

Senate Health and Human Services Committee

Sophie Walsh 271-3469

SB 615-FN, relative to the use and regulation of EBT cards and SNAP eligibility.

Hearing Date: January 14, 2026

Time Opened: 2:38 p.m.

Time Closed: 4:40 p.m.

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

Members of the Committee Absent: None

Bill Analysis: This bill:

I. Directs the department of health and human services to submit a waiver to the US Department of Agriculture to prohibit the purchase of candy and soft drinks with SNAP benefits.

II. Strengthens work requirements for SNAP eligibility.

III. Directs the department of health and human services to enter into data-sharing agreements with other state agencies to verify SNAP benefit eligibility.

IV. Directs the department to verify eligibility of enrollees that make exclusively out-of-state purchases.

V. Prohibits the department from using their discretion to set more lenient standards for SNAP eligibility or exemptions than those outlined in federal law.

Sponsors:

Sen. Sullivan

Sen. Abbas

Rep. Rice

Rep. Notter

Rep. Farrington

Rep. Mazur

Rep. McLean

Who supports the bill: 22 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: 226 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: 4 people signed in neutral to 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:

Senator Victoria Sullivan, Senate District 18

- Senator Sullivan explained that SNAP stands for Supplemental Nutritional Assistance Program. Its authorizing legislation states that the program is intended to alleviate hunger and malnutrition by permitting low-income households to obtain a more nutritious diet through normal channels of trade.
- The program was introduced in 1964 to help supplement the nutritional needs of families, but SNAP benefits are being used in some cases today to purchase items, such as soda and candy, with no nutritional value.
- Senator Sullivan explained that when these benefits were initially drafted, a version of the bill excluded such nutritionally void items, but was not ultimately adopted because it was argued that families would not use their benefits on such items.
- A study from the U.S. Department of Agriculture indicates that the #1 product purchased by SNAP benefits is sweetened beverages, comprising nearly 10% of SNAP benefits. About three-quarters of all sugary drinks purchased by SNAP households were purchased with SNAP benefits instead of out-of-pocket.
- Another U.S. Department of Agriculture study found that when compared to other low-income non-participants, SNAP recipients drank more sweetened beverages and were more likely to be obese.
- According to the National Library of Medicine, sugar-sweetened beverages are a significant contributor to the obesity crisis.
- Senator Sullivan emphasized that the cost to our system and the subsequent cost impacted by health risks is far greater than the cost of implementing these guidelines.
- She explained that the soda industry will say they have made efforts to make soda healthier by removing sugar, but multiple studies show that drinking diet soda regularly increases multiple health risks.
- She explained that opponents say this denies children cake on their birthday, but nothing in this bill changes any regulation on purchasing a cake mix or the ingredients used to make a cake.
- She noted that opponents have said this will deny parents the right to send candy into school with their children for birthday parties and explained that in 2012, Michelle Obama created healthy food guidelines that did not allow for candy, baked goods, soda or junk food at schools. She emphasized that this bill does nothing to put that kind of regulation in place.

- Senator Sullivan compared the cost of soda to water products sold by the same companies, noting that soda is more expensive.
- Other states have already started implementing similar SNAP criteria and point-of-sale systems are already being updated on a regular basis. The effective date of this bill provides grocers with ample time to adjust.
- Senator Sullivan said she firmly believes that if New Hampshire joins the other 18 states doing this, then the federal government will join as well. This would alleviate many of the concerns that will be brought forward today.
- This bill does not tell people what they can and cannot buy with their own money. It puts parameters on a taxpayer funded benefit that is intended to provide nutritional supplementation.
- This bill strengthens SNAP in three ways. It protects the state budget from changes in federal law instituting penalties for high SNAP payment error rates. It ensures that the benefits go to the truly needy first. It helps families buy real food of nutritional value.
- This bill will help lower the SNAP error rate, which will in turn help New Hampshire avoid penalties.
- Senator Prentiss asked if Senator Sullivan has spoken with grocers in the state, noting that we have both small businesses and large chains.
- Senator Sullivan said that she has spoken with the New Hampshire Grocers Association.
- She explained that there are guidelines currently being set forth from different organizations to help with the point-of-sale changes, as this is already happening in 18 other states.
- Senator Sullivan explained that point-of-sale systems are changed on a regular basis when sales change and as new products are introduced to a store. The states that have already implemented this have not had any issues with costs.
- Senator Prentiss asked if we know what the cost will be for this on the retail side and how that downward pressure may affect item prices.
- Senator Sullivan said there may be other people testifying who have dealt with those issues. It is her understanding that others have had a seamless transition and have not experienced the costs that people are anticipating.
- Senator Sullivan emphasized that this program is not designed to benefit grocers, but rather provide families with nutritional assistance and supplementation.
- Senator Prentiss said she hears what Senator Sullivan is saying and explained that she is trying to assess this other piece.
- Senator Sullivan emphasized that if we don't make changes and comply with federal error rate standards, the state could be facing an \$8 million cost.

