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February 4, 2023

TO: The Honorable Representative John M. Mizuno, Chair House Committee on Human Services

FROM: Cathy Betts, Director

SUBJECT: HB 507 – RELATING TO THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

> Hearing: Tuesday, February 7, 2023, Time 8:30 a.m. Conference Room 329 & Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) offers comments on this measure.

PURPOSE: The purpose of the bill requires the Department of Human Services to include the name of the beneficiary of Supplemental Nutrition and (sic) Assistance Program (SNAP) benefits on each electronic benefits transfer card. Requires a photo identification to be presented when an electronic benefits transfer card is used.

DHS appreciates the Legislature's interest in addressing reports of potential abuse of federal SNAP benefits. However, federal SNAP regulations require retailers to treat SNAP customers the same as those using cash. Title 7, Code of Federal Regulations (CFR), section 278.2(b), on "[e]qual treatment for coupon customers," provides,

"[c]oupons shall be accepted for eligible foods at the same prices and on the <u>same</u> <u>terms and conditions</u> applicable to cash purchases of the same foods at the same store except that tax shall not be charged on eligible foods purchased with coupons." Emphasis added. "[r]etailers must accept payment from EBT cardholders who have a valid PIN regardless of which State the card is from or whether the individual is pictured on the card. Where photo EBT cards are in use, the person presenting the photo EBT card need not be pictured on the card, nor does the individual's name need to match the one on the card if the State includes names on the card."

Consequently, the proposed measure may not have the desired impact and result in retailers violating SNAP regulations.

Further, Section 278.2(h) on "[i]dentifying benefit users" states,

However, if the US Department of Agriculture, Food & Nutrition Services amends the federal SNAP regulations in the future, DHS will require an additional appropriation to secure the necessary equipment to issue EBT cards locally with the names and photos imprinted on the card or to add to contract costs for the contracted EBT vendor, located in the US mainland. In addition, from the recipient's perspective, adding the photo and name will cause additional delays in accessing benefits as the photograph will add another step to the process, and the recipient may need to appear at an office to be photographed. Currently, EBT cards, without names printed, are issued through the local processing centers throughout the State to ensure SNAP recipients can access their benefits quickly.

For the Committee's information, EBT cards for a household are assigned to a primary individual, not to every eligible individual in a household. If each eligible individual (excluding minors) were issued a card in their name, this would require modifications to our eligibility system and the EBT system operated by our EBT vendor. These modifications would also require additional funding to implement.

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



Testimony to the House Committee on Human Services Tuesday, February 7, 2023; 8:30 a.m. State Capitol, Conference Room 329 Via Videoconference

RE: HOUSE BILL NO. 0507, RELATING TO THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

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

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA respectfully **OPPOSES** House Bill No. 0507, RELATING TO THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

The bill, as received by your Committee, would:

- (1) Require the Department of Human Services to print the name of the beneficiary of Supplemental Nutrition and Assistance Program (SNAP) benefits, or the beneficiary's parent or guardian on each electronic benefits transfer card (Card); and
- (2) Prohibit a vendor, to the extent allowable by federal law, from allowing a person to use a Card unless the person provides a photo identification at the time of the transaction that displays a name that conforms with the name printed on the Card.

SNAP, formally known as the "Food Stamps Program", is the largest federal food assistance program that is currently in operation. It provides food-purchasing assistance for low- and no-income people. SNAP provided assistance to approximately 40 million persons in 2018, at an expenditure of \$57.1 billion. Approximately 9.2% of American households received SNAP benefits at some point during 2017, with approximately 16.7 of all children living in households receiving SNAP benefits.

Testimony on House Bill No. 0507 Tuesday, February 7, 2023; 8:30 a.m. Page 2

Founded during the height of the Great Depression, SNAP is the cornerstone of our national social safety net. It is intended to prevent mass starvation precipitated from unemployment and homelessness. The program was also seen as a way of helping the poor while boosting the economy and ensuring that America's farmers would obtain a fair price for their labors by allowing government to purchase and distribute excess goods in time of crisis.

Yet, persons who utilize SNAP are often stigmatized and marginalized in society. They unfairly are viewed and treated as outcasts, despite being citizens who are entitled to fair and equal treatment under the law.

For the underprivileged, and especially the homeless, one of the most difficult things to obtain is a government-approved photo identification. After September 11, 2001, the requirements for obtaining a driver's license, passport, or other form of identification has become extremely stringent with the need for applicants to show proof of citizenship, residency, and to a certain extent income. For many, this has served as an insurmountable barrier -- an impediment that hampers their ability to improve the quality of life for themselves and their families.

Furthermore, the objective of the SNAP program is to feed those who are hungry. If persons are not able to access necessities, what will happen to them? Their children?

It is understandable why a bill like this was introduced. Considering the trillions of dollars appropriated by Congress to address the mass unemployment, homelessness, and crime that came about from the COVID-19 pandemic, many are concerned whether Americans can continue to afford social service programs. However, we must not forget that programs like SNAP are essential to preserving the general health, welfare and safety of our people. Without programs like SNAP, society will further denigrate to chaos.

It is for these reasons that the HPCA respectfully OPPOSES House Bill No. 0507.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiipca.net.

HB-507 Submitted on: 2/5/2023 12:52:10 PM Testimony for HUS on 2/7/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Reagan Cline	Individual	Oppose	Written Testimony Only

Comments:

This bill unfairly stigmatizes low-income individuals who rely on SNAP benefits to put food on the table. It creates unnecessary barriers to accessing critical nutritional support. Furthermore, this measure makes it even more difficult for local businesses to serve customers who are paying with SNAP benefits.

HB-507 Submitted on: 2/5/2023 7:06:02 PM Testimony for HUS on 2/7/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Martha Randolph	Individual	Comments	Written Testimony Only

Comments:

Dear Committee on Human services,

I wanted to support this bill but I can only support part of it. EVERY EBT card should have a name on it, Maybe even a place for a signature, but there is a problem with showing a photo id.

Many seniors have to send family members or hired caregivers to do their shopping for them. Usually they also send a signed note to assure the supermarket that the card holder is authorized to use it. So having to show a photo ID is sadly a probalmatic condition which could cause more problems than security coverage.

Many seniors also have expired photo ids which they have not updated or don't know how to update or need help to get it updated. It would be a major problem

So if you can rewrite it and eliminate the photo id requirement then as someone who has a SNAP card I would happily support this bill

Martha E Randolph

Precinct 2 Rep, District 27 Council

DPH Environmental Caucus SCC Representative

Member of Legislative Priorities Committee

Democratic Party of Hawaii

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

<u>HB-507</u>

Submitted on: 2/6/2023 2:58:10 PM Testimony for HUS on 2/7/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sarah-Lyn Kaeo	Individual	Support	Written Testimony Only

Comments:

I fully support this bill!

<u>HB-507</u>

Submitted on: 2/6/2023 3:45:08 PM Testimony for HUS on 2/7/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Navin Tagore-Erwin	Individual	Oppose	Written Testimony Only

Comments:

They got it hard enough already. This will negtaively impact the houseless population, who have high rates of missing or damaged ID cards.

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

<u>HB-507</u>

Submitted on: 2/6/2023 4:20:30 PM Testimony for HUS on 2/7/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Schayden Gorai	Individual	Support	Written Testimony Only

Comments:

In support

<u>HB-507</u>

Submitted on: 2/6/2023 7:41:47 PM Testimony for HUS on 2/7/2023 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Gerard Silva	Individual	Support	Written Testimony Only

Comments: