



‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Human Services
Thursday, March 21, 2024 at 9:30 a.m.

By

Carl Bonham, Executive Director
University of Hawai'i Economic Research Organization

And

Denise Konan, Dean
College of Social Sciences

And

Michael Bruno, Provost
University of Hawai'i at Mānoa

HCR 42/HR 31 – REQUESTING THE UNIVERSITY OF HAWAII ECONOMIC RESEARCH ORGANIZATION TO CONDUCT A STUDY OF WAYS TO INCREASE ACCESS TO SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS

Chair Marten, Vice Chair Amato, and Members of the Committee:

Thank you for the opportunity to provide testimony on House Concurrent Resolution 42/ House Resolution 31. These measures are requesting the University of Hawai'i Economic Research Organization (UHERO) to study the current state of the Supplemental Nutrition Assistance Program (SNAP) in Hawai'i, and to investigate the possibility of enhancing the SNAP program through complementary state policies.

The proposed study is well aligned with UHERO's core mission to enhance public and private sector decision-making through rigorous economic and policy research focused on the people, environment, and economy of Hawai'i.

UHERO agrees that a comprehensive study of the SNAP program in Hawai'i would be extremely valuable and has the expertise needed to do so. Dr. Dylan Moore, a UHERO faculty member, conducts research on the design of tax and transfer programs. Dr. Moore is willing to lead this study, but he would need access to high-quality data that is not currently available, as well as financial support to cover the costs associated with this research.

The resolution requests that UHERO provide an "estimate of the number of residents who are currently eligible for SNAP, but not enrolled" and that it investigate ways to "increase access to Supplemental Nutrition Assistance Program benefits." Existing [USDA estimates](#) suggest that in 2020, 83% of eligible households in Hawaii claimed their SNAP benefits, giving the state the 23rd highest participation rate relative to other

states. The USDA estimates that in six states, participation rates are nearly 100%, suggesting that Hawaii has room for improvement on this score.

UHERO will only be able to conduct a credible analysis of ways to increase participation if given access to the individual-level administrative records on SNAP applications and benefit receipt housed at the Department of Human Services. Furthermore, we need to link such records to other information about household income. Fortunately, such data is readily available from other State of Hawai'i agencies. The Department of Labor and Industrial Relations has information on quarterly wages gathered in the administration of the Unemployment Insurance (UI) program. [A researcher in Michigan](#) recently published a study investigating the causes of SNAP participation linking administrative SNAP records with administrative UI records in that state. Researchers in [many other states](#), including Florida, Georgia, Maryland, Missouri, and Texas, have been granted access to linked, individual-level SNAP and UI records, and have used it to explore many interesting aspects of both programs.

Alternatively, it is possible to conduct an analysis of SNAP participation using SNAP records linked to individual income tax records from the Department of Taxation. Such a linked dataset has been made available to [researchers in California](#). UHERO and the Department of Taxation are already collaborating on policy research, but that relationship can be enhanced by merging de-identified tax and SNAP records so that UHERO researchers can work directly with the data. And, quarterly wage records from UI data are the preferred source of information for an analysis of SNAP, due to the greater frequency with which income is observed in UI data (quarterly as opposed to annually), and the fact that some SNAP households do not file taxes.

UHERO can write a report on “policy options for addressing the benefits cliff created by SNAP's eligibility requirements, including a cost-benefit analysis of expanding eligibility to households that are three hundred percent above the federal poverty level”, but only if given access to the necessary data. Quantifying the effects of the SNAP benefits cliff and evaluating policy options is not possible without access to information on the incomes of both eligible and ineligible households. Linked SNAP and UI records is the ideal dataset to use for examining how the benefits cliff is impacting households.

Conducting a rigorous cost-benefit analysis of policies to eliminate the cliff requires access to a dataset based on linking SNAP, UI, and tax records, because a policy eliminating the cliff would likely result in increased earnings among households who are near the cliff and currently face a strong disincentive to increase their earnings. These earnings increases would result in additional income tax revenue for the state, which would reduce the effective cost of any such program. While linked SNAP-UI data alone could be useful to approximate these tax revenue effects, linking all three sets of records together would allow for much more accurate results. Without linked SNAP-UI data—or, at the very least, linked SNAP and tax data—there is no hope that UHERO could provide a reliable cost-benefit analysis.