- Senator Avard inquired about the health costs on top of the potential financial costs we are facing.
- Senator Sullivan explained that approximately 70% of the people who are on SNAP are also on Medicaid or Medicare, meaning these costs are handed down to the taxpayers paying for those benefits as well. She emphasized that we need to assess the data and change the system, as we cannot put a price tag on our children's health.

Dr. Christine Arsnow

- Dr. Arsnow stated that she is speaking in opposition to the bill as a provider who is board-certified as a pediatrician and in obesity medicine.
- She agrees with Senator Sullivan that whole foods should be prioritized for children, but restricting access to food for low-income children is not the way to do this.
- Restrictions on allowable foods raise serious concerns about stigma for families.
- There is also a gray area between what is considered healthy and unhealthy. For example, while diet soda has no calories, it contains many chemicals.
- As a partner at a private practice, Dr. Arsnow emphasized that this may pose a larger impact on smaller businesses that are not constantly running sales and changing their point-of-sale systems. She noted that some grocers may stop accepting these benefits altogether, which would be detrimental.

Heidi Johnson, New Hampshire Food Bank

- Ms. Johnson stated that she is speaking in opposition to the bill.
- The New Hampshire Food Bank distributed 20 million pounds of food in 2025 through more than 400 partner agencies. Yet, they still fell short of the need for food.
- According to Feeding America, 1-in-9 granite staters and 1-in-7 of our children are food insecure.
- The New Hampshire Food Bank is deeply committed to delivering healthy, nutritious meals for those experiencing food insecurity. However, they believe that these proposed restrictions would do more harm than good. Bans alone on soda and candy yield mixed results, ignore systemic barriers, and can reduce participation.
- Ms. Johnson noted that this is also an issue for small retailers.

Karen Hebert & Brian Clark, Department of Health and Human Services

- Mr. Clark stated that this is a federally funded, state-administered program.
- If the proposed legislation is enacted, the Department would seek a Healthy Choice Waiver from the Federal Nutrition Service to prohibit soda and candy from being purchased in New Hampshire with SNAP benefits.

- There would be substantial costs to our contracted EBT vendor.
- In the first year of the Healthy Choice Waiver, the Department expects an increase of approximately \$1.4 million, largely to make the necessary system changes. The ongoing cost would be providing support to retailers on how to implement this, with a cost of approximately \$540,000 in subsequent years. Mr. Clark noted that these costs could decrease with time.
- Mr. Clark noted Senator Sullivan's remarks about the federal adoption of these restrictions alleviating many concerns and said the Department agrees. If the federal government were to adopt a soda and candy restriction, the cost would not fall on New Hampshire.
- This bill also makes changes to SNAP work requirements.
- It eliminates the Department's discretionary exemptions regarding work requirements for able-bodied adults with no dependents. While the Department does not regularly use these exemptions, they are used in times when the Department needs additional time or training. If the Department can continue to use exemptions in the future, it could reduce our error rate and thus lower potential liabilities.
- The bill prohibits the Department from using unemployment to make geographic waivers. The Department does not currently have a waiver, but in the past we have had small carve-outs of areas in New Hampshire with high unemployment where the able-bodied work requirements would not apply.
- Mr. Clark noted that the bill does outline that these requirements are not allowed unless legislative approval is received, but it does not define legislative approval.
- The bill also repeals categorical eligibility for SNAP, which would lower the gross income test from 200% of the federal poverty guidelines to 130%. This could impact approximately 7,000 families and 15,000 individuals.
- Ms. Hebert explained that if the categorical eligibility were to be eliminated, another impact would be on the Nutritional Supplemental Food Program for Working Families. The impact on individuals would impact our ability to meet TANF maintenance of effort standards and put us at risk for fiscal penalty.
- Mr. Clark noted that there are some data-sharing crossmatch requirements in the bill. Some are new and others are duplicative of what we already do. He explained that if there were a federal requirement change, it could create a conflict between federal and state law.
- The bill requires the Department to use the Systematic Alien Verification for Entitlements (SAVE) system to verify citizenship and immigration status. Mr. Clark noted that this system is not used to verify citizenship. The Department currently uses birth certificates and naturalization documents to verify

