

Impact of Congressional Proposals on New Jersey's Supplemental Nutrition Assistance Program

The <u>Supplemental Nutrition Assistance Program (SNAP</u>) is the nation's largest anti-hunger program. Congress is considering proposals that would modify SNAP's funding structure, reduce access to nutrition assistance, and complicate the administration of the program. Collectively, these proposals would increase food insecurity and harm New Jersey's public health and local economies.

New Jersey Supplemental Nutrition Assistance Program Overview

In New Jersey, SNAP helps over 800,000 people across 400,000 households pay for food each month. Among New Jersey residents receiving SNAP, almost half are children, nearly 1 in 3 are individuals with a disability, and 1 in 5 are over the age of 60. By helping participants access healthy food, SNAP helps prevent adverse outcomes, including chronic health conditions and higher healthcare expenditures.

In addition to supporting food security and health among New Jersey's families, SNAP also serves as an automatic economic stabilizer and multiplier, supporting businesses and strengthening local economies. The \$2.5 billion in SNAP dollars redeemed in New Jersey in Federal Fiscal Year 2023 contributed as much as \$3.8 billion to GDP.ⁱⁱⁱ Accordingly, cuts to SNAP not only hurt families and increase food insecurity, but also impact the 5,600 retailers that are authorized by the USDA to accept SNAP benefits.^{iv}

SNAP Households and Monthly Benefits Issued by Congressional District

Congressional District	SNAP Dollars Distributed Monthly	Number of Participating Adults	Number of Participating Children	Number of Participating Households	Total People Participating in SNAP
1	\$18,787,447	56,492	41,469	51,649	97,962
2	\$16,847,382	53,264	38,976	48,401	92,239
3	\$6,665,264	20,909	14,707	19,360	35,616
4	\$9,008,772	25,992	32,054	21,520	58,047
5	\$5,407,074	19,431	8,465	17,094	27,896
6	\$9,933,320	29,326	23,299	28,658	52,625
7	\$5,312,186	18,064	10,775	16,301	28,840
8	\$24,471,715	74,448	48,638	68,888	123,086
9	\$19,459,774	58,411	43,732	53,087	102,143
10	\$24,542,607	71,696	51,695	68,308	123,391
11	\$5,110,867	17,337	9,280	15,885	26,617
12	\$10,262,129	27,469	25,100	29,054	52,568



Proposed Changes to SNAP

Modify SNAP Funding Structure

Since the program's inception, the federal government has fully funded the cost of SNAP *benefits*. The federal government covers about half of the cost of *administering* the program. In New Jersey, administrative costs are shared among the state and counties. Any changes to SNAP's funding structure would have a substantial impact on state and county budgets.

Benefit Cost Share

Federal lawmakers have proposed modifying SNAP's long-standing funding structure by forcing states to either pay for a portion of benefits or dramatically reduce nutrition assistance. Lawmakers have proposed a state share of at least 5 percent of benefit costs. Depending on a state's payment error rate, which is a fundamentally flawed metric, the state cost share could be as much as 25 percent of benefit costs.

Year	State Share of 5% (millions)	State Share of 10% (millions)	State Share of 25% (millions)
FFY 2028	\$112	\$223	\$558
FFY 2028-2034	\$876	\$1,752	\$4,379

Shifting even a small amount of SNAP benefit costs to states would have a drastic impact on New Jersey. For example, requiring NJ to cover five percent of SNAP benefits would cost NJ over \$100 million per year. Requiring a state share of 25 percent would cost New Jersey an estimated \$4.4 billion between FFY 2028 and FFY 2034.

Administrative Cost Share

Approximately half of administrative costs for SNAP are federally funded. In New Jersey, the other half of administrative costs are shared between the state and counties. Congress is considering legislation that would reduce the federal portion of SNAP administrative costs to 25 percent, raising the state share of administrative costs to 75 percent.

Year	Current 50 percent NJ Share (millions)	Proposed 75 percent NJ Share (millions)	Difference in NJ Share (added cost to state and counties)
FFY 2026	\$189	\$283	\$94
FFY 2026-2034	\$1,981	\$2,972	\$991

Decreasing the federal share of administrative costs would strain both state and county budgets. Increasing the state/county administrative share to 75 percent would cost the state an estimated \$2.9 billion between FFY 2026 and FFY 2034, an increase of about \$991 million from the current 50 percent cost share.



Expand Work Requirements and Time Limits

Most SNAP participants between the ages of 16 and 59 are required to meet general work requirements. Individuals who are between the ages of 18-54 who do not have any dependents, known as Able-Bodied Adults Without Dependents (ABAWDs), are subject to additional requirements and time limits – ABAWDs must demonstrate 80 hours of work per month to receive SNAP benefits for more than three months in a three-year period.

Congress has proposed narrowing exemptions to these harsh time limits and burdensome administrative requirements, taking critical food assistance away from older adults, families with children, veterans, individuals who are homeless, and young adults aging out of foster care. For example, subjecting seniors between the ages of 55 and 65 to ABAWD requirements would put over 25,000 older adults at greater risk of losing access to nutrition assistance. Congress has also proposed limiting exemptions for families with dependent children to households with children ages seven and under. Implementing this age cap would put over 66,000 New Jersey households with dependent children over the age of seven at greater risk of losing access to SNAP benefits.

New Jersey Department of Human Services, Division of Family Development. (January 2025) *Current Program Statistics.* "Table 5: Number of Participating Households, Persons, Adults, and Children for January 2025 (Statewide)". For this analysis, 2024 averages were used. https://www.nj.gov/humanservices/dfd/news/reports/cps.shtml

[&]quot;Gregory, Christian and Coleman-Jensen, Alisha. (2017) "Food Insecurity, Chronic Disease, and Health Among Working-Age Adults." United States Department of Agriculture, Economic Research Service. Retrieved from: https://ers.usda.gov/sites/default/files/laserfiche/publications/84467/ERR-235.pdf?v=32197; Garcia, Haddix, Barnett, 2018. "Incremental Health Care Costs Associated with Food Insecurity and Chronic Conditions Among Older Adults." Centers for Disease Control and Prevention. Retrieved from: https://www.cdc.gov/Pcd/Issues/2018/18 0058.htm

iii United States Department of Agriculture. "SNAP Retailer Management Year End Summary FY 2023." https://www.fns.usda.gov/data-research/data-visualization/snap-retailer-management-dashboard

iv United States Department of Agriculture, Food and Nutrition Service. "SNAP Retailer Management Year End Summary Dashboard." https://www.fns.usda.gov/snap/retailer/data