It is important to point out that UHERO relies on the donations and contracts for roughly one-half of its budget. Without financial support, taking on new unfunded projects places our existing research and projects at risk. Given the commitments of UHERO faculty, undertaking such an extensive study would require additional funding from the State to hire Graduate Research Assistants and to cover other costs associated with this research. We would be happy to develop a budget for this work for your consideration.

Thank you for the opportunity to provide testimony.

Aloha,

My name is Dylan Moore and I am an Assistant Professor at UHERO. I am the faculty member who would potentially lead the study described in this resolution.

Imperfect takeup of the SNAP program and the effects of the SNAP cliff are issues worthy of detailed study. I would be quite pleased to conduct such a study, but not without the necessary resources. The single most important factor determining whether I can undertake the requested study is data access. I would require access to detailed, individual-level data about incomes and characteristics of households who received SNAP benefits and those that did not. The ideal dataset would be one constructed by linking together SNAP, UI, & income tax records, requiring a collaboration between UHERO and three state agencies: DHS, DLIR, & DOTAX.

While such a collaboration may seem ambitious, the value of such a linked dataset goes well beyond the study of SNAP. For example, it could be used to study how many eligible households fail to claim refundable state tax credits (such as the newly refundable state EITC), why they do so, and how to reach such households. Alternatively, it could be used for cost-benefit analyses of the state's minimum wage policy. Indeed, such a dataset would be the ideal resource for studying nearly every aspect of the state's household tax and transfer system.

This kind of collaboration is also feasible. Locally, the Hawai'i Data eXchange Partnership successfully developed a data-sharing partnership across multiple state agencies, developing a dataset which allowed UHERO researchers to study the returns to college education in Hawai'i. Many other states have also successfully executed similar data linkage projects. In several cases, the knowledge built up during these prior endeavors is well-documented, ensuring that our efforts can be guided by existing best practices. While these kinds of projects are never simple, today it is easier than ever before to find a way to unlock the huge potential of linked state agency data, while still respecting the legal and privacy concerns of each agency involved.

Thank you for your time and consideration.

Dylan T. Moore

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



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TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'ŌKELE

March 18, 2024

To: The Honorable Representative Lisa Marten, Chair
House Committee on Human Services

FROM: Cathy Betts, Director

SUBJECT: **HCR 42/ HR 31 – REQUESTING THE UNIVERSITY OF HAWAII ECONOMIC
RESEARCH ORGANIZATION TO CONDUCT A STUDY OF WAYS TO INCREASE
ACCESS TO SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS.**

Hearing: Thursday, March 21, 2024, Time 9:30 a.m.
Conference Room 329 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the resolution's intent, defers to the University of Hawaii Economic Research Organization (UHERO), and provides comments.

PURPOSE: This resolution requests the University of Hawaii Economic Research Organization to conduct a study of ways to increase access to Supplemental Nutrition Assistance Program benefits.

Hawaii's SNAP program is currently utilizing a State option, Broad-Based Categorical Eligibility (BBCE), to allow for a higher gross income for SNAP eligibility by increasing the federal standard of 130 percent of the federal poverty level (FPL) to 200 percent FPL. However, the SNAP program still requires a net income test to determine eligibility and benefit amount depending on the size of the applicant's household. The net income is determined based on allowable deductions, as defined by federal SNAP regulations, applied to the applicant's countable gross income; the resulting difference would be the applicant's net income. The net

income eligibility standard is set at 100 percent FPL. For reference, the below chart is an example of the monthly dollar amount of the different FPL percentages for the 2024 federal fiscal year by household size:

Household Size	100 % FPL	130% FPL	200% FPL
1	\$1,398	\$1,817	\$2,796
2	\$1,890	\$2,457	\$3,780
3	\$2,383	\$3,098	\$4,766
4	\$2,875	\$3,738	\$5,750
5	\$3,368	\$4,378	\$6,736

Federal regulations set these income eligibility standards. If the State wishes to utilize standards beyond what the federal government sets, it would be purely a State-funded effort.