citizenship. The bill further requires the Department to check this system monthly, which would pose a large burden.

- The bill creates a lottery crossmatch. While the Department does not currently have one, it could be built. Mr. Clark noted that the amount of \$3,000 in the bill should be changed to refer to the resource limit to avoid conflict.
- Senator Rochefort confirmed that the resource limit is defined by federal rules, and Mr. Clark confirmed.
- Mr. Clark noted that the bill contains some requirements that the Department is not sure what they would be useful for, including a crossmatch with Housing and Urban Development (HUD).
- There would also be a new system to check out-of-state purchases. If a SNAP household were to exclusively purchase food out-of-state for 2 months, the Department would consider residency questionable and request verification.
- Senator Rochefort confirmed that the Department is already doing this, and Mr. Clark explained that it is not an automatic process. There is nuance to their current review process that could not be considered by an automated system.
- Senator Rochefort asked what changes in administrative staffing would be needed to administer this.
- Mr. Clark said they expect to need 5 FTEs to administer the bill as currently written.
- Senator Rochefort asked if implementing this bill would improve or hurt our error rate.
- Ms. Hebert explained that there are a number of influencing factors affecting the error rate. The errors that happen are largely clerical, so the more manual work there is to be done, the more risk there is of seeing errors.
- While New Hampshire is below the national average for errors, we are at risk of the financial impact that could be coming.
- Senator Avard asked if there is any level of fraud in the SNAP system and if this bill would reduce fraud in any way.
- Ms. Hennessy noted that this focuses more on retailer fraud, which is investigated by the federal government. For total SNAP claims last year, we established around \$286,000. The Department had a total of 28 disqualifications last year and the claims associated with that were \$174,000.
- Senator Rochefort asked what the annual SNAP budget in New Hampshire is, and Ms. Hebert said she would have to confirm because the Department uses an integrated eligibility system.
- Senator Prentiss asked for confirmation on the number of FTEs needed to get the checks done, and Mr. Clark explained that the FTE estimate was based on the entire increased workload. He believes the bulk of it would be coming from the SAVE program requirements in the bill.

- Senator Rochefort asked if the workload needed to implement the bill as written would impede on the workload for the Go-North Rural Health Transformation grant.
- Ms. Hebert said she does not believe it would, as the Department has dedicated specific resources to focus on the initiatives for the Rural Health Transformation program.

Sharu Kota

- Ms. Kota stated that she is speaking in opposition to the bill because she is worried about what it will do to her community at Bedford High School.
- Nearly 500 people live below the poverty line, with around 300 people relying on SNAP and 160 people at her school relying on free and reduced-price meals.
- If this bill gets passed, it will be essentially taking food out of students' desks and backpacks by making it more difficult for them to qualify for school meals.
- This also creates complications for local grocery stores, which may stop accepting SNAP altogether if it becomes too burdensome.
- Senator Avard asked where the bill says it will be taking food away from people, and Ms. Kota said she believes the restrictions contained in this bill could potentially hurt the way that some families put food on the table.

