

Honolulu, Hawaii

FEB 10 2021

RE: S.B. No. 512
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 512 entitled:

"A BILL FOR AN ACT RELATING TO SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM INCENTIVES,"

begs leave to report as follows:

The purpose and intent of this measure is to remove the \$10 per visit per day cap on the dollar-for-dollar match received by Supplemental Nutrition Assistance Program (SNAP) beneficiaries under the Hawaii Healthy Food Incentive Program, also known as the Double Up Food Bucks Program (DA BUX).

Your Committee received testimony in support of this measure from the Department of Agriculture; Department of Health; Department of Human Services; University of Hawai'i College of Tropical Agriculture and Human Resources; Executive Office on Early Learning; City and County of Honolulu Office of Economic Revitalization; Hawai'i Primary Care Association; Our Revolution Hawaii; Hawaii Food Industry Association; GreenWheel Food Hub; Kauai Women's Caucus; Chamber of Commerce Hawaii; Hawai'i Children's Action Network Speaks!; Sierra Club of Hawai'i; Lanakila Pacific; Ka Ohana O Na Pua; Aloha Harvest; Hawai'i Alliance for Community-Based Economic Development; American Heart Association; Wahiawa Health; Land Use Research Foundation; We Are One, Inc.; Hawaii Cattlemen's Council, Inc.; Hawai'i Alliance for Progressive Action; Ulupono Initiative LLC; Blue Zones Project; Hawai'i Public



Health Institute; Hawai'i Farm Bureau; Kamehameha Schools; Hawai'i Community Foundation; Early Childhood Action Strategy; 'Ohana Health Plan; Local Food Coalition; Hawaii Appleseed Center for Law and Economic Justice; Hawai'i SEED; The Food Basket Inc.; Hawai'i Islands Food Bank; Hawaii Medical Service Association; Aloha Care; and seventy-four individuals.

Your Committee finds that Hawaii imports approximately ninety percent of its food and has food costs that are eighty-two percent higher than the national average. Dependence on food imports threatens the sustainability of food producers on the islands and places the entire population directly at risk of food shortages in the event of pandemics, natural disasters, and economic disruptions. Furthermore, with the highest cost of living in the nation, Hawaii has the highest unemployment rate of its residents. Due to the coronavirus disease-2019 (COVID-19) pandemic and the resulting unprecedented unemployment, there has been an increase in SNAP participation and an additional thirty thousand individuals will be eligible for SNAP benefits post-pandemic. Additionally, local food producers are losing about \$2,000,000 in estimated sales per week.

Your Committee also finds that the objectives of the DA BUX program are to increase SNAP household purchases of:

- (1) Hawaii-grown fruits and vegetables at grocery stores;
- (2) Hawaii-grown fruits and vegetables at farmers markets, mobile markets, and other produce retailers; and
- (3) Community-supported agriculture subscriptions exclusively sourced from Hawaii farms.

The DA BUX program has been instrumental in supporting local families and farmers; participating local grocers experienced significant increases in sales of local fruits and vegetables paid with SNAP benefits. As a result of previous efforts around the program between 2018 and 2020, the number of SNAP-participating households in Hawaii with access to a DA BUX retailer near their homes increased by two hundred seventy-two percent and at the end of 2020, the program expansion resulted in seventy-seven percent of all SNAP participating households having a DA BUX retailer within a reasonable shopping distance of their homes. Your



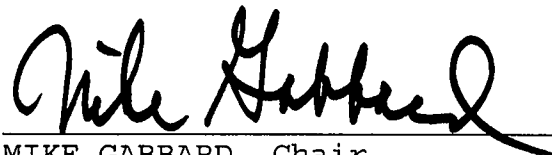
Committee further finds that state investment into the DA BUX program can potentially generate an economic impact of \$15,400,000 and spur three times additional funding of \$7,500,000 to support farmers. State funds generate significant leverage to stimulate economic activity while advancing the State's objective of doubling local food production by 2030.

Your Committee further finds that this program helps low-income families double their purchasing power and improve access to affordable and healthy Hawaii grown produce; farmers to expand their customer base and increase their sales and farm profits, while stimulating farm expansion in both acreage and crop diversity to meet demand; and communities to build community food self-reliance, improve disaster resilience, and create economic opportunities to stimulate the local economy.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 512, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 512, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Agriculture and
Environment,



MIKE GABBARD, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Agriculture and Environment
AEN

Bill / Resolution No.:* SB 512	Committee Referral: AEN, WAM	Date: 02/05/2021
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312
 Pass, with amendments 2311
 Hold 2310
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	✓			
NISHIHARA, Clarence K. (VC)	✓			
ACASIO, Laura	✓			
RHOADS, Karl	✓			
FEVELLA, Kurt	✓			
TOTAL	5			

Recommendation: Adopted Not Adopted

Chair's or Designee's Signature:


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*Only one measure per Record of Votes