



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

May 8 , 2013

MEMORANDUM

TO: Honorable Councilmember Ann H. Kobayashi, Chair
Committee on Budget

FROM: Patricia McManaman, Director

SUBJECT: Bill 11 (2013), CD1 – Relating To Executive Operating Budget and Program for the
Fiscal Year July 1, 2013 to June 30, 2014.

Hearing: Thursday, May 9, 2013; 9:00am
Council Chamber, Honolulu Hale

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PURPOSE: The Department of Human Services (DHS) strongly supports the line items in Amendment List 16 (p. 39) of Bill 11, (2013), CD1 under “Recreational Services” in the amount of \$90,000 for staffing and \$10,000 for the cost of Electronic Benefit Transfer (EBT) Point-Of-Sale (POS) terminals and maintenance costs at the City’s People’s Open Market venues to assist low-income families in purchasing fresh and healthy foods.

DEPARTMENT’S POSITION: The Department of Human Services (DHS) strongly supports establishing EBT at People’s Open Markets and respectfully requests that the Committee on Budget pass Bill 11 (2013), CD1, “Recreational Services, to effectuate the purpose of Resolution 13-1, Relating to Establishing EBT at People’s Open Markets.

There is a great potential for an increased share of the SNAP redemption pool by establishing EBT at People's Open Markets. SNAP participation is currently at a historic high in Hawai'i. According to DHS' Monthly Statistical Report, there were 188,933 individuals receiving SNAP benefits at the close of March 2013 which amounts to a total of \$41,201,595 in benefits issued in March 2013. The potential for increased sales from SNAP redemptions is not only beneficial for Hawai'i's farmers and vendors, but also assures access to fresh and nutritional Hawai'i grown produce for SNAP beneficiaries. Nationwide, the average monthly benefit is \$200.00. Every \$5.00 in SNAP benefits generates \$9.00 in total community spending. On average, nationwide, \$1 billion of retail food demand by SNAP recipients generates 3,300 farm jobs.

Since all SNAP benefits are issued via EBT, providing EBT POS terminals and the staff to operate the terminals at the People's Open Market would improve a market's ability to serve SNAP participants, as well as give SNAP participants increased access to fresh foods.

The Department of Human Services (DHS) supports Bill 11 (2013), CD1 that will provide funding for staffing and maintenance of EBT terminals. These terminals ensure that SNAP participants have access to fresh foods at farmers markets. In addition, please note that Governor Abercrombie's Executive Budget, as approved by the 2013 Legislature, includes funding to lease wireless POS devices to be utilized by farmer's markets that are authorized SNAP retailers. The DHS will work with the City and County of Honolulu to assure that there is no duplication of services at Oahu farmer's markets and to further this collaborative partnership. Thank you for the opportunity to provide comments on this bill.