THE STATE BUDGET
A Focus on Federal Fund Contributions and the Food Stamp Program

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New Hampshire Fiscal Policy Institute

Presentation to Milford Rotary Club
March 22, 2017
The Process: 
Mechanics of Building the Budget

<table>
<thead>
<tr>
<th>State Agency Phase</th>
<th>Governor’s Phase</th>
<th>House Phase</th>
<th>Senate Phase</th>
<th>Committee of Conference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>August 1</strong></td>
<td><strong>October 1</strong></td>
<td><strong>February 15</strong></td>
<td><strong>April 6</strong></td>
<td><strong>June 1</strong></td>
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<tr>
<td>Governor’s Office Provides Spending Targets</td>
<td>Agencies Submit Budget Requests</td>
<td>Final Day for Governor to Submit Budget to Legislature</td>
<td>Final Day for House Vote on State Budget; Crossover Day</td>
<td>Final Day for Senate Vote on State Budget</td>
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<td></td>
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<td><strong>July 1</strong></td>
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<td>State Budget Takes Effect</td>
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*Dates set by legislative leadership for 2017 session; all other dates specified in statute.
Looking Inside the Budget: The Funds

Budget-Identified Funds by Magnitude

State Fiscal Year (SFY) 2017

Source: 2015 Session, HB 1

- General Fund: 25.0%
- Other Funds: 19.5%
- Education Trust Fund: 17.0%
- Highway Funds: 3.9%
- Liquor Fund: 1.1%
- Turnpike Funds: 2.8%
- Federal Funds: 30.3%
- Fish and Game Funds: 0.3%
- Lottery Commission Fund: 0.2%
Looking Inside the Budget: Federal Funds Examples

- Medicaid
- Federal transportation aid
- Education aid
  - Special education
  - School lunch program
  - Professional development
- Water pollution and infrastructure funds
- Temporary Assistance for Needy Families
- Women, Infants, and Children Nutrition Program (WIC)
- Veterans’ Home professional care aid
- New Hampshire Hospital psychiatric services
- The Fuel Assistance Program
- Infectious disease control emergency preparedness
- Many other programs and grants
State Agency Funding Streams: Examples

Funding Streams for Selected Departments
SFY 2017

Source: Chapter 275 (HB1), Laws of 2015
The Food Stamp Program: Benefits

- Federal title: Supplemental Nutrition Assistance Program
- Benefits 100 percent federal funds, cost of administration split with the State
- Benefits provided through Electronic Benefit Transfer cards, act like debit cards
- Only can purchase food items intended for human consumption and use
- Cannot be used to purchase hot foods, vitamins, paper products, soap, alcohol, or tobacco
- Cannot be traded or sold
- Designed to provide the difference between the U.S. Department of Agriculture’s nutritionally adequate food plan and 30 percent of net household income, the portion expected to be used on food
- Maximum benefit is about $1.83 per person per meal for three person household and a 31-day month

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Maximum Monthly Food Stamp Allotment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$194</td>
</tr>
<tr>
<td>2</td>
<td>$357</td>
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<tr>
<td>3</td>
<td>$511</td>
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<td>4</td>
<td>$649</td>
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</tbody>
</table>

Source: N.H. Department of Health and Human Services Food Stamp Manual, accessed March 2017
The Food Stamp Program: Benefit Value

Food Stamp Benefit Value

Household of Three, October 2016


Note: Benefits rounded up to nearest dollar and end at $1,680 in income, with other adjustments near the end of benefits; those changes are not reflected in detail on this graph.

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The Food Stamp Program: Eligibility

■ Two primary ways to be eligible

■ Passing income and asset tests
  ➢ Gross income less than or equal to 130 percent of federal poverty guidelines (FPG)
  ➢ Net income less than or equal to 100 percent FPG
  ➢ Assets total no more than $2,250

■ OR categorical eligibility
  ➢ Qualifying for receiving public assistance through other select programs
  ➢ Expanded categorical eligibility in N.H.: 185 percent FPG with at least one dependent child and relative

■ Gross income and asset tests higher for elderly and disabled

■ Net income permits certain allowable expenses (child care, utility costs, housing rental within parameters)

■ Asset limit has exemptions (in New Hampshire, excludes primary residence and vehicle)

■ Work requirements for certain individuals aged 18 to 50 years who have no dependents, with caveats for disability and economic environment

■ Benefits not provided to those with net incomes above 100 percent FPG
About 17,000 New Hampshire households qualified through expanded categorical eligibility as of December 2016

Permitted by the federal government and used increasingly by states during the Great Recession, 42 states had expanded categorical eligibility in July 2014

Program benefits costs were $122.8 million during SFY 2016, down from $165.3 million in SFY 2012, and up from $56.2 million in SFY 2006

January 2017: approximately seven percent of the New Hampshire population provided benefits, including 38,053 children

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### New Hampshire Food Stamp Federal Poverty Guidelines (FPG)

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Net Income 100 Percent FPG</th>
<th>Gross Income 130 Percent FPG</th>
<th>Gross Income 185 Percent FPG</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>$11,880</td>
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<td>2</td>
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<td>4</td>
<td>$24,300</td>
<td>$31,596</td>
<td>$44,964</td>
</tr>
</tbody>
</table>

Source: N.H. Department of Health and Human Services Food Stamp Manual, accessed March 2017
The Food Stamp Program: Use

New Hampshire Food Stamp Program Recipients

Source: N.H. Dept. of Health and Human Services, Division of Family Assistance, Data Provided March 2017
For More Information and References...

- On the State Budget: http://nhfpi.org/resources/nh-state-budget
  nhfpi.org > Resources > NH State Budget
  - Building the Budget
  - Governor Sununu’s Proposed Budget

  nhfpi.org > Research > State Economy
QUESTIONS?

THANK YOU FOR YOUR TIME

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