

HB 1797-FN - AS INTRODUCED

2026 SESSION

26-2927

05/08

HOUSE BILL

1797-FN

AN ACT relative to eligibility for public assistance, including the New Hampshire employment program, family assistance program, and SNAP.

SPONSORS: Rep. Kofalt, Hills. 32

COMMITTEE: Health, Human Services and Elderly Affairs

ANALYSIS

This bill:

I. Directs the department of health and human services to submit a waiver to the United States 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.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to eligibility for public assistance, including the New Hampshire employment program, family assistance program, and SNAP.

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

1 1 New Sections; SNAP; Demonstration Waiver to Prohibit the Purchase of Candy and Soft
2 Drinks with SNAP Benefits. Amend RSA 167 by inserting after section 17-d the following new
3 sections:

4 167:17-e Demonstration Waiver to Prohibit the Purchase of Candy and Soft Drinks with SNAP
5 Benefits. On or before January 1, 2027, the department of health and human services shall submit a
6 demonstration project waiver under 7 U.S.C. 2026(b) to the U.S. Department of Agriculture, Food
7 Nutrition Services, to allow the state to exclude candy and soft drinks from the definition of eligible
8 foods under the Supplemental Nutrition Assistance Program (SNAP). Upon approval of the waiver,
9 the commissioner shall adopt rules under RSA 541-A relative to the definition of candy and soft
10 drinks for purposes of this section. The department shall provide periodic reports to the fiscal
11 committee of the general court and the standing committees of the house of representatives and
12 state senate with authority over health and human services issues throughout the waiver
13 development, approval, and implementation processes. A report shall be made to the fiscal
14 committee of the general court and the standing committees within 6 months of the end of the first
15 full year of waiver implementation and subsequently on an annual basis.

16 167:17-f SNAP Benefit Eligibility Criteria and Verification Procedures.

17 I. The department of health and human services shall not seek any waiver of work
18 requirements for able-bodied adults without dependents under 7 U.S.C. section 2015(o)(4), nor shall
19 the department adopt any discretionary exemptions from the work requirement under 7 U.S.C.
20 section 2015(o)(6)(E) without prior legislative approval.

21 II. Unless expressly required by federal law, the department of health and human services
22 shall not:

23 (a) Grant categorical eligibility under 7 U.S.C. section 2014(a) or 7 C.F.R. section
24 273.2(j)(2)(ii) for any noncash, in-kind or other benefit.

25 (b) Apply gross income standards for SNAP higher than the standards specified in 7
26 U.S.C. section 2014(c).

27 (c) Apply asset standards for SNAP higher than the standards specified in 7 U.S.C.
28 section 2014(g).

29 III. The department of health and human services shall enter into a data-matching
30 agreement with the lottery and gaming commission to identify households with lottery or gambling

HB 1797-FN - AS INTRODUCED
- Page 2 -

1 winnings of \$3,000 or more and, to the extent permissible under federal law, treat this data as
2 verified upon receipt. To the extent that the data may not be verified upon receipt, department shall
3 make such referrals as may be necessary to identify households with winnings equal to or greater
4 than the resource limit for elderly or disabled households as defined in 7 CFR 273.8(b).

5 IV. The department of health and human services shall enter into a data-sharing agreement
6 with the secretary of state, division of vital records, to receive and review, on a monthly basis,
7 information relative to individuals in households enrolled in SNAP that indicate a change in
8 circumstances that may affect eligibility for SNAP.

9 V. The department shall enter into a data-sharing agreement with the department of
10 employment security to receive and review, on at least a quarterly basis, information relative to
11 individuals in households enrolled in SNAP that indicate a change in circumstances that may affect
12 eligibility for SNAP, including but not limited to changes in employment or wages.

13 VI. The department shall enter into a data-sharing agreement with the department of
14 corrections to receive and review, on at least a monthly basis, information relative to individuals in
15 households enrolled in SNAP who indicated a change in circumstance that may affect eligibility,
16 such as incarceration.

17 VII. The department shall enter into a data-sharing agreement with the department of
18 economic security to receive and review, on at least a semi-monthly basis, information relative to
19 individuals in households enrolled in SNAP who indicated a change in circumstance that may affect
20 eligibility for SNAP, including but not limited to potential changes in employment, income, or assets.