Amanda Carter

- Ms. Carter stated that she is speaking in opposition to the bill.
- She helps people apply for SNAP in her professional role. These people are working parents, caregivers, seniors, and people trying to survive.
- Ms. Carter explained that from her viewpoint, she can see that SNAP and DHHS are already stretched too thin.
- Ms. Carter shared a personal story about how her family had to rely on SNAP when her child was in the hospital out-of-state. Under this bill, their SNAP activity could have looked questionable.
- Ending categorical eligibility, increasing verification requirements, and policing grocery purchases will not reduce fraud in a meaningful way. It will push eligible families off assistance, increase administrative costs, and create gaps where people go hungry.

Kevin Daigle, New Hampshire Grocers Association

- Mr. Daigle stated that he is speaking in opposition to the bill.
- With these restrictions, retailers will be forced to overhaul systems for New Hampshire alone with costs estimated in the thousands. This is especially challenging for small, independent grocers.
- Compliance is not a one-time issue. Each time a product is introduced, repackaged, or reformulated, compliance must be re-determined.

- With these burdens, retailers must decide if they are going to invest time and resources into compliance or stop accepting SNAP. This can lead to food deserts appearing.
- SNAP restrictions also pose a threat to sales, as New Hampshire SNAP recipients may choose to buy restricted items out-of-state. Meanwhile, out-of-state SNAP recipients will have less incentive to purchase groceries in New Hampshire.
- Mr. Daigle said this bill does nothing to measure health or obesity rates and noted that as of right now, there are no definitions that define what these products are.
- Senator Rochefort asked if retailer software has the capability of implementing this.
- Mr. Daigle explained that smaller retailers may have a more antiquated system, if they have one at all. On a larger scale, there is no broad category in a point-of-sale system for candy and soda. This means that retailers will have to categorize individual items.
- Senator Rochefort confirmed that it is mainly a manpower issue, and Mr. Daigle agreed. He explained that at the beginning of the year, the first 5 states granted waivers in the country had their implementation dates with a 90-day grace period. Mr. Daigle has spoken with counterparts in some of these states who have told him that their larger companies are saying they cannot reach compliance after the grace period.
- Senator Rochefort said he would like to hear from the states that have implemented this.
- Senator Avard noted that if we do nothing, we will have to deal with our error rate and fiscal penalties. He asked if we should do nothing or move the bill forward and wait for the data to come in. He fears that doing nothing will not be a good option.
- Mr. Daigle said he understands most of the error rate is coming from the administrative side, not the retailers. He anticipates little or no impact regarding the error rate.
- Senator Avard emphasized that there are some serious long-term consequences associated with sugar and questioned if action should be taken on the issue.
- Mr. Daigle said he believes a restriction like this would need to come from the federal level.
- Senator Avard asked if these restrictions were included in the One Big Beautiful Bill, and Mr. Daigle said they were not, which is why these efforts are being shifted to the states.
- Senator Prentiss asked if there is any evidence that costs associated with implementation will be passed on to other people in the grocery store.

- Mr. Daigle said costs will be downshifted to the consumer. He emphasized the need for manpower to comply with these requirements.
- Senator Prentiss confirmed that there has been experiences in other states supporting this evidence.
- Mr. Daigle said he would be happy to get information to the Committee.
- Senator Long confirmed that retailers may choose to no longer administer SNAP, and Mr. Daigle explained that some retailers have expressed it would be easier than complying with requirements.

Megan Brabec, Save the Children Action Network

- Ms. Brabec stated that she is speaking in opposition to the bill.
- While this bill aims to improve SNAP, it would make it more difficult for kids and families to access the food that they need due to provisions in the bill such as stricter work requirements, eliminating categorical eligibility, and limiting DHHS discretion.
- If our goal is to improve child nutrition, there are many other programs that we could be supporting and enhancing.

Sam Hawkins, NAMI NH

- Mr. Hawkins stated that he is speaking in opposition to the bill.
- Food security is an essential social determinant of health, and this extends to mental health as well.
- Programs like SNAP can foster and support quality mental health, as research shows that SNAP benefits can significantly decrease psychological distress among participating households.
- NAMI NH opposes policies that would limit access to assistance programs, such as SNAP. Policies should promote access and dignity for families in need of support.

