



# UNIVERSITY OF HAWAII SYSTEM

## ‘ŌNAEHANA KULANUI O HAWAII

### Legislative Testimony

### Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the  
House Committee on Human Services  
Thursday, March 21, 2024 at 9:30 a.m.

By

Carl Bonham, Executive Director  
University of Hawai'i Economic Research Organization

And

Denise Konan, Dean  
College of Social Sciences

And

Michael Bruno, Provost  
University of Hawai'i at Mānoa

#### HCR 42/HR 31 – REQUESTING THE UNIVERSITY OF HAWAII ECONOMIC RESEARCH ORGANIZATION TO CONDUCT A STUDY OF WAYS TO INCREASE ACCESS TO SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS

Chair Marten, Vice Chair Amato, and Members of the Committee:

Thank you for the opportunity to provide testimony on House Concurrent Resolution 42/ House Resolution 31. These measures are requesting the University of Hawai'i Economic Research Organization (UHERO) to study the current state of the Supplemental Nutrition Assistance Program (SNAP) in Hawai'i, and to investigate the possibility of enhancing the SNAP program through complementary state policies.

The proposed study is well aligned with UHERO's core mission to enhance public and private sector decision-making through rigorous economic and policy research focused on the people, environment, and economy of Hawai'i.

UHERO agrees that a comprehensive study of the SNAP program in Hawai'i would be extremely valuable and has the expertise needed to do so. Dr. Dylan Moore, a UHERO faculty member, conducts research on the design of tax and transfer programs. Dr. Moore is willing to lead this study, but he would need access to high-quality data that is not currently available, as well as financial support to cover the costs associated with this research.

The resolution requests that UHERO provide an “estimate of the number of residents who are currently eligible for SNAP, but not enrolled” and that it investigate ways to “increase access to Supplemental Nutrition Assistance Program benefits.” Existing [USDA estimates](#) suggest that in 2020, 83% of eligible households in Hawaii claimed their SNAP benefits, giving the state the 23rd highest participation rate relative to other

states. The USDA estimates that in six states, participation rates are nearly 100%, suggesting that Hawaii has room for improvement on this score.

UHERO will only be able to conduct a credible analysis of ways to increase participation if given access to the individual-level administrative records on SNAP applications and benefit receipt housed at the Department of Human Services. Furthermore, we need to link such records to other information about household income. Fortunately, such data is readily available from other State of Hawai'i agencies. The Department of Labor and Industrial Relations has information on quarterly wages gathered in the administration of the Unemployment Insurance (UI) program. [A researcher in Michigan](#) recently published a study investigating the causes of SNAP participation linking administrative SNAP records with administrative UI records in that state. Researchers in [many other states](#), including Florida, Georgia, Maryland, Missouri, and Texas, have been granted access to linked, individual-level SNAP and UI records, and have used it to explore many interesting aspects of both programs.

Alternatively, it is possible to conduct an analysis of SNAP participation using SNAP records linked to individual income tax records from the Department of Taxation. Such a linked dataset has been made available to [researchers in California](#). UHERO and the Department of Taxation are already collaborating on policy research, but that relationship can be enhanced by merging de-identified tax and SNAP records so that UHERO researchers can work directly with the data. And, quarterly wage records from UI data are the preferred source of information for an analysis of SNAP, due to the greater frequency with which income is observed in UI data (quarterly as opposed to annually), and the fact that some SNAP households do not file taxes.

UHERO can write a report on “policy options for addressing the benefits cliff created by SNAP's eligibility requirements, including a cost-benefit analysis of expanding eligibility to households that are three hundred percent above the federal poverty level”, but only if given access to the necessary data. Quantifying the effects of the SNAP benefits cliff and evaluating policy options is not possible without access to information on the incomes of both eligible and ineligible households. Linked SNAP and UI records is the ideal dataset to use for examining how the benefits cliff is impacting households.

Conducting a rigorous cost-benefit analysis of policies to eliminate the cliff requires access to a dataset based on linking SNAP, UI, and tax records, because a policy eliminating the cliff would likely result in increased earnings among households who are near the cliff and currently face a strong disincentive to increase their earnings. These earnings increases would result in additional income tax revenue for the state, which would reduce the effective cost of any such program. While linked SNAP-UI data alone could be useful to approximate these tax revenue effects, linking all three sets of records together would allow for much more accurate results. Without linked SNAP-UI data—or, at the very least, linked SNAP and tax data—there is no hope that UHERO could provide a reliable cost-benefit analysis.

It is important to point out that UHERO relies on the donations and contracts for roughly one-half of its budget. Without financial support, taking on new unfunded projects places our existing research and projects at risk. Given the commitments of UHERO faculty, undertaking such an extensive study would require additional funding from the State to hire Graduate Research Assistants and to cover other costs associated with this research. We would be happy to develop a budget for this work for your consideration.

Thank you for the opportunity to provide testimony.