

SENATE HEALTH, HUMAN SERVICES AND SENIOR CITIZENS COMMITTEE

STATEMENT TO **SENATE, No. 2480**

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 6, 2022

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with committee amendments Senate Bill No. 2480.

As amended by the committee, this bill raises the annual household income limit for determining initial income eligibility under the State's subsidized child care assistance program.

Currently, initial eligibility determination in the State's subsidized child care assistance program is limited to families that report a maximum annual gross family income of 200 percent of the federal poverty level (FPL), which is \$55,500 for a family of four in 2022. However, according to the most recent ALICE Report by the United Ways of New Jersey, the average ALICE – Asset Limited, Income Constrained, Employed – Household Survival Budget in the State was \$88,224 for a family of four in 2018. In 2018, 37 percent of New Jersey's 3.2 million households struggled to make ends meet, with 27 percent of these households categorized as ALICE households.

As amended, this bill raises the maximum initial income eligibility, and subsequent redetermination income eligibility, for the State's subsidized child care assistance program to 300 percent of the FPL, which is \$83,250 for a family of four in 2022. The Commissioner of Human Services will be required to establish and utilize at least four tiers to determine initial income eligibility and placement on the Division of Family Development's co-payment schedule for child care services under the State's subsidized child care assistance program. The bill specifies that nothing in its provisions precludes the commissioner from establishing a child care assistance income threshold that is higher than 300 percent of the FPL.

The bill additionally appropriates such sums as may be necessary to implement the provisions of the bill, which appropriation will be in an amount determined by the Commissioner of Human Services, subject to approval by the Director of the Office of Management and Budget in the Department of the Treasury.

COMMITTEE AMENDMENTS:

The committee amendments add language specifying that amounts appropriated under the bill will be appropriated from the General Fund to the Department of Human Services, and that the Commissioner of Human Services' determination as to the amount of the appropriation will be subject to approval by the Director of the Office of Management and Budget in the Department of the Treasury.

The committee amendments revise the title and synopsis of the bill to reflect that the bill makes an appropriation.

The committee amendments make various technical changes involving capitalization and punctuation and to correct a statutory cross reference.