DHS defers to UHERO as to the resources required to conduct such a study. DHS appreciates that if sufficiently resourced, UHERO would be conducting a study to estimate the number of Hawaii residents whose income is below the 300 percent FPL and who may become eligible for SNAP benefits if the State expands income eligibility to this level. At this time, DHS does not have the human or information resources to determine the number of residents that may be eligible as DHS does not track the number of households who are not on SNAP and fall below 300 percent FPL. To conduct the proposed study, data-sharing agreements between several agencies will likely be necessary, and consequently, services of the Department of the Attorney General will be required.

If a study recommends ways to expand access to SNAP, in addition to an appropriation for the SNAP benefit, DHS would also require additional administrative and operating resources to plan any program expansion. Areas to be considered in a program expansion are costs for system development and enhancements to carry out any program expansion and additional staffing to accommodate increases to the SNAP caseload. Additionally, costs to address increases in payment transactions, account management, and card issuance by our electronic benefit transfer (EBT) provider would need to be considered.

Thank you for the opportunity to provide comments on this resolution.



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
Support for HCR 42 – Requesting The University Of Hawaii Economic Research Organization To
Conduct A Study Of Ways To Increase Access To Supplemental Nutrition Assistance Program Benefits
House Committee on Human Services
Thursday, March 21, 2024, at 9:30AM

Aloha e Chair Marten, Vice Chair Amato, and members of the Committee:

Thank you for the opportunity to submit testimony in **support of HCR 42**, which requests the University of Hawai'i Economic Research Organization to conduct a study of ways to increase access to Supplemental Nutrition Assistance Program (SNAP) benefits.

Serving more than 130,000 residents and generating \$630 million annually in our state's local economy, SNAP is an economic lifeline that is failing to reach Hawai'i's struggling households. However, in a recent assessment of Hawai'i's SNAP population, our organization found that the federal income eligibility thresholds are too strict and do not adequately reflect Hawai'i's cost of living.¹ A household survival budget for a family of four in Hawai'i is \$104,000 according to the most recent Aloha United Way report.² The current SNAP eligibility cut off of 200% FPL (\$69,000 for a family of 4) leaves more than 145,000 ALICE (Asset Limited, Income Constrained, Employed) households unable to achieve self-sufficiency yet ineligible for any meaningful support to access SNAP benefits in the face of rising costs and stagnant wages.³

In light of the rigid federally set requirements, elected officials in places like Washington, D.C. and Oregon are considering creating state-funded programs to supplement the federal SNAP program to better serve and reach their federally ineligible, food insecure populations. We wholeheartedly support such a program in Hawai'i and the need to conduct a study to determine the reach, impact, and cost of a state funded food benefit program. The study proposed in HCR 42 would provide essential context to inform the development of such a program in Hawai'i and craft evidence-based legislation.

Thank you for considering this resolution. SNAP is one of our most important safety nets and also provides a significant stimulus to Hawai'i's local economy. A targeted approach to strengthening SNAP would provide an essential lifeline for ALICE households and be an enormous boost for all Hawai'i residents.

Mahalo,


Jordan Smith
Senior Policy Analyst
Hawai'i Appleseed Center for Law and Economic Justice

¹ Hawai'i Appleseed Center for Law and Economic Justice. Hawai'i SNAP: Challenges and Opportunities for Improving Food Security for Hawai'i Residents, January 2023.

