STAND. COM. REP. NO. 644

Honolulu, Hawaii

FEB 1 4 2025 S.B. No. 963 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 963 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Require the Department of Human Services to:
 - (A) Prorate or exclude certain income from household members who are ineligible for the Supplemental Nutrition Assistance Program (SNAP) in determining SNAP household eligibility and benefit levels;
 - Establish a standardized medical expense deduction (B) option for elderly or disabled household members who incur medical expenses above the federal minimum threshold;
 - (C) Establish a pre-release SNAP application process for individuals who are incarcerated and scheduled for release; and
 - (D) Submit annual reports to the Legislature; and

(2) Specify that, for purposes of SNAP, the federal restriction on providing SNAP benefits to certain individuals does not apply in Hawaii.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association; Hawaii Appleseed Center for Law and Economic Justice; AAUW of Hawaii; Hawai'i Alliance for Progressive Action; Hawaii Substance Abuse Coalition; Hawaii Food Bank, Inc.; Hawai'i Farmers Union United; AlohaCare; Aloha United Way, Inc.; Catholic Charities Hawai'i; and seven individuals.

Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that SNAP provides food benefits to supplement the grocery budget for low-income households and is a vital resource serving more than 160,000 residents in the State. Your Committee further finds that SNAP benefits are funded by the federal government and administered by the states, who are given certain flexibilities in how their programs are administered. Your Committee also finds that section 115 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193 (PRWORA), generally prohibits individuals convicted of certain drug-related felonies from receiving SNAP benefits and Temporary Assistance for Needy Families (TANF) benefits; however, federal law allows states to exempt their residents from this restriction. This measure expands access to SNAP benefits for residents in Hawaii by removing financial obstacles relating to the household income eligibility criteria, allowing incarcerated individuals to apply for SNAP benefits before being released, and exempting the residents from being subject to the PRWORA restriction for SNAP benefits.

Your Committee acknowledges the concerns raised in testimony by the Department of Human Services regarding the discrepancy between the proposed PRWORA exemption for SNAP benefits and the existing PRWORA exemption for TANF benefits for State residents. Specifically, existing law allows the PRWORA exemption for TANF benefits only if the person is complying with treatment or has not refused or failed to comply with treatment, whereas the proposed exemption language for SNAP benefits does not include this condition. Therefore, amendments to this measure are necessary to

repeal the treatment compliance requirement for TANF benefits to align with the proposed exemption for SNAP benefits.

Accordingly, your Committee has amended this measure by:

- (1) Repealing language from existing law to clarify that neither TANF nor SNAP recipients need to comply with treatment; and
- (2) Inserting an effective date of December 31, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 963, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 963, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Health and Human Services,

JOY A. SAN BUENAVENTURA Chai:

The Senate Thirty-Third Legislature State of Hawai'i

Record of Votes Committee on Health and Human Services HHS

Bill / Resolution No.:*		Committee Referral: Date:			,
SB 963	HHS, WAM 1/29/25				
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)					
AQUINO, Henry J.C. (VC)					
HASHIMOTO, Troy N.					
KEOHOKALOLE, Jarrett					
FEVELLA, Kurt					

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TOTAL)			
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes