

SENATE HEALTH, HUMAN SERVICES AND SENIOR
CITIZENS COMMITTEE

STATEMENT TO

SENATE CONCURRENT RESOLUTION No. 93

STATE OF NEW JERSEY

DATED: MARCH 14, 2024

The Senate Health, Human Services and Senior Citizens Committee reports favorably Senate Concurrent Resolution No. 93.

This resolution urges the President and Congress to enact the “Poverty Line Act of 2023,” which would update the way the federal government calculates the federal poverty guidelines by accounting for real costs and adjusting for regional differences. The federal poverty guidelines, more commonly known as the federal poverty level, are a measure of income issued annually by the United States Department of Health and Human Services which are used to determine an individual’s or household’s eligibility for certain State and federal programs and benefits. Despite the federal poverty level’s benefit of providing a nationally recognized income threshold for determining who is poor, its shortcomings are well documented as it is not based on the current cost of basic household necessities, such as housing, utilities, childcare, transportation, and healthcare, and, except for Alaska and Hawaii, it is not adjusted to reflect cost of living differences across the United States. As a result, millions of struggling families across the country make too little to afford their basic needs, yet because the federal poverty line is so low, they are not eligible for safety net benefits.

The changes to the federal poverty level calculation proposed in the “Poverty Line Act of 2023,” would increase access to programs, such as Medicaid, Supplemental Nutrition Assistance Program, and the Low Income Home Energy Assistance Program, which provide critical support to people during times of economic hardship. Notably, the bill would also ensure that the new methodology is reviewed at least once every four years to determine whether it is still reflective of what households need to meet their basic needs and to identify additional changes needed in the future. Ultimately, the enactment of the “Poverty Line Act of 2023” would provide that the determination of poverty in New Jersey and the United States reflects the current level of financial distress experienced by millions of American families, ensuring greater access to the vital government benefits that provide the necessary short- and long-term support and stability to allow for economic mobility.