

TRUMP'S PUBLIC CHARGE RULE COULD COST HAWAI'I DEARLY

With the new Trump Administration Public Charge rule given the green light today by the U.S. Supreme Court, both Hawai'i's economy and its hardworking immigrant families will suffer.

HONOLULU, Hawai'i – Today, the U.S. Supreme Court issued an order allowing the Trump Administration to begin enforcing its "public charge" rule, which imposes new restrictions on immigrants who are considered likely to primarily depend on government benefit programs.

In the past, the federal government looked at the use of only a handful cash benefits to determine if someone was likely to become a "public charge." In turn, this designation could lead to the denial of visas to travel to the United States, as well as the rejection of residence and citizenship applications. The Trump Administration's update to this rule dramatically expands the ability of the federal government to deny entry into the country or deport immigrants based on the likelihood of obtaining any government benefit "determined in any way on the basis of income, resources, or financial need." This would include the Supplemental Nutrition Assistance Program (SNAP).

There is much anecdotal evidence that the rumors of this new public charge rule have already caused a "chilling" effect among immigrant families long before it was ever approved. News reports from across the country describe how some immigrant families have decided to forgo all government benefits—even if they and their children were eligible for and sorely needed them—to avoid the potential negative consequences of the new public charge rule.

There is quantitative evidence here in Hawai'i, too, indicating that our immigrant families—including thousands with citizen children—have felt the "chilling" effect of the public charge rule, long before it came into effect. And what's worse, this chilling effect is hitting children with at least one non-citizen parent the hardest. A <u>new analysis</u> from Hawai'i Appleseed finds a dramatic 38 percent reduction in the number of these children receiving SNAP benefits since 2016.

"SNAP not only supports low-income and working-class families in Hawai'i, but it also pumps dollars into grocery stores, supermarkets, and other food retailers in local communities," said Nicole Woo, Senior Policy Analyst for Hawai'i Appleseed. "Since the public charge rule was leaked in early 2017, there has been an especially sharp drop in SNAP participation in immigrant communities, which means fewer

federal dollars coming to Hawai'i."

The Fiscal Policy Institute (FPI) <u>estimates</u> that if the public charge rule goes into effect, 110,000 people in Hawai'i would experience a "chilling" effect. Among the people in the "chilled" population are 40,000 Hawai'i children under 18 years of age—of which 30,000 are U.S. citizens by birth.

The public charge rule also puts states at risk for losing tens of millions in federal dollars. Looking only at health and nutrition supports, the two largest benefits named, FPI estimates that a 25 percent drop in enrollment for the chilled population would translate into \$66 million in lost federal funding for Hawai'i.

"The loss of federal benefits in turn will create negative local economic ripple effects," said Woo. "Businesses such as grocery stores will lose income due to the decrease in SNAP recipients. Hospitals, doctors and nurses will lose income due to a reduction in Medicaid usage. Many other businesses will lose revenue as immigrant families that struggle to make up for the lost nutrition and healthcare benefits shift spending priorities."

This reduction in spending and income will result in lower investment and related job loss. FPI predicts a loss to Hawai'i's gross domestic product of as much as \$127 million, with an additional loss of 865 jobs and \$10 million in state tax revenue.

"We all benefit when members of our community can access nutritious food," said Woo. "We create stronger, healthier communities, avoid expensive emergency healthcare costs stemming from inadequate nutrition, and we create a culture of treating people with basic human decency by ensuring that our neighbors' most fundamental needs are met. Yet changes to rules governing access to federal benefit programs are hurting immigrant families, citizen children and our local economy."

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