

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### **SENATE, No. 1749**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JANUARY 19, 2023

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 1749.

As amended by the committee, this bill would require the Department of Human Services (DHS) to authorize a student of higher education who is the recipient of an award from the New Jersey Educational Opportunity Fund to obtain nutrition assistance benefits under the State's Supplemental Nutrition Assistance Program (SNAP), regardless of whether the student satisfies the 20 hour weekly work requirement, established by federal law at 7 CFR 273.5(b)(5), which is ordinarily required for students of higher education to participate in SNAP. The Educational Opportunity Fund provides financial assistance to needy students, in order to enable them to attend institutions of higher education.

Because SNAP was established pursuant to federal law, and because the program is subject to compliance with certain minimum federally-established work requirements and eligibility criteria, the bill's relaxation of work requirements for Educational Opportunity Fund award recipients will not take effect until such time as the federal government adopts a law, regulation, waiver, or other approval authorizing the provisions of the bill to take effect without penalty to the State and without loss of benefits to any enrollee under SNAP.

As amended, the bill would require the Commissioner of Human Services, within 90 days after the bill becomes operative, to: 1) apply for any federal approvals or waivers that may be necessary to implement and enforce the provisions of the bill; and 2) take any additional action as may be necessary to ensure that the State's implementation of the bill is undertaken in compliance with all applicable provisions of federal and State law.

Following the receipt of the necessary federal approvals and waivers, the DHS will be required to implement and enforce the expanded SNAP eligibility requirements for Educational Opportunity Fund award recipients. In so doing, the DHS will 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.

COMMITTEE AMENDMENTS:

The committee amendments revise the bill to remove language requiring the Commissioner of Human Services to apply to the federal Food and Nutrition Service for any waivers as are necessary to implement the bill, and instead provide that the bill will remain inoperable until the adoption of a federal law, regulation, waiver, or other approval authorizing the bill to be implemented without penalty to the State and without loss of benefits to any SNAP enrollee.

FISCAL IMPACT:

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.