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
- 3 diet and central to the prevention of obesity and chronic
- 4 disease. The legislature also recognizes that every community
- 5 should have access to fresh and healthy dietary options, but the
- 6 high cost of fresh produce often makes that difficult. This
- 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)
- 13 pandemic and rising inflation, households are facing increasing
- 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.

1 The legislature further finds that, through the national double up food bucks program, Hawaii has the opportunity to 2 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 state programs that incentivize the use of supplemental 7 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 United States Department of Agriculture food insecurity 11 12 nutrition incentive grants program, these federal matching funds increase access to healthy dietary options while also 13 14 invigorating local economies and addressing food insecurity. 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 2012 by Kokua Kalihi Valley Comprehensive Family Services on the 19 20 island of Oahu and The Kohala Center on the island of Hawaii. The program provides a dollar-for-dollar match to supplemental 21

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

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1 Accordingly, the purpose of this Act is to appropriate 2 funds to the department of agriculture for the continued administration of the Hawaii healthy food incentive program and 3 4 to provide matching funds to beneficiaries who participate in 5 the supplemental nutrition assistance program. SECTION 2. In accordance with section 9 of article VII, of 6 7 the Constitution of the State of Hawaii and sections 37-91 and 8 37-93, Hawaii Revised Statutes, the legislature has determined 9 that the appropriation contained in this Act will cause the state general fund expenditure ceiling for fiscal year 2024-2025 10 11 to be exceeded by \$, or per cent. The reasons 12 for exceeding the general fund expenditure ceiling are that the 13 appropriation made in this Act is necessary to serve the public 14 interest and to meet the need provided for by this Act. SECTION 3. There is appropriated out of the general 15 16 revenues of the State of Hawaii the sum of \$ 17 much thereof as may be necessary for fiscal year 2024-2025 for 18 the continued administration of the Hawaii healthy food 19 incentive program and to provide matching funds to beneficiaries 20 who participate in the supplemental nutrition assistance 21 program.

- 1 The sum appropriated shall be expended by the department of
- 2 agriculture for the purposes of this Act.
- 3 SECTION 4. This Act shall take effect on July 1, 3000.

Report Title:

HDOA; Supplemental Nutrition Assistance Program; DA BUX Doubleup Food Bucks; Hawaii Healthy Food Incentive Program; Appropriation; Expenditure Ceiling

Description:

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. Effective 7/1/3000. (HD1)

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