#### HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2024 STATE OF HAWAII

H.B. NO. 1525

### A BILL FOR AN ACT

RELATING TO SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM INCENTIVES.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the consumption of 2 fresh fruits and vegetables is an integral part of a healthy diet and central to the prevention of obesity and chronic 3 4 disease. The legislature also recognizes that every community 5 should have access to fresh and healthy dietary options, but the high cost of fresh produce often makes that difficult. This 6 7 challenge is felt acutely by participants in the federal 8 supplemental nutrition assistance program, which serves a low-9 income population that struggles to afford healthy food. 10 The legislature acknowledges that the State faces an 11 estimated \$83,000,000 in annual costs related to food insecurity 12 and hunger. Due to the coronavirus disease 2019 (COVID-19) pandemic and rising inflation, households are facing increasing 13 14 food costs. Compared to the rest of the nation, households in 15 the State spend the highest percentage of their annual budgets 16 on food.



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1 · The legislature further finds that, through the national 2 double up food bucks program, Hawaii has the opportunity to 3 expand access to healthy foods for low-income residents who are 4 eligible for supplemental nutrition assistance program benefits. 5 Currently implemented in more than twenty states, the double up 6 food bucks program provides matching federal grant moneys to 7 state programs that incentivize the use of supplemental 8 nutrition assistance program benefits for the purchase of fresh 9 produce. Provided by both the United States Department of 10 Agriculture National Institute of Food and Agriculture and the 11 United States Department of Agriculture food insecurity 12 nutrition incentive grants program, these federal matching funds 13 increase access to healthy dietary options while also invigorating local economies and addressing food insecurity. 14 15 The enactment of Act 153, Session Laws of Hawaii 2019, 16 created the Hawaii healthy food incentive program, now commonly 17 known as the DA BUX double up food bucks program. The DA BUX 18 double up food bucks program began first with a pilot program in 19 2012 by Kokua Kalihi Valley Comprehensive Family Services on the 20 island of Oahu and The Kohala Center on the island of Hawaii. 21 The program provides a dollar-for-dollar match to supplemental



nutrition assistance program beneficiaries who purchase locally 1 grown fruits, vegetables, and proteins at participating farmers' 2 3 markets, grocery stores, and community-supported agriculture 4 projects. By the end of 2023, the pilot program was available 5 at fifty-eight food retailers across one hundred thirteen market sites and pick-up locations, including grocery stores, farmers' 6 markets, community-supported agriculture programs, and other 7 farm direct retailers. From 2020-2021, DA BUX supported four 8 9 hundred seventy farm producers and eight distributors. Each dollar reimbursed to participating DA BUX food retailers for 10 11 their issued discounts on local produce has an economic 12 multiplier of 2.1. This means that each program dollar issued 13 for local produce incentives contributes \$2.10 to Hawaii's 14 economy. A \$3,000,000 investment by the State in this program would allow for a federal funding match that will contribute at 15 least \$12,600,000 to the local economy annually. This result is 16 17 a triple win for the State because it supports families, farmers, and the local economy. Additional funding will allow 18 the statewide program coordinator, led by The Food Basket on the 19 20 island of Hawaii, to obtain matching federal funds for continued 21 support of the program.

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Accordingly, the purpose of this Act is to appropriate
 funds to the department of agriculture for the continued
 administration of the Hawaii healthy food incentive program and
 to provide matching funds to beneficiaries who participate in
 the supplemental nutrition assistance program.

SECTION 2. In accordance with section 9 of article VII, of 6 the Constitution of the State of Hawaii and sections 37-91 and 7 37-93, Hawaii Revised Statutes, the legislature has determined 8 that the appropriation contained in this Act will cause the 9 state general fund expenditure ceiling for fiscal year 2024-2025 10 11 to be exceeded by \$ , or per cent. The reasons for exceeding the general fund expenditure ceiling are that the 12 appropriation made in this Act is necessary to serve the public 13 interest and to meet the need provided for by this Act. 14

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2024-2025 for the continued administration of the Hawaii healthy food incentive program and to provide matching funds to beneficiaries who participate in the supplemental nutrition assistance program.



- The sum appropriated shall be expended by the department of
  agriculture for the purposes of this Act.
- 3 SECTION 4. This Act shall take effect on July 1, 2024.
- 4

INTRODUCED BY:

JAN 0 8 2024



#### Report Title:

HDOA; Supplemental Nutrition Assistance Program; Hawaii Healthy Food Incentive Program; Appropriation; Exceeds General Fund Expenditure Ceiling

#### Description:

Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025. Appropriates funds to the Department of Agriculture for the continued administration of the Hawaii healthy food incentive program and to provide matching funds to beneficiaries who participate in the supplemental nutrition assistance program.

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