STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION OF ECONOMIC STABILITY

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October 24, 2025

Chairman David Rochefort
New Hampshire Senate Health and Human Services Committee
107 North Main Street
Concord, NH 03301

INFORMATIONAL ITEM

The Department of Health and Human Services hereby submits the following report.

In legislative session 2024, Senate Bill 404 was signed into law, requiring the Department to develop and implement a child care workforce assistance project to expand child care professionals' eligibility for the child care scholarship (federal) program. The duration of the project was from January 1, 2025, to June 30, 2025. SB404 also required the Department, on or before November 1, 2025, to provide a detailed report of the child care workforce assistance project to the house health and human services oversight committee and senate health and human services committee of the general court, which shall include the following information:

(a) The number of individuals qualifying for existing childcare scholarship.
(b) The number of individuals who will be added as a result of the project.
(c) Any needed technology or other adjustments to implement the project.
(d) The suggested funding level going forward, should the project continue beyond its scheduled end date.
(e) Any other relevant information regarding the project.

The Child Care Workforce Assistance Program permitted the expansion of the federal NH Child Care Scholarship income eligibility requirements to 100% of state median income for child care staff working at least twenty-five (25) hours in a child care program that is enrolled to accept Child Care Scholarship. The program ran for a period of six months and included a prerequisite to apply for the federal program. The contracted vendor identified twenty-eight (28) applicants who were deemed eligible for the federal program, therefore did not participate in this state-funded program. The total number of applicants who participated in the state-funded program was one hundred six (106). Of those who applied, forty-four (44) were determined eligible and received the benefit for fifty (50) children in thirty-eight (38) different childcare providers. Reasons for denial of eligibility included exceeding the income limit or not meeting other criteria.

Of the $1,000,000 appropriated for this program for the purpose of providing benefits, $228,790.73 was invoiced. The $100,000 appropriated for the purpose of administering the program was awarded via a competitive bid contract. If the General Court were to decide to reestablish the Child Care Workforce Assistance project with the same eligibility guidelines, the Department would suggest funding levels of $500,000 per year for the purpose of providing the benefit and $200,000 per year for the purpose of administering the program. The Department would also suggest developing an interface between the eligibility system (New HEIGHTS) and the NH Connections Information System to accommodate automated referrals when ineligible applicants of the federal

program should be then considered for a state-funded program. The associated cost of such system enhancements would be determined upon any legislative pursuit of reestablishing the program.

Respectfully submitted,

Karen E. Hebert, Director
Division of Economic Stability

cc: Representative Wayne MacDonald, Chair House Health and Human Services Committee
Representative Mark Pearson, Chair Health and Human Services Oversight Committee
John Williams, Esq., Department of Health and Human Services