² [2023 ALICE in the Crosscurrents: COVID and Financial Hardship in Hawai'i](#)

³ [2023 ALICE in the Crosscurrents: COVID and Financial Hardship in Hawai'i](#)



TESTIMONY FROM THE DEMOCRATIC PARTY OF HAWAII

COMMITTEE REFERRAL: HUS

MARCH 21, 2024

HCR 42/HR 31, REQUESTING THE UNIVERSITY OF HAWAII ECONOMIC RESEARCH ORGANIZATION TO CONDUCT A STUDY OF WAYS TO INCREASE ACCESS TO SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS

POSITION: SUPPORT WITH AMENDMENTS

The Democratic Party of Hawaii **supports and suggests amendments** for HCR 42/HR 31, which requests the University of Hawaii Economic Research Organization to conduct a study of ways to increase access to supplemental nutrition assistance program benefits.

Many low-income households struggle to purchase food due to Hawaii's high cost of living and food prices. The supplemental nutrition assistance program (SNAP), formerly known as the food stamp program, is crucial to providing necessary food assistance to some of our state's most economically disadvantaged residents.

Currently, households with incomes above 200 percent of the federal poverty level, as established by the United States Department of Agriculture, are ineligible for SNAP benefits. Yet, these households are still unable to achieve self-sufficiency. As highlighted by the 2023 ALICE (Asset Limited, Income Constrained, Employed) report, a family of four earning an income of \$69,000 per year is ineligible for SNAP benefits, but needs an income of over \$100,000 per year to meet its basic needs, including housing and

food. If the family earned just \$1,000 less per year, or \$68,000, it would be eligible to receive more than \$9,000 in SNAP benefits.

The 200 percent poverty level eligibility cutoff for SNAP assistance creates an extreme benefits cliff, in which an additional \$1 per month earned by a household can result in thousands of dollars' worth of lost benefits each year. Moreover, the SNAP benefits cliff disincentivizes individuals from reaching their greatest earning potential. Families just below the SNAP income eligibility threshold often decline pay increases because the financial benefit of pursuing economic opportunities does not exceed the potential cost of losing SNAP food assistance.

Studies show that SNAP is the most effective anti-hunger initiative in the country. In Hawai'i, the program supports over 130,000 individuals, bringing more than \$630,000,000 into the State's economy each year. Raising the SNAP benefits ceiling to 300 percent of the federal poverty level will help economically vulnerable households meet their basic needs without sacrificing their financial security. This can be done by appropriating state funding to cover the cost of SNAP benefits for families who do not qualify for federal assistance, with households who currently qualify for federal benefits continuing to receive federal aid, just as they do today. **We strongly support further studying this issue, so that the legislature can address the "SNAP cliff" in the near future.**

That said, we understand that UHERO may need additional information from relevant state departments and agencies to conduct the study requested by this resolution. Accordingly, we urge you to add an additional "resolved" clause to the measure that states: **"BE IT FURTHER RESOLVED that all relevant state departments and agencies, including the Department of Human Services, Department of Labor and Industrial Relations, and the Department of Taxation, are requested to provide information access to the University of Hawai'i Economic Research Organization to complete the study upon request."**

Mahalo nui loa,

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To: The Honorable Lisa Marten, Chair
The Honorable Terez Amato, Vice Chair
House Committee on Human Services

From: Paula Arcena, External Affairs Vice President
Mike Nguyen, Public Policy Manager

Hearing: Thursday, March 21, 2024, 9:30AM, Conference Room 329

RE: **HCR42 AND HR31- Requesting the University of Hawai'i Economic Research Organization to conduct a study of ways to increase access to Supplemental Nutrition Assistance Program benefits.**

AlohaCare appreciates the opportunity to provide testimony in **support of HCR42 AND HR31**. These measures requests that the University of Hawai'i Economic Research Organization conduct a study of ways to increase access to Supplemental Nutrition Assistance Program (SNAP) benefits.

Founded in 1994 by Hawai'i's community health centers, AlohaCare is a community-rooted, non-profit health plan serving over 84,000 Medicaid and dual-eligible health plan members on all islands. Approximately 40 percent of our members are keiki. We are Hawai'i's only health plan exclusively dedicated to serving Medicaid and Medicaid-Medicare dually-eligible beneficiaries. Our mission is to serve individuals and communities in the true spirit of aloha by ensuring and advocating for access to quality, whole-person care for all.

