

SB 645 -- Redline

Introduced to Amended -- relative to income eligibility for the New Hampshire child care scholarship program and reallocating certain revenue to fund the program.

Deletions ~~struck~~ · Insertions underlined

SB 645-FN - AS ~~INTRODUCED~~AMENDED BY THE SENATE 03/05/2026 0839s SESSION 26-2084 05/09 SENATE BILL 645-FN AN ACT relative to income eligibility for the New Hampshire child care scholarship program and reallocating certain revenue to fund the program.

SB 645-FN - AS ~~INTRODUCED~~AMENDED BY THE SENATE 03/05/2026 0839s 26-2084 05/09 STATE OF NEW HAMPSHIRE In the Year of Our Lord Two Thousand Twenty-Six AN ACT relative to income eligibility for the New Hampshire child care scholarship program and reallocating certain revenue to fund the program.

Tax revenue on all tobacco products sold at retail in this state imposed by RSA 78:2 shall be divided with 39 percent of that total revenue deposited in the education trust fund established by RSA ~~198:39,~~198:39 2and the remaining revenue deposited in the general fund, except that for any surplus funds over that year's planned revenue, 50 percent of the surplus shall be transferred to the department of health and human services for the purposes of administering and expanding eligibility for the child care scholarship program pursuant to RSA 167:83, II(r)(4), and the ~~remaining remainder revenue shall be~~ deposited in the general fund.

Except as provided in paragraph II, the state treasurer shall credit ~~[all]~~all ~~98 percent of~~ gross revenue derived by the commission from the sale of liquor, or from license fees, and interest received on such moneys, to a special fund, to be known as the liquor commission fund, from which the treasurer shall pay all expenses of the commission incident to the administration of this ~~title,~~title. ~~and 2 percent to the department of health and human services for the purposes of administering and expanding eligibility for the child care scholarship program pursuant to RSA 167:83, II(r)(4).~~

Any balance left in such fund after such expenses are paid shall be deposited in the general fund on a monthly ~~basis,~~basis, except that for any surplus funds over that month's planned revenue, 50 percent of the surplus shall be transferred to the department of health and human services for the purposes of administering and expanding eligibility for the child care scholarship program pursuant to RSA 167:83, II(r)(4), and the remainder shall be deposited in the general fund.

In addition to the annual license fees provided in this chapter, a fee of \$.30 for each gallon of beverage sold or transferred for retail sale or to the public shall be required for licenses issued to SB 645-FN - AS AMENDED BY THE SENATE - Page 2 - wholesale distributors, beverage manufacturers, brew pubs, and nano breweries;

A fee of 5 percent of the wholesale price per case of any specialty beverage sold or transferred for retail sale or to the public shall be required for licenses ~~SB 645-FN -- AS INTRODUCED -- Page 2 --~~ issued to wholesale distributors or beverage manufacturers.

~~Two~~For ~~percent any of surplus all funds revenues over collected that pursuant month's to planned this revenue,~~section 50 percent of the surplus shall be transferred to the department of health and human services for the purposes of administering and expanding eligibility for the child care scholarship program pursuant to RSA 167:83, II(r)(4). ~~II(r)(4), and the remainder shall be deposited in the general fund.~~

Amend RSA 287-J:6, ~~III(1)-(2)~~III(b)(2) to read as follows:

~~(1)(2)~~ 25~~75~~ percent to the ~~special~~general fund; ~~established under RSA 284:21-j for use as provided in that section;~~

~~(2)(3)~~ 2~~Except that for any surplus funds over that period's planned revenue, 50 percent of the surplus shall be transferred to the department of health and human services for the purposes of administering and expanding eligibility for the child care scholarship program pursuant to RSA 167:83, II(r)(4);~~ II(r)(4), and the remainder shall be deposited in the general fund.

~~and 6 (3) New [75] Paragraph: 73 percent to the general fund.~~

~~6~~Horse Effective and Date Dog Racing;

~~This General act Provisions. shall take effect July 1, 2026.~~

~~LBA Amend 26-2084 RSA Revised 284:21-j 1/14/26 by SB inserting 645-FN after FISCAL paragraph NOTE II AS INTRODUCED AN ACT relative to income eligibility for the New Hampshire new child paragraph: care scholarship program and reallocating certain revenue to fund the program.~~

III.

Notwithstanding any other provision of law to the contrary, 2 percent of all revenues received by the lottery commission under RSA 284, 287-D, 287-E, 287-H, 287-I, 287-J, or pursuant to any other provision of law, shall be distributed to the department of health and human services for the purposes of administering and expanding eligibility for the child care scholarship program pursuant to RSA 167:83, II(r)(4).

7 Contingency.

This act shall not take effect until the commissioner of the department of revenue administration certifies to the secretary of state and the director of the office of legislative services that the revenues in sections 2 through 6 of this act have each operated at a surplus for the past year. In no case shall the commissioner make such certification prior to July 1, 2027.

8 Effective Date.

This act shall take effect as described in section 7 of this act.

