JOSH GREEN, M.D. GOVERNOR



KEITH T. HAYASHI SUPERINTENDENT

STATE OF HAWAI'I DEPARTMENT OF EDUCATION KA 'OIHANA HO'ONA'AUAO P.O. BOX 2360 HONOLULU, HAWAI'I 96804

> Date: 02/23/2024 Time: 01:00 PM Location: 308 VIA VIDEOCONFERENCE Committee: House Finance

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill:HB 2402, HD1 MAKING AN EMERGENCY APPROPRIATION
TO THE DEPARTMENT OF EDUCATION FOR FOOD
SERVICES.

Purpose of Bill: Makes an emergency appropriation to the Department of Education for its food service operations. Effective 7/1/3000. (HD1)

Department's Position:

The Hawaii State Department of Education (Department) supports HB 2402, HD1.

The Department's School Food Services Branch (Program) has a projected shortfall of \$20 million for fiscal year 2024. Several major factors have contributed to the current budget shortfall, including inflation of goods, relatively static federal meal reimbursement, and school meal price rates.

Inflation throughout and following the pandemic has been the largest factor driving the Program's budget shortfall. In the school year 2018-2019, the year immediately preceding the pandemic, food and milk costs were \$40.4 million, or 35% of the program's overall cost. In the school year 2022-2023, food and milk costs grew to \$67.1 million, making up 48% of the program's total cost.

The Department is very appreciative of the United States Department of Agriculture's (USDA) efforts to increase reimbursement rates in the past few years. However, the current meal pricing and federal reimbursement rates have been insufficient to cover cost increases experienced by the Program. The Department recently learned the USDA will conduct a school meal cost study for the Department in school year

2024-2025 that could result in a higher reimbursement rate for Hawaii.

The school meals program plays a critical role in the growth and development of Hawaii's keiki and is an investment in their future and for the state.

Thank you for the opportunity to testify on this measure.



Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

- To: House Committee on Finance
- Re: HB 2402 HD1 Making an emergency appropriation to the Department of Education for food services

Hawai'i State Capitol & Via Videoconference February 23, 2024, 1:00 PM

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of HB 2402 HD1**. This bill makes an emergency appropriation to the Department of Education for its food service operations.

Hawai'i public schools provide students with access to meals through federal school meal programs, such as the National School Lunch Program and the School Breakfast Program. All students can participate in school meal programs, and some students are eligible to receive free or reduced-price meals, providing some economic relief to families that need it the most.

Research shows that school meals are nutritious, as they must meet specific nutrition requirements which include fruit, vegetables, and whole grains. School breakfast is associated with better attendance rates, fewer missed school days, and better test scores.¹ For some students, school meals are the most nutritious, and possibly only, meals of their day.

Over the past few years, our entire state, including our public school system, has faced much higher food costs.² We hope you can support our schools by providing these emergency funds for school meals.

Mahalo for the opportunity to provide this testimony. Please pass this bill.

Thank you,

Nicole Woo Director of Research and Economic Policy

¹ <u>https://www.cdc.gov/healthyschools/nutrition/schoolmeals.htm</u>

² <u>https://www.bls.gov/regions/west/news-release/consumerpriceindex_honolulu.htm</u>



Testimony to the House Committee on Finance Friday, February 23, 2024; 1:00 p.m. State Capitol, Conference Room 308 Via Videoconference

RE: HOUSE BILL NO. 2402, HOUSE DRAFT 1, MAKING AN APPROPRIATION TO THE DEPARTMENT OF EDUCATION FOR FOOD SERVICES.

Chair Yamashita, Vice Chair Kitagawa, 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 <u>SUPPORTS</u> House Bill No. 2402, House Draft 1, MAKING AN APPROPRIATION TO THE DEPARTMENT OF EDUCATION FOR FOOD SERVICES.

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 appropriate an unspecified amount of general funds for fiscal year 2023-2024 to cover the fiscal deficit experienced in food service operations.

This measure would take effect on July 1, 3000.

For many of Hawaii's families, the only consistent source of food for our children has been the meals provided at the public schools.

