

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

## SENATE, No. 2330 STATE OF NEW JERSEY 221st LEGISLATURE

DATED: JUNE 28, 2024

### SUMMARY

- Synopsis:** Establishes One-Year State Work First New Jersey Menstrual Hygiene Benefit Pilot Program and State Work First New Jersey Diaper Benefit Pilot Program; appropriates \$2.5 million to DHS.
- Type of Impact:** One-Year State expenditure increase, General Fund.
- Agencies Affected:** Department of Human Services.

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b>One-Year Duration of Pilot Program</b>
<b>State Cost Increase – Benefits</b>	\$2.4 million
<b>State Cost Increase – EBT Modifications</b>	Up to \$60,000

- The Office of Legislative Services (OLS) estimates that this bill will increase State costs by \$2.4 million in order to provide menstrual hygiene benefits and diaper benefits over the one-year pilot program period to certain Work First New Jersey Program beneficiaries, as described under the bill.
- The OLS assumes that the Department of Human Services will incur one-time expenses up to \$60,000 to make technological modifications to the State’s existing electronic benefits transfer system to accommodate these new benefit programs.
- The bill appropriates \$2.5 million from the General Fund to the Department of Human Services for the purposes of the bill.

### BILL DESCRIPTION

This bill establishes two one-year pilot programs in the Division of Family Development in the Department of Human Services for certain Work First New Jersey (WFNJ) recipients: the State WFNJ Menstrual Hygiene Benefit Pilot Program and the State WFNJ Diaper Benefit Pilot

Program. The bill also makes a \$2.5 million appropriation to support the pilot programs. Work First New Jersey is the State's cash assistance program for low-income residents.

Under the State WFNJ Menstrual Hygiene Pilot Program, each person who menstruates participating in WFNJ, ages 18 to 50 years, is to receive a monthly State benefit of \$14 to defray the costs of menstrual hygiene products. Under the State WFNJ Diaper Benefit Pilot Program, each person participating in WFNJ is to receive a monthly State benefit of \$30 for each dependent of the person who is under 36 months of age to defray the costs of diaper products. The division is required to establish a process to distribute the monthly State benefit under both programs via the participant's WFNJ electronic benefits card, on the same issuance date as the participant's standard WFNJ benefits. The bill also requires: the division to educate participants of each pilot program on the purpose of the additional benefit provided by the pilot program; and the Department of Human Services to prepare and submit to the Governor and the Legislature a report evaluating the effectiveness of the pilot programs established by the bill.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received; however, data provided by the Department of Human Services indicated that in May 2023, there were 9,200 female beneficiaries between the ages of 18 and 59 participating in Work First New Jersey and 2,200 children under the age of three participating in Work First New Jersey. As of April 2024, participation in the Work First New Jersey Program has increased by 16 percent compared to May 2023 levels.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that this bill will increase State costs by \$2.4 million in order to provide menstrual hygiene benefits and diaper benefits to certain Work First New Jersey Program beneficiaries, as described under the bill, over a one-year period. This estimate is based upon enrollment data provided by the Department of Human Services. Of the expenditure growth, \$1.4 million is attributed to the Menstrual Hygiene Benefit Program and \$918,000 is attributed to the Diaper Benefit Program.

In addition, the OLS assumes that the Department of Human Services will incur one-time expenses up to \$60,000 to make technological modifications to the State's existing electronic benefits transfer system to accommodate these new benefit programs. To the extent that federal funds can be utilized, State expenditures will decrease. Currently, Work First New Jersey and Supplemental Nutrition Assistance Program beneficiaries access benefits via electronic benefits transfer cards. In March of 2023, the department initiated a State-funded benefit under the Supplemental Nutrition Assistance Program, which required a \$60,000 update to the State's electronic benefits transfer system. This estimate assumes the provisions of the bill will cost up to this amount.

This estimate assumes that the education and reporting requirements of the bill can be absorbed into the existing operating costs of the department, as there are existing systems in place to communicate with Work First New Jersey recipients and to evaluate the program that can be used to fulfill these provisions.

*Section: Human Services*

*Analyst: Sarah Schmidt  
Lead Research 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.).