

Senate Health and Human Services Committee

Sophie Walsh 271-3469

HB 1797-FN, relative to eligibility for public assistance, including the New Hampshire employment program, family assistance program, and SNAP.

Hearing Date: April 8, 2026

Time Opened: 9:15 a.m.

Time Closed: 9:56 a.m.

Members of the Committee Present: Senators Rochefort, Avard, Birdsell and Prentiss

Members of the Committee Absent: Senator Long

Bill Analysis: This bill:

- I. Strengthens work requirements for SNAP eligibility.
 - II. Directs the department of health and human services to enter into data-sharing agreements with other state agencies to verify SNAP benefit eligibility.
 - III. Directs the department to verify eligibility of enrollees that make exclusively out-of-state purchases.
 - IV. Prohibits the department from using their discretion to set more lenient standards for SNAP eligibility or exemptions than those outlined in federal law.
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Sponsors:

Rep. Kofalt

Who supports the bill: 4 people signed in support of the bill. Full sign in sheets are available upon request by contacting the Legislative Aide, Sophie Walsh (sophie.walsh@gc.nh.gov).

Who opposes the bill: 283 people signed in opposition to the bill. Full sign in sheets are available upon request by contacting the Legislative Aide, Sophie Walsh (sophie.walsh@gc.nh.gov).

Who is neutral on the bill: 2 people signed in neutral on the bill. Full sign in sheets are available upon request by contacting the Legislative Aide, Sophie Walsh (sophie.walsh@gc.nh.gov).

Summary of testimony presented:

Representative Jim Kofalt, Hillsborough – District 32

- This bill will enhance work requirements for Supplemental Nutrition Assistance Program (SNAP) eligibility, direct the Department of Health and Human Services (DHHS) to enter into data-sharing agreements with other state agencies, direct DHHS to verify eligibility of recipients making exclusively out-of-state purchases, and direct DHHS to check the Systematic Alien Verification for Entitlements (SAVE) database for verification.
- This tightens up program integrity and ensures the state is providing benefits to people who truly need them.
- Representative Kofalt noted that there has been federal legislation on this topic, and this bill implements some framework around it.
- This bill originally included a prohibition on the purchase of sugary sodas and candies, but that has been eliminated to focus on program integrity.

Representative Lucy Weber, Cheshire – District 5

- As a representative of a border town, Representative Weber is very concerned about the effects of this on people whose nearest and most convenient grocery store option is out-of-state.
- Representative Weber understands that the state must comply with federal regulations, but she is concerned that this bill represents the most restrictive option with no discretion in areas as allowed by federal law. She expressed concern about an organization that testified for this bill during the House hearing.
- She emphasized that the proposed verification process may drop people from the program who need these benefits, as many people may not have the capacity to keep up with so many verifications.
- She noted that this also creates more work for DHHS, emphasizing that they are already understaffed.

Christine Santaniello and Brian Clark, Department of Health and Human Services

- Associate Commissioner Santaniello stated that there are 70,000 people who receive SNAP benefits in New Hampshire, bringing about \$158 million of revenue to the state. There are also approximately 1,000 “mom and pop shops” that accept SNAP benefits.
- DHHS already has a number of memorandums of understanding (MOUs) with other state agencies.
- There are no Able-bodied Adults without Dependents (ABAWD) exemptions in the state. The Department uses them sparingly as a tool and resource for communities with no jobs or very high unemployment. Such exemptions must be renewed annually.

