SB 638-FN - AS INTRODUCED

2026 SESSION

26-2271
07/08

SENATE BILL ***638-FN***

AN ACT relative to establishing a small business tariff stabilization fund.

SPONSORS: Sen. Perkins Kwoka, Dist 21; Sen. Rosenwald, Dist 13; Sen. Fenton, Dist 10; Sen. Watters, Dist 4; Sen. Altschiller, Dist 24; Rep. Simpson, Rock. 33; Rep. Telerski, Hills. 11

COMMITTEE: Ways and Means

ANALYSIS

This bill establishes a small business tariff stabilization fund to support the needs of small businesses.

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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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

26-2271
07/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to establishing a small business tariff stabilization fund.

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

1 Short Title. This bill may be known and cited as "The Repeal the Tariff Tax on Small Businesses Act."

2 Statement of Findings.

I. The commissioner of the department of business and economic affairs stated that Canadian tourism has declined by about 30 percent, attributing “difficulty and volatility between the Canadian government and the United States government” as a potential driver. A decrease in tourism has coincided with lower than projected meals and rooms tax revenue, meaning local property taxpayers will have to make up the difference.

II. According to the U.S. Census Bureau’s Foreign Trade Bureau, exports to Canada are 42.6 percent lower compared to last year. Dramatically lower exports mean less revenue for small businesses.

III. Small businesses are the backbone of New Hampshire's economy. They make up 99 percent of New Hampshire businesses. It is the duty of the general court to support them, including helping them navigate federal policy that has decreased their revenue through a decline in tourism and trade. Previously, the Main Street Relief Fund provided stabilization to small businesses during a similar economic disruption.

3 New Subparagraph; The State and Its Government; State Treasurer; Application of Receipts. Amend RSA 6:12, I(b) by inserting after subparagraph (410) the following new subparagraph:

(411) Moneys deposited into the small business tariff stabilization fund established in RSA 12-O:23-b.

4 New Section; The State and Its Government; Department of Business and Economic Affairs; Small Business Tariff Stabilization Fund. Amend RSA 12-O by inserting after section 23-a the following new section:

12-O:23-b Small Business Tariff Stabilization Fund.

I. There is hereby established the small business tariff stabilization fund, which shall be kept separate and distinct from all other funds and shall be continually appropriated to the department of business and economic affairs. The fund shall be used to provide stabilization grants to small businesses.

II. Stabilization grants shall be distributed or expended by the department of business and economic affairs for the following purposes:

(a) Addressing economic hardships small businesses face, including supply chain disruptions and preserving small businesses with low capital reserves; and

(b) Supporting small businesses, as defined by the U.S. Small Business Administration, whose primary place of business is in New Hampshire and who are committed to preventing layoffs due to increased costs associated with tariffs.

III. The department may accept gifts, grants, donations or other moneys for the purposes of this section. Said moneys and any interest earned shall be deposited into the small business tariff stabilization fund and may be expended to accomplish the purposes of this section. The moneys in this fund shall be nonlapsing.

5 Department of Business and Economic Affairs; Appropriation. There is hereby appropriated to the department of business and economic affairs the sum of $2,500,000 for the fiscal year ending June 30, 2026, for the purpose of funding the small business tariff stabilization fund. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

6 Effective Date. This act shall take effect January 1, 2027.

LBA
26-2271
11/18/25

SB 638-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to establishing a small business tariff stabilization fund.

FISCAL IMPACT:

Estimated State Impact				
	FY 2026	**FY 2027**	**FY 2028**	**FY 2029**
Revenue	$0	$0	$0	$0
Revenue Fund(s)	None			
Expenditures*	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source(s)	Small Business Tariff Stabilization Fund			
Appropriations*	$2,500,000	$0	$0	$0
Funding Source(s)	General Fund			

***Expenditure = Cost of bill** ***Appropriation = Authorized funding to cover cost of bill**

METHODOLOGY:

This bill establishes a Small Business Tariff Stabilization Fund, nonlapsing, continually appropriated to the Department of Business and Economic Affairs (BEA), for the purpose of providing stabilization grants to small businesses experiencing economic hardship associated with tariffs, supply chain disruptions, decreased tourism, or reduced export activity. The bill authorizes BEA to distribute grants, accept gifts, grants, and donations, and deposit such funds, along with any interest earned, into the dedicated nonlapsing fund. The bill appropriates $2,500,000 in General Funds for June 30, 2026 to capitalize the Small Business Tariff Stabilization Fund. However, the fund is not created until the bill's effective date of January 1, 2027, which falls in FY 2027. Because the appropriation is made in FY 2026 but the fund does not legally exist until January 1, 2027, the dollars cannot be deposited and the appropriation will not occur.

The Department of Business and Economic Affairs states they are unable to determine the cost to implement the grant program, including application review, program oversight, reporting, and ongoing fund management. Additionally, the bill does not authorize any new positions if needed by the BEA to administer the program.

AGENCIES CONTACTED:

Department of Business and Economic Affairs