Victoria Gulla

- Ms. Gulla stated that she is speaking in support of the bill.
- She explained that carbohydrates are not essential elements in nutrition.
- Ms. Gulla does not think this bill goes far enough in eliminating foods.
- She emphasized that we need to protect both taxpayers and the people buying these groceries. She noted that this affects the Medicaid budget and poses physical costs as well.

Peter Brennan, New England Convenience Store Association

- Approximately 85% of all our convenience stores are located within 20 miles of a border. This is important because we know there are many people from out-of-state who come to New Hampshire for their shopping.

- Mr. Brennan explained that Oklahoma has generated a list of 18,000 products that will now be prohibited under their new law. New Hampshire would have to do something similar if this bill were to pass. He noted that there are many products that could fall into a gray area when being categorized.
- This will be an enormous undertaking for all involved, with a big cost to retailers.
- Senator Rochefort asked if his testimony would change if SNAP dollars became worth more money for other types of food, rather than simply banning certain foods.
- Mr. Brennan said that would be more favorable, but there could still be issues with point-of-sale systems.

Carrie Duran

- Ms. Duran explained that she is a mother of three, one with significant health issues. They have spent a lot of time in Massachusetts for medical treatment and often had to utilize her EBT card in Boston to pay for food.
- Ms. Duran noted potential unintended consequences of eliminating categorical eligibility for many families with children who have developmental disabilities that are already burdened with administrative paperwork. Taking away these benefits may take away security for families.

Judith Jones, New Futures & New Hampshire Alliance for Healthy Aging

- Ms. Jones explained that listening sessions in rural communities of New Hampshire with older adults have shown us that some older adults need to prioritize other needs, such as medication, over food.
- Some of the studies that Ms. Jones has reviewed show that using SNAP to change food consumption is ineffective.
- Ms. Jones questioned if this bill would add more harm and burden for a diminished return on the goal of feeding more people in New Hampshire.
- Senator Rochefort said it sounds like Ms. Jones is most concerned with the administrative aspects of the bill.
- Ms. Jones emphasized the concern is on the burden on the Department and applicants and whether this will be an effective solution.
- Senator Rochefort asked if Ms. Jones would agree that soda and candy are unhealthy, and Ms. Jones said she is a vegetarian.

Laura Milliken and Riona Corr, New Hampshire Hunger Solutions

- Ms. Milliken stated that New Hampshire Hunger Solutions is in opposition to this bill.
- The single largest factor causing error rates is complexity in the program. Adding more complexity is very likely to cause an increase in the error rate.

- Removing categorical eligibility creates a benefit cliff in which a small raise at work can leave a family with less money by losing their food assistance.
- Ms. Milliken noted that when a family loses SNAP benefits, their children automatically lose eligibility for free and reduced meals at school. Ms. Corr presented data from a school in Somersworth that has 495 students receiving free and reduced meals. Approximately 395 of those children are direct certified through SNAP.
- Ms. Milliken stated that this bill criminalizes normal behavior, like shopping out-of-state when convenient or needed.
- Ms. Milliken emphasized that studies show that restrictions don't change buying or improved health outcomes. However, SNAP incentives do lead to these positive outcomes.
- Ms. Corr explained that New Hampshire's error rate is approximately 7.57%, 3% of which is due to underpayment to households. New Hampshire lies in the top 3 most underpaid out of the nation.
- Ms. Milliken noted that providing the Department with more staff and the ability to train them could help address this issue.
- Senator Rochefort asked why the state would be underpaying households.
- Ms. Milliken explained that mistakes could be made by either Department staff or families that would cause an incorrect calculation to be made.
- Senator Rochefort confirmed that the state could lose \$8 million because we have not been paying enough, and Ms. Milliken confirmed.
- Ms. Corr noted that there are studies from other states that health incentives do help the overall public health. She also noted that BMI is not a great indicator of health outcomes.
- Ms. Corr addressed Senator Prentiss' earlier question about costs to small retailers and said there is a range of \$1,000 to \$8,000 per retailer.