According to the Department of Education, it accumulated a deficit of over \$20 million for its school food service operations because of inflationary cost increases. In school year 2022-2023, more than 80 percent of the Department's food costs increased by 42 percent, resulting in the need for additional funds.

Testimony on House Bill No. 2402, House Draft 1 Friday, February 23, 2024; 1:00 p.m. Page 2

Hawaii's underprivileged and rural communities are extremely vulnerable to changing economic conditions. With inflation on the rise, entire families are struggling to put food on the table on a consistent basis. All one needs to do is visit various food distribution events and see the large number of people who wait to receive surplus food.

For this reason, the HPCA supports this bill and urges your favorable consideration.

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.



February 22, 2024

Subject: HB2402 - Making an Emergency Appropriation to the Department of Education for Food Services

Aloha Chair Kyle Yamashita, Vice Chair Lisa Kitagawa, and the House Committee of Finance,

I am writing on behalf of Hawai'i Food+ Policy to express our **strong support** for **House Bill 2402**, which proposes an emergency appropriation to the Department of Education for food services. As an organization dedicated to promoting sustainable and resilient food systems in Hawai'i, we believe that ensuring access to nutritious meals for our students is of utmost importance.

HB 2402 addresses a critical issue facing our state's children: food insecurity and its detrimental effects on their health and academic performance. For many students, school meals are their only guaranteed source of nutrition for the day. It is imperative that these meals are not only accessible but also nutritious, providing the fuel necessary for children to thrive both physically and academically.

The current deficit of over \$20,000,000 in the Department of Education's food service operations underscores the urgency of passing this bill. Without adequate funding, the quality and availability of school meals are at risk, potentially leaving thousands of children without access to the healthy food they need to succeed. This shortfall in funding not only compromises the health and well-being of our youth but also exacerbates existing inequalities, as low-income students are disproportionately affected by food insecurity.

Moreover, investing in healthy school meals is an investment in our children's future. By teaching healthy eating habits early on, we can help prevent common diet-related diseases and promote lifelong wellness in Hawai'i's communities. Providing nutritious meals to students is not only a moral imperative but also a strategic investment in the health and prosperity of our state.

HB 2402 asks for roughly 1% of the Department of Education's spending to ensure that children have access to healthy meals. This is a modest investment with potentially significant returns in

The Food+ Policy internship develops student advocates who learn work skills while increasing civic engagement to become emerging leaders. We focus on good food systems policy because we see the importance and potential of the food system in combating climate change and increasing the health, equity, and resiliency of Hawai'i communities.

In 2024, the cohort of interns are undergrads and graduate students from throughout the UH System. They are a mix of traditional and nontraditional students, including parents and veterans, who have backgrounds in education, farming, public health, nutrition, and Hawaiian culture.



terms of improved academic outcomes, reduced healthcare costs, and a healthier population overall.

Passing House Bill 2402 is essential for safeguarding the health and well-being of Hawai'i's children. We urge the House Committee of Finance to support this bill and prioritize the nutritional needs of our students. Thank you for considering our testimony.

Mahalo, Janine Mariano & Hawaii Food+ Policy Team #fixourfoodsystem

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TO: Committee on Finance

FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: February 23, 2024 TIME: 1pm PLACE: Conference Room 308

RE: HB2402 HD1 Making an Emergency Appropriation to the Department of Education for Food Services

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers, and distributors of food and beverage related products in the State of Hawaii.

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

HFIA is in strong support of this measure. Unfortunately, in Hawaii 1 in 6 keiki face hunger. As this measure notes, for many children their school meal is often their only regular meal during the day. Research shows that receiving free or reduced-price school lunches reduces food insecurity, obesity rates, and poor health. We encourage the Committee to pass this measure to ensure that the Department of Education has the funds they need to continue this vital program.

Thank you for the opportunity to testify.

HB-2402-HD-1

Submitted on: 2/22/2024 8:08:28 PM Testimony for FIN on 2/23/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kiana Otsuka	Individual	Support	Written Testimony Only

Comments:

Testifying in strong support.