21 VIII. The department shall review, on at least a monthly basis, earned income information,
22 death register information, incarceration records, supplemental security income information,
23 beneficiary records, earnings information, and pension information maintained by the United States
24 Social Security administration to assess changes in circumstances for individuals in households
25 enrolled in SNAP that indicates a changes may affect eligibility for SNAP.

26 IX. The department shall review, on at least a monthly basis, income and employment
27 information maintained in the national directory of new hires database and child support
28 enforcement data maintained by the United States Department of Health and Human Services to
29 assess changes in circumstances for individuals in households enrolled in SNAP that indicate a
30 changes that may affect eligibility for SNAP.

31 X. The department shall review, on at least a monthly basis, payment and earnings
32 information maintained by the United States Department of Housing and Urban Development to
33 assess changes in circumstances for individuals in households enrolled in SNAP that indicate a
34 change in circumstances that may affect eligibility for SNAP.

35 XI. The department shall review, on at least a monthly basis, national fleeing felon
36 information maintained by the United States Federal Bureau of Investigation to assess changes in

HB 1797-FN - AS INTRODUCED
- Page 3 -

1 circumstances for individuals in households enrolled in SNAP that indicate a change that may affect
2 eligibility for SNAP.

3 XII. The department shall assign households with zero net income, households with an able-
4 bodied adult without dependent member, or other households with circumstances that are deemed
5 unstable by the department to eligibility certification periods of no greater than 4 months but
6 generally no less than 3 months, as allowed pursuant to 7 CFR 273.10(f)(3)(ii).

7 XIII. The department shall utilize on at least a monthly basis the Systematic Alien
8 Verification for Entitlements online service or any other federal database used to determine
9 citizenship or immigration status to verify that an individual that is enrolled in or applying for
10 SNAP benefits is a United States citizen or alien that is eligible for food stamps pursuant to 7 U.S.C.
11 section 2015(f).

12 XIV. The department shall verify citizenship or qualified alien status pursuant to 7 U.S.C.
13 section 2015(f) upon enrollment and during eligibility recertification with acceptable forms of proof of
14 citizenship or qualified alien status including birth or hospital records, voter registration cards, U.S.
15 passports, and United States Customs and Immigration Service documentation to verify citizenship
16 or naturalization such as the Systematic Alien Verification for Entitlements online service.

17 XV. The department shall prohibit any individual from receiving SNAP benefits unless they
18 are a citizen or a qualified alien eligible for SNAP pursuant to 7 U.S.C. section 2015(f) and refer the
19 individual to the United States Customs and Immigration Services if it is determined by the
20 department that an individual applying, receiving, or recertifying their eligibility for SNAP benefits
21 in New Hampshire is an illegal alien.

22 2 New Paragraph; Prohibited Use of EBT Cards. Amend RSA 167:7-b by inserting after
23 paragraph IV the following new paragraph:

24 V. The department shall, on at least a monthly basis, utilize EBT card data to flag any
25 individual making purchases exclusively out-of-state over a 60-day period. The department shall
26 contact each individual flagged for exclusively making out-of-state purchases over a 60-day period
27 within 30 days to determine whether they reside in New Hampshire and remove those who are
28 determined not to be residing in New Hampshire or do not respond. The department shall be
29 required within 15 days to refer any individual who was determined to be receiving New Hampshire
30 SNAP benefits while not residing in the state to the United States Attorney's Office for the district
31 in which the individual is determined or claims to reside for further investigation.