Raymond Burke, New Hampshire Legal Assistance

- Mr. Burke stated that he is speaking in opposition to the bill and he shares many of the concerns previously raised.
- In 2023, the Department identified that the primary cause of underpayments is related to how standard utility allowances are calculated.
- New Hampshire Legal Assistance does not see this bill as addressing the fundamental causes of error rates.
- This bill may potentially increase the error rate, as it removes the state's ability to implement categorical eligibility. Removing categorical eligibility is also one of the other ways that this bill takes food away from households.
- Senator Rochefort confirmed that the utility allowance is the biggest contributor to underpayments, and Mr. Burke explained that it is based on data from 2023.

- Senator Rochefort confirmed that the reporting does not address the most common causes of errors.
- Mr. Burke explained that based on the 2023 data, the Department identified three things: problems with the utility allowance, clerical mistakes, and the state's determination of certification periods.
- Senator Rochefort asked if this new reporting may increase the error rate, and Mr. Burke explained that categorical eligibility was designed to help families and streamline eligibility processes for the Department.

Timothy Puglisi, Foundation for Government Accountability Action

- Mr. Puglisi stated that he is speaking in support of the bill.
- Mr. Puglisi explained that this bill concerns broad-based categorical eligibility. The state is allowed to administer nonmonetary welfare benefits using TANF money or maintenance of effort benefits. In New Hampshire, it is often a welfare brochure. If someone receives a welfare brochure, the asset test is entirely waived. This also increases the income limit set in federal law at 130% of the federal poverty level to 200%.
- This is important because there have been reports that reveal households enrolled through broad-based categorical eligibility are 3-times as likely to receive payment errors. Mr. Puglisi explained that because of this, nationally 1-in-5 SNAP enrollees have more than \$100,000 in liquid assets.
- Mr. Puglisi noted that SNAP is a taxpayer funded benefit. He questioned if it should be going to products linked to chronic disease or real food.
- Senator Avarad noted prior testimony about compliance in other states and asked if Mr. Puglisi is seeing the same thing.
- Mr. Puglisi explained that there is no public information about retailers being in non-compliance, as this was implemented at the beginning of the year. He emphasized that state agencies want these programs to succeed, so they are working with retailers to ensure this is successful. He emphasized that states are specific in communicating to retailers what items can and cannot be included in these programs.

Jane Goodman, Nashua Soup Kitchen and Shelter

- Ms. Goodman explained that over the past year, the kitchen's demand for services has grown dramatically.
- This bill would reduce eligibility and add administrative hurdles that would cause hundreds of Nashua residents to lose reliable access to food.
- When SNAP is weakened, people turn to emergency food programs, many of which are already stretched thin.
- During the government shutdown when SNAP became inaccessible, their pantry enrollments increased immediately. They distributed over 400 emergency SNAP

relief boxes to families in crisis. This relief was funded by the state, which underscores how essential SNAP is. For every 1 meal that a pantry provides, SNAP provides 9.

- Ms. Goodman said this bill will increase hunger, strain charitable food programs, burden DHHS, and hurt local economies.
- Senator Rochefort noted that it sounds like the administrative changes are the biggest objection that would have an impact on access, rather than the soda and candy component.
- Ms. Goodman said she could get into the dignity piece on soda and candy, but others have already done so. Erecting barriers for someone who is already struggling is limiting access.

Emily Lawrence, Waypoint

- Ms. Lawrence stated that she is speaking in opposition to the bill.
- Waypoint staff regularly work with DHHS to ensure that individuals obtain and maintain their benefits. They see that the Department is already over-burdened, resulting in delays in access to benefits.
- When people experience food insecurity, it can lead to family instability and stress, which can result in child welfare issues.
- Ms. Lawrence is concerned that this bill increases burden on the Department, thus leading to delayed access and potentially negative outcomes.
- Ms. Lawrence noted that there are also adverse health impacts to be considered if children do not have adequate access to food.