LBA 26-2084 Revised 3/16/26 SB 645-FN- FISCAL NOTE AS AMENDED BY THE SENATE (AMENDMENT #2026-0839s) AN ACT relative to income eligibility for the New Hampshire child care scholarship program and reallocating certain revenue to fund the program.

Estimated State Impact FY 2026 FY 2027 FY 2028 FY 2029 Revenue \$0 \$0 \$0 \$0 Revenue Fund(s) None
Expenditures* \$0 ~~\$10.5~~\$0 millionIndeterminable ~~\$10.5~~Indeterminable million+ ~~\$10.5~~ million+ Funding
Source(s) General Fund, Education Trust Fund Appropriations* \$0 ~~\$10.5~~\$0 millionIndeterminable
~~\$10.5~~Indeterminable million+ Funding ~~\$10.5~~Source(s) million+General FundingFund, Source(s)Education
NoneTrust Fund *Expenditure = Cost of bill *Appropriation = Authorized funding to cover cost of bill
METHODOLOGY:

? ~~250~~ percent of ~~any surplus tobacco tax revenue~~revenues ~~derived above from those estimated in the tobacco annual tax;~~revenue plan;

? ~~250~~ percent of ~~gross any revenue~~surplus ~~derived~~Liquor fromCommission profits above those estimated in the ~~Liquor monthly Commission;~~revenue plan;

? ~~250~~ percent of ~~revenue any collected~~surplus ~~from beer tax~~ revenues above those estimated in the ~~beer monthly tax;~~revenue plan;

~~and?~~ ~~250~~ percent of ~~revenue any surplus~~ revenues collected from video lottery terminals ~~(VLT); (VLT),~~ above those estimated in the monthly revenue plan;

~~Each and of? the 2 revenue percent sources of identified certain above revenues is received currently by deposited into the state Lottery general Commission. fund.~~

~~(Although (The not bill all specifies tobacco revenues tax attributable and to VLT horse revenues and are dog deposited racing, into games the of general chance, fund, bingo/Lucky the 7, bill fantasy makes sports, clearsports that betting, the and 2 video percent lottery allocated terminals.) for The child revenue care sources scholarships identified shall above be are taken currently out deposited of into the general fund and portion.) education Accordingly, trust any funds. now services funded by the bill will indirectly be general fund expenditures.~~

The ~~Department bill of Health and Human Services~~ states that ~~it no currently transfers provides to child the care childcare scholarships scholarship for program households shall with take income place at before or July below 1, 85 2027. percent of the SMI.~~

As the first four sources refer to revenue above plan, the amounts that may be available for the childcare scholarship program are currently indeterminable.

The fifth component, certain revenues received by the Lottery Commission, is unique in that the bill requires two percent of all such revenues to be transferred to the childcare scholarship program, regardless of whether those revenues exceed plan.

Although it cannot be known how much revenue will be generated by the Lottery Commission in FY28 and beyond, the operating budget for FY27 assumes that approximately \$164 million will be received from the sources identified in the bill.

Assuming this number is accurate in future years, the Lottery component would generate approximately \$3.28 million per year for the childcare scholarship program.

This would indirectly be a cost to the general and education trust funds, as these are where such revenues are currently deposited.

With respect to the non-Lottery revenue sources, the bill contains several inconsistencies regarding the determination of surplus revenues above plan.

Section 2 refers to a surplus above the yearly revenue plan, sections 3 and 4 refer to surpluses above the monthly revenue plan, and section 5 refers to a surplus above an unidentified period's revenue plan.

With respect to possible costs, the Department of Health and Human Services states that it currently provides child care scholarships for households with income at or below 85 percent of the SMI.

In addition, the Department assumes that nine new positions (one business administrator, one business system analyst, and seven social services specialists) would will be needed to handle the increased caseload, at an annual cost of \$560,000 in FY27, the increasingly first year of the program's expansion, increasing slightly in subsequent years as step increases are provided.

Finally, the Department anticipates needing a one-time change to the New Heights eligibility system, at a cost of \$1,145,000 in FY27, the first year of the program's expansion.

~~Based Total on costs, FY26/27 therefore, budget are estimates, indeterminable two and percent will of depend the on revenue sources identified in the bill amount will of total revenue \$10,487,600 received in from FY27, the as sources shown identified below above.~~

~~(Note that the bill specifically references gross Liquor revenue, meaning the two percent will be applied to total profits before the Liquor Commission's operating expenses and other deductions are applied.) FY 2027 Tobacco Tax \$ 175,000,000 Gross Liquor Revenue \$ 211,180,000 Beer Tax \$ 13,000,000 Video Lottery Terminal Revenue \$ 125,200,000 Total:~~

~~\$ 524,380,000 2% of Total:~~

~~\$ 10,487,600 Absent any of the operating expenses identified by the Department, these revenues would be sufficient to fund 2,198 scholarships in FY27.~~

~~If the full \$1,705,000 in first year costs anticipated by the Department are deducted, the remaining \$8,782,600 would be sufficient to fund 1,841 scholarships, with more scholarships funded in future years as the one-time system change cost is not deducted.~~

~~It is assumed for the purposes of this fiscal note that revenues in future years will grow by some indeterminable amount.~~