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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF ECONOMIC & HOUSING STABILITY

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November 4, 2022

His Excellency, Governor Christopher T. Sununu
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to the provisions of Chapter 91:34, Laws of 2021 Program Eligibility, authorize the Department of Health and Human Services (DHHS), to expand categorical eligibility criteria for the federal Supplemental Nutrition Assistance Program (SNAP) for households with income below 185% of the Federal Poverty Level (FPL) to 200% of the FPL effective upon Governor and Executive Council approval. SNAP is 100% federally funded and is not a budget line item within the DHHS - BFA appropriation.

EXPLANATION

The Department previously submitted this request to the September 9, 2022, meeting of the Fiscal Committee of the General Court (FIS 22-280). The Fiscal Committee approved FIS 22-280 at that meeting but the Members raised certain questions relative to the fiscal impact on the Education Trust Fund. Following the meeting, the Department consulted with the Department of Education and determined that there would be a financial impact to education funding. The Department subsequently withdrew the corresponding Governor and Council request (Item #21) from the September 21, 2022, meeting to provide adequate time to analyze the fiscal impacts that could occur if Governor and Council were to approve the action included in this request. The Department, in coordination with the Department of Education, prepared the corresponding Informational Item included on the November 22, 2022, Governor and Executive Council agenda detailing the estimated financial impacts. The same Informational Item has also been submitted to the November 18, 2022, Fiscal Committee agenda. The request to expand eligibility criteria as stated in FIS 22-280, and approved by the Fiscal Committee, included an effective date of October 1, 2022. As a result of the subsequent delay, the Department now requests that expanded eligibility criteria be effective upon Governor and Executive Council approval. The request has not otherwise been substantively altered.

SNAP provides assistance to eligible individuals and families to purchase food items essential for healthy nutrition. Eligibility depends on the household's income, resources and expenses. Households must meet the gross and net income limitations, as well as resource limitations, to be eligible for SNAP. Eighteen states have now set SNAP gross income limits at 200 percent FPL.

In 2019, HB4 passed requiring the establishment of a committee to make recommendations to the Department of Health and Human Services (Department) for their development of a plan to close the Cliff Effect for individuals and families who receive public assistance. In partnership with New

Hampshire Employment Security (NHES) an economic analysis was conducted to understand the economic, demographic, and policy factors affecting the cliff effect across New Hampshire, <https://www.dhhs.nh.gov/solving-benefits-cliff-effect>. One of the recommendations of this study is to raise the SNAP gross income limit to enable families to earn an income and provide for their family's needs. SNAP benefits will decline gradually instead of dropping suddenly. Essentially this gives families time to increase their earned income, strengthening their economic condition and provide for their family. The change to eligibility also encourages individuals to seek and secure employment as it will reduce the risk of potentially, abruptly becoming ineligible for SNAP benefits.

Many individuals and families are experiencing difficulty in meeting the nutritional needs of their families due to the increased cost of food, housing, and utilities. Through this authority, DHHS will be positioned to assist individuals and families in meeting their nutritional needs while simultaneously working towards economic mobility.

SNAP is funded by the federal USDA, Food and Nutrition Service and requires no additional General Funds. This expansion of categorical eligibility for SNAP will increase the federal dollars returning to New Hampshire citizens during their time of need.

Geographic Area Served: Statewide

Source of Funds: 100% Federal Supplemental Nutrition Assistance Program

Respectfully submitted,



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