

Senate Finance Committee

Deb Martone 271-4980

SB 481-FN-A, relative to the sale of the Sununu youth services center property and making an appropriation to the youth development center settlement fund.

Hearing Date: January 13, 2026

Time Opened: 1:22 p.m.

Time Closed: 1:31 pm.

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

Members of the Committee Absent: Senators Carson and Birdsell

Bill Analysis: This bill:

I. Makes an appropriation to the youth development center settlement fund.

II. Directs the department of administrative services to take possession of the Sununu youth services center (SYSC) property, to negotiate any contracts necessary for the sale of the property, subject to approval by the governor and council, and authorizes the department to request an additional appropriation to maintain the property, subject to approval of the fiscal committee and governor and council.

III. Provides that if the sale of the SYSC property is finalized prior to June 30, 2027, proceeds of the sale shall be deposited in the general fund and if the sale is finalized after June 30, 2027, proceeds from the sale shall be deposited in the youth development center settlement fund.

Sponsors:

Sen. Rosenwald

Sen. Long

Sen. Watters

Sen. Perkins Kwoka

Sen. Altschiller

Rep. Telerski

Rep. Wallner

Rep. Leishman

Who supports the bill: Senator Rosenwald; Representative Wallner; Sarah McCarthy; Janet Lucas;

Who opposes the bill: Julie Smith

Summary of testimony presented in support:

Senator Rosenwald, Prime Sponsor:

- SB 481-FN-A, provides additional money for the Youth Development Center assault fund. The agreement that former Senator Jeb Bradley and AG John

Formula worked out with the plaintiffs' counsel called for up to \$75 million per year to be allocated to settle cases, keeping them out of the more expensive court system, and reducing trauma to the victims. This is an embarrassment to the state's leadership going back 50 years.

- Despite the agreement that Senator Bradley and AG Formella developed, the Legislature only appropriated \$20 million in General Funds for this biennium, and called for the property to be sold by the end of FY 2027, with the proceeds to go into the Settlement Fund.
- Because the fund has basically run out of money to settle new cases, only five cases were settled during October and November, 2025. There are 1,700 pending cases with nearly 200 ready to be settled, but there is no money to do so. Our future commitments have outstripped our funding by about \$50 million.
- Because there is no money to settle more cases, it appears the current fiscal year will be a washout for settlements. AG Formella shared with Senator Rosenwald the statute may lack clarity as to whether the fund can settle cases in the absence of an appointed Claims Administrator. The Governor has not yet appointed a new Claims Administrator, although the DOJ suggested to the Fiscal Committee an appointment would be coming in the next few months.
- Senator Rosenwald proposed Amendment #2026-0016s, which would appropriate funding only for the next fiscal year. If the property does sell during FY 2027 as HB 2 directed, the General Fund will be paid back. If the property is not sold by the end of the biennium, the eventual proceeds will go into the Settlement Fund.
- The AG does have the ability to ask the Fiscal Committee for General Funds for this purpose. However, Senator Rosenwald does not think this is ideal for two reasons. First, the Fiscal Committee represents the Governor's priorities, not the Legislature's. Only she can place items on the agenda. Second, going the Fiscal Committee route is not particularly accountable or transparent as there are only ten members on the committee.
- We have more than two months before the committee has to act on SB 481-FN-A. It is Senator Rosenwald's hope committee members can agree to hold off on making a recommendation until we have more revenue information.
- We all share a horror about the shocking abuse children suffered over decades while in the care of the state. We don't want to retraumatize these victims or have these abuses play out in public in jury trials if we can avoid it. For these reasons, the confidential settlement process makes total sense.
- Senator Watters wondered if there has been any indication that the Attorney General wishes to request more funding for the Settlement Fund from the Joint Fiscal Committee. Senator Rosenwald believes there is approximately \$10 million in the fund, but AG Formella wanted to leave that as a buffer and not use it to settle cases. That is why the fund is basically out of money. If he had wanted to come to the Fiscal Committee and request General Funds he could have, but he represents, in Senator Rosenwald's opinion, the Executive Branch, not the Legislative Branch. Members of the Fiscal Committee cannot put items on the agenda. Only the Executive Branch can.

- If the Legislature is committed to this program, which Senator Rosenwald believes it is, it should take a stand on this and state that it doesn't want to spend more money in the court system. We don't have enough judges. We don't have enough courtrooms. We don't have enough lawyers at the Department of Justice. We don't have enough money to pay out claims that are awarded by juries.
- We've seen an indication of what juries think. Senator Rosenwald does not believe we want to embarrass the state by having all of this abuse play out in public. The Legislature should take a stand.
- Senator Watters asked if it was Senator Rosenwald's opinion that if any of these 200 cases are to be settled now and to move forward at this point, the only real option the Legislature has is to appropriate funding. Senator Rosenwald agreed. There are 200 cases ready to go out of 1700 cases pending.
- Senator Gray clarified there was approximately \$13 million per year, both this year and next year, that were claims that had already been settled but were being paid out over time. That money will actually be reduced because some of those settlements weren't completely over the 10 years. That, plus the \$10 million that Senator Rosenwald mentioned. That is the current state of the funds. Senator Gray asked if he was incorrect on any of his clarification. Senator Rosenwald believes the \$50 million that we've committed to but don't have the funding for is in future years' funding.

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Date Hearing Report completed: January 17, 2026