

2025 Federal Budget Law

P.L. 119-21

Implications for the New Jersey
Supplemental Nutrition Assistance Program (NJ SNAP)





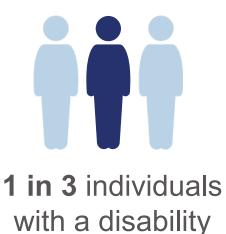


Roughly \$2B in SNAP benefits were issued during State Fiscal Year 2025.

In NJ, SNAP serves:



More than 800K people, of which more than 40% are children







SNAP dollars are spent at 6K authorized retailers throughout the state.



Federal Budget Bill – Program Changes



- Admin Cost Shift
- Benefit Cost Shift
- Able-Bodied Adults without Dependents (ABAWD)
- Low-Income Home Energy Assistance Program (LIHEAP)/SNAP connection
- Non-Citizen eligibility
- SNAP-Ed





Administrative Cost Sharing Requirement

The law changes the administrative cost contribution required by the state, which is paid by the state *and* counties, from:

• 50% federal, 50% state to **25% federal**, **75% state**.

The increased administrative cost will amount to roughly \$90M, and \$78M of this would need to be covered by the counties.

State Federal

Starts October 1, 2026







The law changes the cost of benefits, which used to be fully covered by the federal government, to:

• shift responsibility to the states to pay allotment of benefits depending on their SNAP Quality Control Payment Error Rates (PER).

Match amounts that will be required by states based on their error rates:

- Below 6% error rate: 0% match
- Between 6% and 7.99% error rate: 5% match
- Between 8% and 9.99% error rate: 10% match
- 10% or higher error rate: 15% match
- Each 5% cost share will amount to \$100M in NJ. A 15% cost share will amount to more than \$300M.



Able-Bodied Adults Without Dependents (ABAWDs)



The law changes the:

- age of individuals who must comply with the 80 hours/month work requirement from 18-54 to **18-65**.
- work requirement exception for those with dependent children from households with children under the age of 18 to households with children under the age of 14.









The law changes the relationship between SNAP and the LIHEAP heating and cooling program. This will result in many SNAP recipients, who are not elderly or disabled, receiving reduced SNAP benefits.



In addition, this change would have an administrative impact that could increase the state's Payment Error Rate, which could, in turn, cost the state more in SNAP benefits.



Non-Citizen Eligibility

The law changes who may be eligible, as long as they meet all other SNAP financial and non-financial eligibility requirements.

Pre-2025 Federal Budget Law:

- Lawful permanent residents (LPR) or Green Card holders
- Compact of Free Association (COFA) citizens
- Cuban entrants
- Haitian entrants
- Refugees
- Asylees
- Survivors of Human Trafficking
- Non-citizens battered by family members while in the United States
- Persons whose deportation is withheld due to threat of serious harm or torture upon deportation
- Those granted parole into the United States for a period of at least one year
- American Indians Born in Canada
- Members of Federally Recognized Tribes Born Abroad

2025 Federal Budget Law:

- Lawful permanent residents (LPR) or Green Card holders
- Compact of Free Association (COFA) citizens
- Cuban entrants
- Haitian entrants
- Refugees
- Asylees
- Survivors of Human Trafficking
- Non-citizens battered by family members while in the United States
- Persons whose deportation is withheld due to threat of serious harm or torture upon deportation
- Those granted parole into the United States for a period of at least one year
- American Indians Born in Canada
- Members of Federally Recognized Tribes Born Abroad







The law **eliminated SNAP-Ed**, a program that received \$9.9M during Federal Fiscal Year 2025 to teach NJ residents with low incomes how to make healthy, budget-friendly food choices and lead more active lives.













New Jersey taxpayers, who will have to carry more of the benefit and administrative cost of SNAP.





Immigrants, who entered this country legally under certain special circumstances determined by the Attorney General, who will lose SNAP eligibility.

Questions?

