

Senate Finance Committee

Deb Martone 271-4980

SB 603-FN, relative to the funding of the SNAP program by the department of health and human services.

Hearing Date: January 20, 2026

Time Opened: 1:36 p.m.

Time Closed: 1:49 p.m.

Members of the Committee Present: Senators Gray, Innis, Birdsell, Pearl, Lang, Rosenwald and Watters

Members of the Committee Absent: Senator Carson

Bill Analysis: This bill directs the department of health and human services to transfer funds as necessary to compensate for any reduction in federal funds received by the state for SNAP, the Supplemental Nutrition Assistance Program.

Sponsors:

Sen. Abbas

Sen. Avard

Who supports the bill: Please see Senate Finance Committee Legislative Aide, Deb Martone, for complete list of individuals supporting SB 603-FN.

Who is neutral on the bill: Karen Hebert

Summary of testimony presented in support:

Senator Abbas, Prime Sponsor:

- Two weeks after we passed our budget last year the federal government reduced the reimbursement rate for SNAP benefits. We were anticipating a 50/50 split but the federal government changed that to 25/75.
- Although we're not feeling that burden right now with what we've budgeted for SNAP benefits, ultimately the Department anticipates we'll hit a shortfall, resulting in potential, devastating consequences.
- Over one thousand retailers throughout the state benefit from accepting SNAP benefits, and those benefits provide an economic boost to the local economy.
- The most important aspect of this pending situation is how it will affect low-income families who rely on SNAP benefits.
- The Department anticipates the shortfall will occur in approximately 8-10 months.
- SB 603-FN will allow the Department to transfer funds within and among accounting units as necessary to address any budget reduction for SNAP. Any

transfer of \$100,000 or more shall require prior approval of the Fiscal Committee.

- This is a critical benefit that people in this state need.
- Senator Rosenwald inquired about transfer approval going through both the Fiscal Committee and the Governor and Executive Council. Senator Rosenwald doesn't think she has ever seen the Governor and Executive Council approve a department transfer. She asked if Senator Abbas would support an amendment revising the language. Senator Abbas agreed. Senator Rosenwald then inquired as to where Senator Abbas thought the Department could transfer the money from. For example, what programs might be overfunded? Senator Abbas guessed there are times when federal or other sources of funding might become available. SB 603-FN gives the Department the flexibility to transfer. It puts them in a position to address this potential problem.
- Senator Gray stated there is a bill in the House that speaks to the administrative portion of SNAP, which is being reduced 25 percent by the federal government. He is a co-sponsor of the bill which requests one million dollars.

Laura Milliken, Executive Director, NH Hunger Solutions:

- Director Milliken provided a handout to committee members about SNAP in New Hampshire.
- SNAP is our state's most effective tool for fighting hunger. It's really the first line of defense.
- In November when the federal shutdown occurred we saw what happens when we don't have SNAP. The charitable food system was absolutely swamped and could not meet the need. Fortunately, that didn't last very long, but it underscores why we need to maintain the SNAP program in New Hampshire.
- Senator Abbas' bill ensures we have the administrative dollars to be able to run the program.
- Federal SNAP benefits are the benefits themselves. They are 100 percent federal with the administrative costs split 50/50 between the state and the federal government. The reconciliation bill that passed in July shifted that. Only 25 percent will be carried by the federal government, requiring the state to come up with the remaining 75 percent.
- Ms. Milliken is familiar with Representative Pearson's bill that Senator Gray referred to. Her only concern about the bill is that the estimates of what the administrative cost for SNAP, the additional 25 percent, would be \$5.75 million.
- We need to ensure we have all the administrative dollars to run the program, not only because we need to maintain the program as it is, but because there is increased scrutiny on the SNAP program. The state will be penalized for any errors it makes with the program. We need to ensure DHHS has all the well trained staff and administrative funding it needs to effectively run the program.

Neutral Information Presented:

Karen Hebert, Director, Economic Stability Division, Department of Health and Human Services:

- RSA 9:16-a does require both the Fiscal Committee and the Governor and Executive Council approval for department transfers..
- Administrative costs for the state's SNAP program currently are approximately \$24.6 million per state fiscal year. That split is changing from 50/50 to 75/25.
- Representative Pearson's bill addresses this situation for the state's share that the Department anticipates would be \$4.6 million.
- The Department also anticipates effective October 1, 2027 potential changes with respect to SNAP benefits. Currently, the state receives approximately \$158 million per year from the federal government to cover this benefit for about 73,000 individuals who receive SNAP in New Hampshire.
- The state's error rate will depend on what the state will have to contribute for the state's match of the SNAP benefit. Hopefully, they will continue to pursue a low error rate so that they will not have to pay.
- Senator Gray added the Department can have an error whether they pay someone too much or too little. It still counts as an error. Director Hebert agreed.

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Date Hearing Report completed: January 24, 2026