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TO: Committee on Education
FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 13, 2026

TIME: 1:05

RE: SB3232 Relating to Universal School Meals

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.

HFIA is in support of this measure. Students' access to healthy meals is critical to academic success and achievement. Access to nutritious meals also promotes students' short term and long-term health, improves behavioral outcomes, and improves overall wellbeing.

Ensuring that all keiki have access to enough food should be a top priority of the State.

For some students, school meals may be their only consistent source of food.

Many children who would benefit from school meals are not eligible for current programs. Children may miss out on free school lunch programs because of stigma, or other reasons. Providing free school meals to all Hawaii keiki ensures that every child in our school system has access to food.

Hawaii's keiki deserve this, and we urge the committee to pass this measure. Thank you for the opportunity to testify.



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

Date: 02/13/2026

Time: 01:05 PM

Location: CR 229 & Videoconference

Committee: EDU

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: SB3232, RELATING TO UNIVERSAL SCHOOL MEALS.

Purpose of Bill: Establishes the universal school meals special fund to accept deposits of Medicaid reimbursements received by the Department of Education.

Department's Position:

The Hawaii State Department of Education (Department) respectfully provides comments on SB 3232.

The Department appreciates the intent of the measure to provide universal school meals for our public school students. SB 3232 proposes to fund universal free meals by depositing all Medicaid reimbursements received by the Department into a new special fund. While we share the goal of feeding hungry public school students, the Department offers the following comments and cautions regarding the proposed redirection of Medicaid reimbursement revenues from its current purpose.

First, the use of Medicaid reimbursements for school meals is inconsistent with Section 302A-1406, Hawaii Revised Statutes (HRS), which establishes the Department's Federal Revenue Maximization Program Revolving Fund. From the fund, the Department pays for Medicaid-eligible services provided by the Department and for administrative costs related to the Federal Revenue Maximization Program.

The redirection of funds, although for a good cause, may jeopardize the future receipt of Medicaid reimbursement revenue. This process requires the Department to maintain a portion of funds available in its designated Federal Revenue Maximization Program Revolving Fund to receive reimbursement revenue:

- The Department is required to first pay the state share of its Medicaid claim to the Department of Human Services (DHS) Med-QUEST.
- DHS Med-QUEST then reimburses the Department the total federal and state amount, resulting in a net reimbursement.

If adequate funding is not available in the Federal Revenue Maximization Program

Revolving Fund, an alternate source would need to be identified to submit any direct service claims for reimbursement.

Second, using Medicaid reimbursements to fund universal school meals may not fulfill the criteria for establishing a special fund pursuant to Section 37-52.3, HRS, which requires “a clear nexus between the benefits sought and charges made upon the program users or beneficiaries or a clear link between the program and the sources of revenue . . .”

The nexus is murky at best. This is self-evident as SB 3232 amends Section 302A-405(b), HRS to clarify that Medicaid reimbursements received by the Department for universal school meals will be deposited into the new special fund, and not into the existing School Food Services special fund, which funds cafeteria operations.

And lastly, the sustainability of providing free meals to students is a significant concern due to the combination of uncertain future general fund availability, an anticipated loss of school lunch special fund revenue from these students, and escalating food costs.

Act 139, SLH 2025 expanded free school meal coverage to students who qualify for reduced-price lunch for School Year (SY) 2025-26, and students whose household income is not more than 300% of the federal poverty level for SY 2026-27. Act 139, SLH 2025 also appropriated general funds of \$565,000 for Fiscal Year (FY) 2025-26 and \$2,800,000 for FY 2026-27 to support the expansion. Recurring general funds for FY 2027-28 and beyond have not yet been secured to maintain support for these important initiatives.

While the Department remains committed to ensuring that our students have access to nutritious meals, it has concerns regarding the proposed use of Medicaid reimbursements to fund the program. An alternative may be to fund universal school meals through a separate, dedicated funding source that does not impact the delivery of Medicaid-eligible services or the Department’s ability to maximize federal reimbursement revenue.

Thank you for the opportunity to provide testimony on SB 3232.



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TESTIMONY TO THE HAWAI'I SENATE COMMITTEE ON EDUCATION

Item: SB 3232 – Relating to Universal Free School Meals

Position: Support

Hearing: Friday, February 13, 2026, 1:05 pm, Room 229

Submitter: Osa Tui, Jr., President - Hawai'i State Teachers Association

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

The Hawai'i State Teachers Association (HSTA) **supports** S.B. 3232, which establishes a dedicated universal school meals special fund. This measure creates the necessary financial structure to capture Medicaid reimbursements and other funding specifically for student nutrition. By securing these resources in a dedicated fund, the state takes a vital step toward ensuring every student has access to the meals they need to succeed in the classroom.

Hunger is a significant barrier to learning, and a universal meal program helps eliminate both food insecurity and the stigma often associated with subsidized school lunches. This bill provides a sustainable foundation for the Department of Education to provide healthy meals to all Hawai'i's keiki. We urge the committee to pass this measure.

Mahalo.



Date of Hearing: February 13, 2026

To: Chair Donna Mercado Kim, Vice Chair Michelle N. Kidani, and the Senate Committee on Education

Subject: **SB3232**, Relating to Universal School Meals

Aloha,

I am writing in **support of SB3232**. This measure will establish a special fund for universal school meals within the state treasury. Furthermore, the bill will require that all Medicaid reimbursements received by DOE be deposited into this fund and direct grants and donations to the fund. Lastly, the bill will restrict the use of this fund solely to funding universal school meals and will remove medicaid reimbursement from the general school lunch fund.

Food security in Hawai'i is a serious concern. From 2024-2025, 32% of households face food insecurity, and 11% of households went a whole day without food at least once during the year¹. For many low-income children, school meals are the most reliable source of nutrition. By restricting the fund to universal school meals, the bill ensures these dollars are protected and used only to feed students.

Keiki are our future. Students who are well nourished are better prepared to learn and succeed. A stable, dedicated funding source strengthens the long-term sustainability of universal school meals and supports families across our state. Therefore, I **urge this committee to pass SB 3232**.

Mahalo,
Brandon Kinard and The Food+ Policy Team
#fixourfoodsystem

[1] Pirkle, C. M. (2025). The state of food insecurity in Hawai'i 2024–2025. Hawai'i Foodbank.

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 2026, the cohort of interns are undergraduate and graduate students and young professionals working in the food 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.

SB-3232

Submitted on: 2/10/2026 8:24:00 PM

Testimony for EDU on 2/13/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry Support

3232 SB RELATING TO UNIVERSAL SCHOOL MEALS.