AlohaCare's commitment to whole-person care and health equity includes addressing social determinants of health, including housing, language access, and nutrition among other factors. We understand that without access to affordable, healthy food, the health and well-being of our communities is negatively impacted. For example, researchers from the Centers for Disease Control and Prevention found that food insecurity is associated with obesity among U.S. adults in Hawai'i and 11 other states.¹ According to the Hawai'i Foodbank, 1 in 4 keiki in Hawai'i may not know where they will get their next meal, and for more than 81,000 keiki, getting the energy they need to learn and grow can be a daily challenge.² We need to invest in long-term solutions to support our most vulnerable populations.

¹ J Acad Nutr Diet. 2012 Sep; 112(9): 1403–1409. Accessed at: https://www.ncbi.nlm.nih.gov/entrez/eutils/elink.fcgi?dbfrom=pubmed&retmode=ref&cmd=prlink_s&id=22939441

² <https://hawaiiifoodbank.org/keiki/>



AlohaCare supports the nutrition support and food security the SNAP program offers. As such, we support these measures which call for a study that would address: (1) public policy options for addressing the benefits cliff created by SNAP's eligibility requirements, including a cost-benefit analysis of expanding eligibility to households that are three hundred percent above the federal poverty level; (2) an estimate of the number of Hawai'i residents whose income is below the three hundred percent federal poverty level and who may become eligible for SNAP benefits if the State expands income eligibility to this level; (3) an estimate of the number of residents who are currently eligible for SNAP, but not enrolled; and (4) other issues that the University of Hawai'i Economic Research Organization determines to be important in increasing access to SNAP benefits.

Mahalo for this opportunity to testify in **support of HCR42 AND HR31.**



2024 Network Members

City and County of Honolulu
County of Hawai'i
Hawai'i Appleseed
Hawai'i Children's Action
Network
Hawai'i Department of
Agriculture
Hawai'i Food Bank
Hawai'i Good Food Alliance
Hawai'i Public Health Institute
Kōkua Kalihi Valley
Comprehensive Health Center
Lanakila Pacific
Mālama Kaua'i
Maui Nui Food Alliance
Parents and Children Together
Supersistence
The Food Basket Inc., Hawai'i
Island's Food Bank
The Pantry, by Feeding Hawai'i
Together
UH Center for Indigenous
Innovation/ Health Equity
Wai'anae Coast
Comprehensive Health Center

Hawaiihungeraction.org

House Committee on Human Services

March 21, 2024 at 9:30AM

RE: Support for HCR 42, Requesting The University Of Hawai'i Economic Research Organization To Conduct A Study Of Ways To Increase Access To Supplemental Nutrition Assistance Program Benefits

Dear Chair San Buenaventura, Vice Chair Aquino, and members of the Committee,

The Hawai'i Hunger Action Network, a coalition of more than twenty local organizations with the mission to advocate for food security for Hawai'i households, appreciates the opportunity to testify in support of HCR 42, which requests the UH Economic Research Organization to conduct a study of ways to increase access to Supplemental Nutrition Assistance Program (SNAP) benefits.

SNAP is one of the most important safety net programs we have. While it does help ensure that more than 130,000 Hawai'i residents can afford to put food on the table, there are still far too many people in our state who don't meet the strict eligibility requirements, and are falling through the cracks. According to the most recent Aloha United Way report, a family of four in Hawai'i needs to make \$104,000 to meet their basic needs, while the SNAP eligibility cut off for that same family is only \$69,000. This leaves more than 145,000 ALICE (Asset Limited, Income Constrained, Employed) households ineligible. In addition, the federal program has additional restrictions for college students, immigrants, and other populations.

Jurisdictions across the nation have started to notice this gap, and state-funded programs are cropping up to meet the need in places like D.C. and Oregon. We think such a program would be an enormous boost to end systemic food insecurity. A study like the one proposed in HCR 42 would be an important first step in helping the state understand the economic impact and plan accordingly. Thank you for considering this resolution.