

### 2025 Reconciliation Bill P.L. 119-21

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



### **SNAP Stats**

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

**1 in 3** individuals with a disability

1 in 5 individuals age **60 and over** 

60+

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







### **SNAP-Ed**



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.





# 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.
- work requirement exceptions for specific populations, such as people who are:
  - experiencing homelessness
  - veterans
  - under 24 years old and aged out of foster care at age 18

(These exceptions will sunset on October 1, 2030.)





# **Non-Citizen Eligibility**

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

#### **Current:**

- 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

#### **Proposed:**

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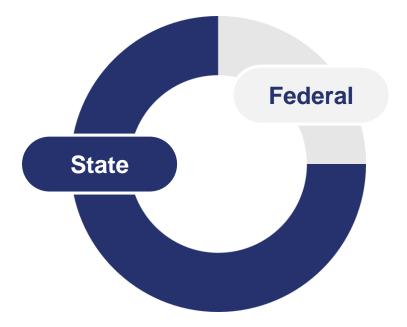


# **Administrative Cost Sharing Requirement**

The proposed bill 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.** 







# **Benefit Cost Sharing Requirement**

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

• shift responsibility to the states to pay **at least 5%** of benefit allotments, or a higher percentage 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
- The minimum 5% cost share will amount to **\$100M** in NJ. A 25% cost share will amount to more than **\$500M**.
- Error rates are published at the end of June, leaving states with only 3 months to fix any issues before match rates are increased.





# **Quality Control and Payment Error Rates**

- SNAP Quality Control (QC) is an arbitrary and changing process, which at times contradicts federal regulations.
- NJ's error rate averaged between 5% and 6% for almost 20 years, but an arbitrary change in 2023 caused our rate to increase to 35%.
- QC review criteria are different from eligibility standards, so the review is not apples to apples.
- Error rates do not measure "waste, fraud and abuse."
  - E.g., in most of the errors found in NJ, the federal government determined that the person was eligible and the benefit calculation was correct, but the supporting paperwork was yet to be filed.





#### Inconsistencies Between Application Requirements and Quality Control Requirements

- Under federal rules, when a NJ resident applies for SNAP, they can produce a rent receipt to prove how much they pay.
- However, when that same case is reviewed by quality control officials, they require more information, such as the landlord's phone number.
- If that phone number is missing, the case is assessed as a "payment error."







#### Required by Feds at Time of Application:

#### Required by Quality Control for Federal Review:

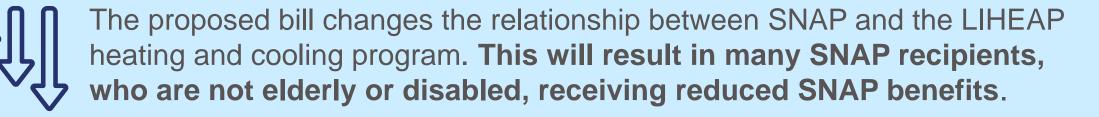
RECI	EIPT DATE		No	
RECEIVED FROM			\$	
				DOLLARS
OFOR RENT				
ACCOUNT	Cash			
PAYMENT		FROM	то	-
BAL. DUE				A-270

NJ Division of Family Development SNAP Quality Control	
LANDLORD VERIFICATION FORM This form is to be filled out by a LANGLORD, SUBSIDIZED HOUSING AGENCY, or THE PERSON TO WHOM YOU PAY RENT, RE:: «STREET ADDRESS» «U.N.E. TWO»	
«CITY», «STATE» «ZIP_CODE»	
Dear LANDLORD:	
The Division of Family Development, Barcan of Quality Control is reviewing the circumstances of cNAMEbs/Client. A basic component of this review is verification of who lived at the address above and the shelter costs. All information will be treated in a privileged and confidential manner by our Agency. Thank you for your cooperation in this matter. You many fax the completed form to our office at FAX <b>609-341:991</b> or send a seamed or digitally	of Landlord Date
photographed copy of the completed form to nisnapqc@dhs.nigov	
Very truly yours,	
NJ SNAP Bureau of Quality Control	Talanhana Number of Londlard
1. List all person(s) who lives at the above address during oREVIEW_MONTHD. Please include the client if applicable. "If needed please list all additional household members on a separate piece of paper"	Telephone Number of Landlord
Name of People in Household Relationship	0.00
2. 3.	Office
4. 5.	
2. Did anyone leave or join the household since «Application Date»? YES NO If yes, please	
explain:	
3. The total rent for the month of «REVIEW_MONTH» was	
4. Date above rent became effective:/Amount of previous rent \$	
5. What is the amount of the rent the client is responsible for?	
6. Does this include heat? YES NO Utilities? YES NO	
7. Is tenant charged extra for heating or cooling costs separate from rent? Yes or No	
Printed Name of Landlord Signature of Landlord Date	
Address of Landlord	
*For Apartment Building Please Indicate Management/ Leasing Office	
Review #: «REVIEW_» «INTERVIEWER_NAME_» «APPT_DATE»	



#### Changes to Relationship With the Low-Income Home Energy Assistance Program (LIHEAP)





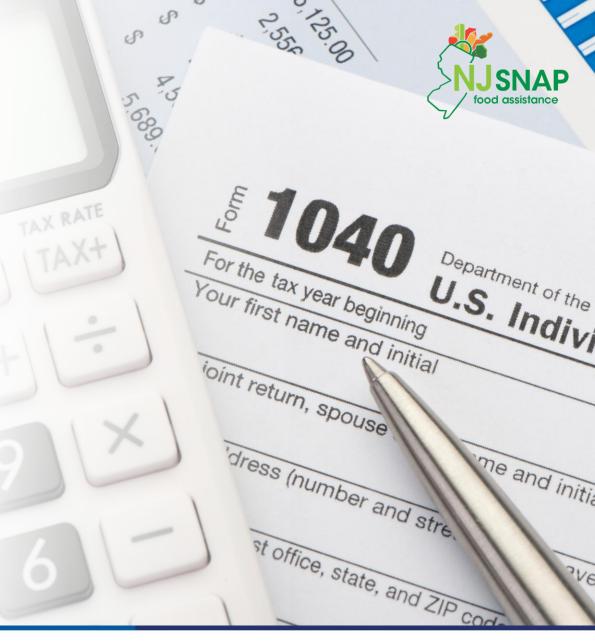


In addition, this change would have an administrative impact that could increase the state's Payment Error Rate, which could, in turn, cost the state more in SNAP benefits.



### **Return on Investment**

- Both the administrative and benefit cost sharing are not cuts, but rather cost shifts. NJ taxpayers will be paying these costs from NJ taxes, rather than federal taxes.
- In NJ, residents and businesses already send more money to the federal government in comparison to how much federal money is received and distributed within the state. In 2022, NJ sent \$165M to Washington D.C. and received \$125M. Between 2015 and 2022, NJ consistently ranked among the bottom three states when looking at return on the dollar.







# Who is hurt most by this bill?

The proposed bill will negatively impact:



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?**





New Jersey Human Services | Division of Family Development