

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 1749
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: OCTOBER 26, 2022

SUMMARY

- Synopsis:** Provides for student recipients of educational opportunity funds to be exempt from 20 hour weekly work requirement ordinarily required for student SNAP participation.
- Type of Impact:** Potential State expenditure and revenue increases.
- Agencies Affected:** Division of Family Development, Department of Human Services.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
Potential State Expenditure Increase	Minimal, Indeterminate
Potential State Revenue Increase	Minimal, Indeterminate

- The Office of Legislative Services (OLS) concludes that the Division of Family Development (DFD) in the Department of Human Services (DHS) may incur indeterminate annual costs to implement a public awareness campaign, as required under the bill, if the State receives federal approval of the bill’s provisions to relax the Supplemental Nutrition Assistance Program (SNAP) work requirements for Educational Opportunity Fund (EOF) award recipients.
- The OLS estimates that any expenses under the bill will be minimal due to low overall cost and the likelihood that any expenditures may be absorbed by the division’s existing operating budget. Furthermore, any costs incurred will be offset by an increase in federal revenue, as the federal government reimburses the State for up to 50 percent of allowable SNAP administrative costs, which includes outreach activities.
- Any increase in SNAP benefits under the bill would not have any fiscal impact on the State, as SNAP benefits are paid directly from federal funds.

BILL DESCRIPTION

This bill would require the DHS to authorize a student of higher education who is the recipient

of an award from the New Jersey EOF to obtain nutrition assistance benefits under SNAP, regardless of whether the student satisfies the 20 hour weekly work requirement established by federal law. The provisions of the bill will not take effect until such time as the federal Food and Nutrition Service approves the change in, and authorizes a waiver of, existing federal student work requirements for the students identified in the bill.

Following the receipt of the necessary federal approvals and waivers, the DHS would be required to institute a public awareness campaign that is designed to inform high school seniors and students of higher education about the new SNAP eligibility criteria applicable to these award recipients.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the DFD in the DHS may incur indeterminate annual costs to implement a public awareness campaign, as required under the bill, if the State receives federal approval of the bill's provisions to relax SNAP work requirements for EOF award recipients. The OLS estimates that any expenses under the bill will be minimal due to low overall cost and the likelihood that any expenditures may be absorbed by the division's existing operating budget. Furthermore, any costs incurred will be offset by an increase in federal revenue, as the federal government reimburses the State for up to 50 percent of allowable SNAP administrative costs, which includes outreach activities.

SNAP is federally regulated by the United States Department of Agriculture. However, the DFD works with county welfare agencies to administer the program. As an administrator, it is likely that the division will require minimal effort to compile and prepare information for outreach regarding the program. The OLS estimates that any expense from the one-time development of campaign materials may be absorbed by the division's existing operating budget, minimizing or eliminating costs. The bill does not indicate how this campaign information is to be disseminated, but the OLS assumes that the DFD will utilize digital platforms, such as websites, social media, and e-mail, to distribute the information to schools and students; thereby limiting costs.

Finally, any increase in SNAP benefits under the bill would not have any fiscal impact on the State, as SNAP benefits are paid directly from federal funds.

Section: Human Services

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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.).