume any additional increase in the State minimum monthly supplement SNAP benefit beyond the \$95 minimum; however, the OLS notes that the bill authorizes the Department of Human Services to increase the program's benefit amount if it deems such an increase appropriate. To the extent additional increases are made, State costs will increase. Moreover, this estimate further assumes that the cost of the increase will be the full responsibility of the State; however, the bill requires the department to utilize federal funds for these purposes if such funds become available.

Section: Human Services
Analyst: Sarah Schmidt
Lead 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.).