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

HB 1797-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to eligibility for public assistance, including the New Hampshire employment program, family assistance program, and SNAP.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<i>Funding Source(s)</i>	General Fund			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

METHODOLOGY:

This bill makes a variety of changes relative to the use and regulation of EBT cards and Supplemental Nutrition Assistance Program (SNAP) eligibility. The following is a list of provisions that, per the Department of Health and Human Services, are anticipated to have a fiscal impact:

- The bill requires the Department to submit a demonstration waiver to the federal Food and Nutrition Service to allow for the exclusion of candy and soft drinks from the definition of eligible food under SNAP. The Department anticipates that it will cost \$416,000 (100% general funds) to facilitate retailers' adoption of the new waiver rules, as well as \$42,000 for certification and \$47,000 for implementation (100% general funds). The EBT vendor is expected to impose additional transaction fees, which the Department expects will come at a small cost of potentially \$5,000. Additionally, the Department anticipates \$842,000 (100% general funds) of costs to build the waiver. The costs of customer service related to the waiver are indeterminable, but the Department estimates \$25,000 per fiscal year (100% general funds). The Department assumes that the new waiver will be effective for FY29. In total, the waiver will increase state expenditures by approximately \$1.4 million in 2029. It is unclear whether any federal funding will be available to defray the cost of implementation.

- The bill prohibits the Department from using discretionary exemptions to able-bodied adults without dependents (ABAWD) work requirements without legislative approval. The Department currently uses discretionary exemptions on a limited basis to allow for more time to conduct training before changes to ABAWD requirements. Without access to the discretionary exemption, the Department likely would have increased its error rate when ABAWD requirements were reinstated. Beginning in federal fiscal year 2028, SNAP will include a state share for benefits calculated upon the state error rate. If the proposed restriction on ABAWD discretionary exemptions were enacted it could potentially increase state expenditures in state fiscal year 2029 and subsequent years, if the lack of discretionary exemptions would cause an increase in the error rate that would increase the state share of SNAP benefits. The amount of any such impact is indeterminable.
- The bill requires the Department to repeal its broad-based categorical eligibility for SNAP benefits. Currently, New Hampshire certifies for broad based categorical eligibility SNAP households with income less than or equal to 200% of the federal poverty guidelines. Based on available American Community Survey data, the Department estimates that approximate 20,000-25,000 New Hampshire households would lose SNAP eligibility from the repeal of categorical eligibility. This would result in an indeterminable reduction in expenditures. (SNAP benefits, as opposed to administrative costs, are 100 percent federally funded.)
- The bill requires the Department to review information from the United States Department of Housing and Urban Development (HUD). The Department notes that it does not currently have access to HUD data and the bill does not contain any direction on how the Department would get such information, so the fiscal impact of this provision is indeterminable. Similarly, the bill requires the Department to review national fleeing felon information maintained by the FBI. The Department notes that it does not have access to this information.
- The bill requires the Department to use the Systematic Alien Verification for Entitlements (SAVE) on a monthly basis to determine citizenship or immigration status. The Department notes that it does not use SAVE to verify citizenship. Citizenship when questionable is verified through documentation such as birth certificate or naturalization papers. Presently the Department uses SAVE to verify the immigration status of noncitizens at application and redetermination. There will be an indeterminable cost to state expenditures as a result of this requirement. The Department will need to make

system changes and train staff to conduct SAVE checks monthly for citizens and non-citizens instead of the current process of at application and redetermination and only for non-citizens.

- The bill requires the Department to track SNAP households that exclusively use benefits out of state. This would require data checks to be done more frequently than currently required. The Department states that it would need five new employees to meet the increased requirements from the proposed legislation. The cost of five new positions would be \$400,000 for FY27, \$420,000 for FY28 and \$435,000 for FY29. The cost of staff can be paid with 25% federal funds and 75% general funds for FY28 and FY29. Due to a change in federal law effective October 1, 2026, the reimbursement rate for FY27 will be at 50% federal funds and 50% general funds from July until October and 25% federal funds and 75% general funds for the remainder of FY 27. For FY 27, 31.25% of the staffing costs would be paid with federal funds and 68.75% of the staffing costs would be paid with general funds. The system changes required by this provision are expected to cost \$1,690,000, of which 50% will be paid with federal SNAP administrative dollars.

In total, the Department anticipates the bill will increase expenditures by at least \$2,090,000 in FY27 (\$920,000 general funds, \$1,170,000 federal funds), \$420,000 in FY28 (\$315,000 general funds, \$105,000 federal funds) and \$1,835,000 in FY29 (\$1,726,250 general funds, \$108,750 federal funds). Due to the various components for which cost cannot be estimated, the total impact is indeterminable.

AGENCIES CONTACTED:

Department of Health and Human Services