

HB 661-FN - AS INTRODUCED

2025 SESSION

25-0373

05/09

HOUSE BILL **661-FN**

AN ACT relative to the department of health and human services management of social security payments, supplemental security income payments, and veterans benefits for children in foster care.

SPONSORS: Rep. Wallner, Merr. 19; Rep. Mooney, Hills. 12; Rep. DeSimone, Rock. 18; Rep. Rice, Hills. 38; Sen. Rosenwald, Dist 13; Sen. Long, Dist 20; Sen. Rochefort, Dist 1

COMMITTEE: Children and Family Law

ANALYSIS

This bill clarifies the obligation of the department of health and human services to ensure that social security payments, supplemental security income payments, and veterans benefits for children in the care of the department be held securely until the child has reached the age of majority or is no longer in the care of the department. The bill makes an appropriation to the department for this purpose.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to the department of health and human services management of social security payments, supplemental security income payments, and veterans benefits for children in foster care.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Dependent Children; Federal Benefits. Amend RSA 126-A by inserting after
2 section 6 the following new section:

3 126-A:6-a Dependent Children; Use and Management of Federal Benefits.

4 I. For all children in the care of the department, the department shall determine whether
5 each child is receiving or eligible for benefits administered by the Social Security Administration or
6 the Veterans Administration within 60 days after the child enters the department's care. If the
7 department determines that a child is eligible or may be eligible for federal benefits, the department
8 shall apply for the benefits on behalf of the child.

9 II. If a child is already receiving benefits before entering the department's care with an
10 appointed representative payee in place, the department shall not seek to change the payee
11 appointment unless the current payee has been deemed unsuitable or other circumstances
12 warranting a payee change are met in accordance with the federal regulations for naming a
13 successor payee. If there is no payee or if the department applies for benefits on behalf of the child,
14 the department shall identify, in consultation with the child and the child's representative, a
15 representative payee in accordance with 20 C.F.R. sections 404.2021 and 416.621 and shall apply to
16 become the representative payee only if no other suitable candidate is available. If the department
17 is determined by the court to serve as the representative payee, the department:

18 (a) Shall not use the child's federal benefits, other benefits, savings, or assets to pay for
19 or to reimburse the department or this state for any of the costs of the child's care.

20 (b) May use the child's federal benefits for the child's unmet needs beyond what the
21 department is obligated or required to pay.

22 (c) Shall establish an appropriate account to use and conserve the child's benefits in the
23 child's best interest for current unmet needs and future needs in a manner consistent with federal
24 and state asset and resource limits. The account may include any of the following:

25 (1) A special needs trust.

26 (2) A pooled special needs trust.

27 (3) An Achieving a Better Life Experience (ABLE) account, also known as a STABLE
28 NH account, established pursuant to RSA 195-K and section 529A of the Internal Revenue Code.

HB 661-FN - AS INTRODUCED
- Page 2 -

1 (4) Any other trust account determined not to interfere with social security or asset
2 limitations for any other benefit program.

3 (d) Shall provide an annual accounting as to the use, application, or conservation of the
4 child's federal benefits to the child, the child's representative, and the child's parents or guardians.

5 (e) Shall periodically review if someone other than the department is available to apply
6 to assume the role of representative payee and could better serve in that role in the child's best
7 interests.

8 III. The department shall notify the child, the child's parents, unless parental rights have
9 been terminated, the child's guardian, the child's current placement, and the child's attorney of any
10 application, decision, or appeal related to a child's federal benefits. In providing notice of any denial
11 of benefits, the department shall consult with the child's representative and appeal the denial if it is
12 in the child's best interests.

13 IV. The department shall annually review cases of children in the department's care to
14 determine whether a child may have become eligible for benefits after the department's initial
15 assessment.

16 V. Notwithstanding any other law, on termination of the department's responsibility for the
17 child, the department shall release any monies remaining to the child's credit pursuant to the
18 requirements of the funding source or, in the absence of any requirements, shall release the
19 remaining monies to:

20 (a) The child, if the child is at least 18 years of age or is emancipated.

21 (b) The person who is responsible for the child if the child is a minor and not
22 emancipated.

23 VI. For purposes of this section, a "child in the care of the department" means the
24 department has custody or guardianship over the child or the child in a court-ordered placement or
25 other out-of-home placement under the supervision of the department.

26 2 Appropriation; Department of Health and Human Services; Management of Federal Benefits
27 for Children in Foster Care. For the purpose of managing social security payments and veteran's
28 benefits for children in placement through the department of health and human services, the sum of
29 \$1 for the biennium ending June 30, 2027 is hereby appropriated to the department of health and
30 human services. The governor is authorized to draw a warrant for said sum out of any money in the
31 treasury not otherwise appropriated.

32 3 Effective Date. This act shall take effect January 1, 2026.

**HB 661-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to the department of health and human services management of social security payments, supplemental security income payments, and veterans benefits for children in foster care.

FISCAL IMPACT: This bill does not authorize new positions.

Estimated State Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	\$1.84 million	\$2.92 million	\$2.92 million
<i>Funding Source(s)</i>				
Appropriations*	\$0	\$1	\$0	\$0
<i>Funding Source(s)</i>	General Fund			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

METHODOLOGY:

This bill requires the Department of Health and Human Services to ensure that social security payments and veterans benefits for children in the care of the Department are held securely until the child is no longer in the care of the Department. The Department notes that, as directed by HB 1598 from 2024, it contracted with a consultant to analyze its current management of federal benefits for children in care, as well as the potential implementation of various child-centered benefits models. The consultant concluded that, in the first year of implementation, the scenario contemplated by the current bill would result in a loss of approximately \$284,000 in Title IV-E federal revenue collected by the State. The consultant also concluded that this scenario would result in a first-year loss of approximately \$2,177,000 in federal Supplemental Security Income (SSI) revenue paid directly to the State. First year implementation costs were estimated at \$280,000, and the ongoing operational costs of additional staff were estimated at \$461,000. Assuming the state general fund were to make up for the lost federal revenue, the first year impact would therefore be approximately \$3,202,000. The consultant estimated second-year costs at approximately \$2,920,000. As the bill has an effective date of January 1, 2026, the Department adjusted these costs to arrive at the following estimated impact by fiscal year: \$1,840,000 in FY26, and \$2,920,000 in FY27 and each year thereafter.

The bill contains an appropriation of \$1 for the FY26/27 biennium.

AGENCIES CONTACTED:

Department of Health and Human Services