Testimony Presented Before the
Senate Committee on Higher Education
February 4, 2020 at 3:10 p.m.
By
Jan Gouveia, Vice President for Administration
University of Hawai'i System

#### SB 2990 - RELATING TO THE UNIVERSITY OF HAWAII

Chair Kim, Vice Chair Kidani, and members of the committee:

Thank you for the opportunity to submit testimony on SB 2990, which requires all cafeterias in the UH System to accept the use of supplemental nutrition assistance program ("SNAP") benefits utilizing electronic benefits transfer ("EBT") cards. While the University is not familiar with the requirements associated with being an authorized SNAP provider, based on the University's current understanding, we have identified the following issues and respectfully provide comments.

While the University supports the intent of this bill to address food insecurity among college students through SNAP and recognizes that food insecurity can pose a significant barrier to student success, the University provides prepared foods, does not operate retail food stores (e.g., grocery stores), and does not typically provide the non-prepared foods intended for home consumption, as contemplated under SNAP.

The primary goal of a SNAP food vendor is to provide "staple" foods, which are defined in 7 C.F.R. § 271.2 as "food items intended for home preparation and consumption" in the food categories of "meat, poultry or fish; bread or cereals; fruits or vegetables; and dairy products." These foods are usually prepared at home and eaten as a meal and do not include prepared foods, hot foods, or accessory foods such as snacks and desserts. Given this, the goals of University cafeterias are not in alignment with those of SNAP vendors as University cafeterias provide mostly prepared and heated foods and generally do not stock items intended for home preparation. Furthermore, University cafeterias would not meet the eligibility standards of the U.S. Department of Agriculture ("USDA") for a vendor to accept SNAP. Under 7 C.F.R. § 278.1(b)(1)(i)(A), SNAP participation is limited to retail food stores, which must either (1) sell a specified variety of staple foods on a continuous basis or (2) have more than 50 percent of the total gross retail sales in staple foods. Therefore, as the federal requirements of a SNAP retail food store would preempt the state law, this measure is unnecessary as University cafeterias are not retail food stores and do not fulfill the goals of the SNAP program. Based on the above, the University respectfully requests that this measure be eliminated or reconsidered.

In the alternative, due to the time needed to understand the eligibility requirements of SNAP retail food stores and the corresponding operational changes that would be necessary, the University requests that this matter be deferred to work with the Hawai'i Department of Human Services to implement these changes within the University's food operations.

Thank you for the opportunity to testify on SB 2990.



PANKAJ BHANOT DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

# STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

P. O. Box 339 Honolulu, Hawaii 96809-0339

February 2, 2020

TO: The Honorable Senator Donna Mercado Kim, Chair

Senate Committee on Higher Education

FROM: Pankaj Bhanot, Director

SUBJECT: SB 2990 - RELATING TO THE UNIVERSITY OF HAWAII

Hearing: February 4, 2020, 3:10 p.m.

Conference Room 229, State Capitol

<u>**DEPARTMENT'S POSITION**</u>: The Department of Human Services appreciates the intent to this measure, and offers comments.

<u>PURPOSE:</u> This measure proposes to allow the usage of supplemental nutrition assistance program benefits by means of electronic benefits transfer cards in all cafeterias in four-year university and community college campuses in the University of Hawaii system.

The Food and Nutrition Service (FNS) of the United States Department of Agriculture (USDA) is the only agency that can authorize a retailer to be able to accept electronic benefit transfer (EBT) card transactions. A retailer would need to apply to FNS for consideration to be an EBT retailer. Information on the application process can be found on the FNS website at <a href="https://www.fns.usda.gov/snap/retailer/eligible">https://www.fns.usda.gov/snap/retailer/eligible</a>.

FNS has two established criterion which a retailer must meet to be approved as an EBT retailer. Both criterion require that their establishment have staple foods. Staple foods are the basic foods that make up a significant portion of a person's diet. They are usually prepared at home and eaten as a meal. They do not include prepared foods, heated foods, or accessory foods. The four Staple food categories identified by FNS are:

- 1. Vegetables or fruits
- 2. Dairy products
- 3. Meat, poultry, or fish
- 4. Breads or cereals

The first criterion requires that the retailer have enough inventory of staple foods. The second criterion requires that the retailer have more than 50 percent of its total gross retail sales from the sale of staple foods. Further details for both criteria can be found on the FNS website.

Thank you for the opportunity to provide testimony on this bill.

## ON THE FOLLOWING MEASURE:

S.B. NO. 2990, RELATING TO THE UNIVERSITY OF HAWAII.

### **BEFORE THE:**

### SENATE COMMITTEE ON HIGHER EDUCATION

**DATE:** Tuesday, February 4, 2020 **TIME:** 3:10 p.m.

**LOCATION:** State Capitol, Room 229

**TESTIFIER(S):** Clare E. Connors, Attorney General, or

Lori N. Tanigawa, Deputy Attorney General

### Chair Kim and Members of the Committee:

The Department of the Attorney General provides the following comments.

This bill requires that all cafeterias on University of Hawaii campuses accept the use of supplemental nutrition assistance program benefits by means of electronic benefits transfer cards.

Article X, section 6, of the Hawaii Constitution, gives the University Board of Regents "exclusive jurisdiction over the internal structure, management, and operation of the university." Section 6 further provides: "This section shall not limit the power of the legislature to enact laws of statewide concern. The legislature shall have the exclusive jurisdiction to identify laws of statewide concern." We therefore suggest that the Legislature consider amending this bill to add a provision identifying this bill as a law of statewide concern.

The bill amends both chapters 304A and 346, Hawaii Revised Statutes (HRS), with identical wording. We believe that only one HRS chapter requires amendment and that HRS chapter 304A is the appropriate chapter. We therefore suggest that section 2 be deleted.

Thank you for the opportunity to provide these comments.



Tuesday, February 4, 2020 at 3:15 PM Conference Room 229

## **Senate Committee on Higher Education**

To: Senator Donna Mercado Kim, Chair

Senator Michelle Kidani, Vice Chair

From: Michael Robinson

Vice President, Government Relations & Community Affairs

Re: Testimony in Support of SB 2990

Relating to The University of Hawaii

My name is Michael Robinson, Vice President, Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

<u>I write in support of SB 2990</u> which would enable the use of supplemental nutrition assistance program (SNAP) benefits by means of electronic transfer in all cafeterias in the University of Hawaii system.

We support this bill as it will remove barriers to academic success for SNAP eligible students. There is a direct correlation between a student's access to healthy meals and the ability to focus and concentrate in order to achieve academic success. The inability of students who participate in the SNAP program to use their benefits at the campuses of the University of Hawaii puts them at a disadvantage in terms of their overall achievement and advancement to their full potential. SB 2990 provides the means of allowing SNAP participants to have a meal while attending the University of Hawaii and its community colleges.

Thank you for the opportunity to provide testimony on this bill.