- Associate Commissioner Santaniello noted that there is a cost to implement this bill.
- Senator Rochefort noted that when the Senate version of this bill was heard, it was said that 9 additional Full Time Equivalents (FTEs) would be needed, but now it seems like only 5 are needed.
- Associate Commissioner Santaniello confirmed and noted that the bureau has 70 unfunded positions and a vacancy rate of 22%.
- Senator Rochefort asked if additional FTEs would be needed to comply with new federal regulations.
- Associate Commissioner Santaniello explained that the Department has already implemented all eligibility changes required with existing employees. She noted that the lottery crossmatch would cost at least \$1.6 million in system changes.
- Senator Rochefort asked where the bill goes beyond federal requirements.
- Associate Commissioner Santaniello noted that the ABAWD exemption for work requirements got changed to unemployment of 10% or higher. This takes tools away from the Department to help people in communities with no available jobs.
- Mr. Clark explained that a lot of the bill's language is duplicative of existing federal requirements, but there are some differences.
- The current process for the lottery crossmatch is accepting self-attestation that an applicant or recipient has not won lottery winnings that would result in ineligibility. This bill requires building a data crossmatch with the Lottery Commission.
- The bill also requires a data crossmatch with the Federal Bureau of Investigation (FBI). The Department's current process is to rely on law enforcement to come to them with a warrant if they are seeking a fleeing felon.
- While the Department already uses SAVE for noncitizens at the time of application and redetermination, this bill would require them to use it on citizens on a monthly basis. This would be a more onerous request than what currently exists, as this is a manual process.
- The Department also already uses an out-of-state data report that they manually review to assess individual circumstances and request verification when needed. They would have to send for verification regardless under this proposed change. Mr. Clark emphasized that it would not be considered suspicious if someone living in Nashua was shopping in Massachusetts, but it would be if someone were buying groceries in California.
- Associate Commissioner Santaniello noted that there is a change in categorical eligibility as well. The Department currently looks at 200% of the federal poverty level in an attempt to mitigate the cliff effect in New Hampshire. As written, this would not allow them to continue with categorical eligibility, impacting about 20,000 households.

- Senator Rochefort noted that the number of households went up since the last hearing.
- Senator Avard asked how this would affect the state's error rate.
- Associate Commissioner Santaniello explained that it would affect the error rate due to the number of manual workarounds. Every time there is one, it increases the potential for errors.
- The error rate is currently 7.57%. Repealing categorical eligibility, shortening the SNAP certification period, and the changes to ABAWD exemptions could all impact the error rate.
- Senator Avard confirmed that this could increase our error rate, and Associate Commissioner Santaniello confirmed it has the potential to. She noted that the fraud rate is very small in New Hampshire at less than .01%, and the Department has a robust system that they are currently strengthening.
- Senator Avard confirmed that this could hurt the error rate, despite being modeled after federal laws.
- Associate Commissioner Santaniello confirmed because it is not all modeled after federal changes. While the state is currently allowed to do 6-month recertifications, this bill would make it 4 months. The Department also has an integrated eligibility system that they are trying to align with other recertifications to lessen the impact on recipients and staff.
- Senator Avard confirmed that the federal law is 6 months, and Mr. Clark confirmed that is what the state is currently approved for. Associate Commissioner Santaniello said she does not anticipate that changing.
- Senator Prentiss confirmed that federal eligibility is at 130% of the federal poverty level, but New Hampshire is at 200% because of the cliff effect.
- Mr. Clark confirmed and noted that there is a special rule for households with elderly and disabled members.
- Senator Prentiss referenced the 20,000 households for categorical eligibility and asked how that translates into individuals.
- Associate Commissioner Santaniello explained that as of January 6th, there were 6,774 households including 6,313 children and 8,885 adults who have incomes greater than 130%.
- Senator Prentiss said her understanding is that the top two contributors to elevated error rates are manual processes and stresses on staff.
- Associate Commissioner Santaniello confirmed, along with client error and not providing information required by the Department. She noted that a contract was recently approved to make it easier to submit information on the portal.
- She emphasized that manual processes are huge, as they are clerical and take time away from work. She noted that the Department is using federal grant money to strengthen their New Heights system around the error rate.

- Senator Prentiss confirmed that this could move our error rate in the wrong direction while we are trying to reduce it.
- Associate Commissioner Santaniello confirmed and noted that the error rate needs to be under 6% to not have a state share.

Lisa Beaudoin, New Hampshire Council of Churches

- The New Hampshire Council of Churches is in opposition to this bill because it moves the state away from ensuring food security and dignity for families who rely on SNAP.
- Hunger and food insecurity are not solved through restrictions, suspicion, and administrative burden. We need access, stability, and trust.
- Ms. Beaudoin echoed earlier concerns raised about the out-of-state organization. She said they are designing anti-SNAP bills to contribute to the false narrative that there is a lot of fraud in the program.
- SNAP is one of the most effective anti-hunger programs nationwide because it allows families to make food choices that reflect their circumstances, culture, and needs.
- This bill would require increased administrative burdens for both New Hampshire and food-insecure people.
- Ms. Beaudoin shared a story about an individual she helped in her capacity as a disability policy expert. A registered nurse with two children with disabilities was forced to cut her working hours in half to support her adult son with autism, who was having a difficult time finding a job. Her son was bumped off Medicaid and SNAP in the redetermination process, and later found out with Ms. Beaudoin's help that it was due to a simple mistake.
- Ms. Beaudoin emphasized that we need to ensure there are fewer burdens on veterans, people with disabilities, and low-income seniors. People who are SNAP-dependent need to be treated with dignity.

Laura Milliken, New Hampshire Hunger Solutions

- Ms. Milliken stated that she is speaking in opposition to the bill.
- She acknowledged that the Committee recently considered Senate Bill 615, and said she appreciates the decision to turn it into a study commission. This bill would bypass that study and move straight to implementation with severe risks.
- One of those risks is the removal of categorical eligibility, which would cut between 20,000 and 25,000 residents from SNAP, including many children who would lose access to free meals.
- Another risk is the potential for a benefit cliff, as a parent who accepts a small raise could lose all food assistance overnight, thus disincentivizing hard work.
- The bill also removes flexibility and compassion by stripping DHHS of the ability to grant temporary work requirement waivers at times when there are no

jobs. They would be legally barred from helping those in crisis when food security is needed the most.

- The bill also creates large administrative cost burdens to build and staff data matching systems. She noted that under federal legislation, New Hampshire must now pay 75% of all administrative costs. Prior to this, the cost used to be split evenly between the state and federal government.
- Ms. Milliken emphasized that the increased complexity makes SNAP error rates more likely.
- The out-of-state EBT use investigations ignore how granite staters live. Crossing state lines for daily activities is routine for many, and treating this as suspicious creates an unnecessary workload for the Department.
- For every 1 meal a food pantry can provide, SNAP provides 9. The charitable food system cannot pick up the slack if this were to go forward.

Raymond Burke, New Hampshire Legal Assistance

- Mr. Burke stated that he is speaking in opposition to the bill.
- According to available data, the Department has significantly brought down the payment error rate. In FY2022, New Hampshire's error rate was 12.34%, and it currently stands at 7.57%. He emphasized we should be supporting the Department to continue in that trajectory, and this bill risks setting the state back.
- This bill is not necessary, as DHHS has already implemented federal changes.
- Broad-based categorical eligibility has been available for a number of years in New Hampshire and was expanded in 2023. The payment error rate has come down significantly since then.
- According to data from FY2023, one of the top 3 reasons for payment error rates were mistakes or errors around assigning certification periods. Changes made by the Department to simplify this process have addressed this.
- New Hampshire Legal Assistance does not believe this bill addresses the root causes of the payment error rate.
- National analysis shows that staffing is a big issue that can contribute to payment error rate, which is more reason to support the Department in its efforts so that they are able to properly administer the program and the changes that have been put in place at the federal level.
- Senator Avard asked how much it would cost the state if we fail to bring the error rate down to 6% within a specific time frame.
- Mr. Burke explained that while he does not have any specific numbers, he does know that states will have the option to use either this fiscal year's error rate or next year's when the determination is made. He emphasized that New Hampshire's error rate is below the national average, but we need to continue working to lower it.

- Senator Avarad confirmed that more employees need to be hired to further lower the error rate.
- Mr. Burke explained his understanding is that there is still a significant vacancy rate, which means they do not have the needed staff to handle the caseload. If these changes were to be introduced, there could be issues with training and introduce risk of error.
- Senator Avarad asked why the Department does not have the staff, and Mr. Burke said he has heard there is a significant vacancy rate.