

COMMENTS ON THE GUS SCHUMACHER NUTRITION INCENTIVE PROGRAM (GusNIP)

WHITE HOUSE CONFERENCE ON HUNGER, NUTRITION, AND HEALTH

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I. Introduction

The Gus Schumacher Nutrition Incentive Program (GusNIP, formerly FINI) provides competitive grant funding to increase the purchase of fruits and vegetables by low-income consumers through nutrition incentives and produce prescriptions. Nutrition incentives were established in the 2014 farm bill with strong bipartisan backing and a broad coalition of support from agriculture, anti-hunger, public health, retail advocacy and other stakeholders.

Fair Food Network is a national nonprofit headquartered in Michigan and founded on the belief that vibrant local food systems can improve health and create economic opportunity. For more than a decade, we have tested and grown scalable solutions that have led to big changes in some of America's most food insecure communities. First, through Double Up Food Bucks, which today is a national model for nutrition incentives in 30 states, and now through Fair Food Fund, which is investing in good food entrepreneurs so they can be economic engines in their communities and build a more equitable future.

There are three key points we would like to contribute to the White House Conference on Hunger, Nutrition, and Health:

Nutrition incentives work. For millions of Americans, healthy food is too often out of reach. GusNIP provides a proven, ready-to-scale tool for strengthening national nutrition security by increasing access, availability, and the affordability of healthy food in underserved communities. The most comprehensive national program evaluation to date indicates that NUTRITION INCENTIVE PARTICIPANTS CONSUME MORE FRUITS AND VEGETABLES THAN THE AVERAGE AMERICAN¹.

GusNIP can deliver immediate economic benefits. Economic models demonstrate that expanding GusNIP's proven nutrition incentive model stimulates significant returns on investment for families, grocers, farmers, and the overall economy. The most comprehensive study to date of GusNIP's economic

impact found that EVERY \$1 INVESTED IN NUTRITION INCENTIVES, YIELDS UP TO \$3 IN OVERALL ECONOMIC ACTIVITY².

GusNIP's "shovel ready" health and economic impacts can be fully realized by reducing non-federal match requirements and significantly expanding funding. The current 1:1 match requirement for nutrition incentives is a significant impediment to realizing GusNIP's full economic and health impacts. GusNIP's current match formula excludes some communities from accessing funding and limits nutrition incentive programs' ability to expand into grocery stores. With adequate funding to reduce match requirements and fund scaling programs, GusNIP can expand nutrition security and economic wellbeing across the country.

II. Fair Food Network, Double Up Food Bucks & Nutrition Incentive Hub

Fair Food Network's experience with nutrition incentive programs goes back to 2009 when we piloted Double Up Food Bucks in five Detroit farmers markets. Double Up incentivizes the purchase of healthy food by doubling federal Supplemental Nutrition Assistance Program (SNAP, also known as food stamps) benefits when they are spent on fresh fruit and vegetables at participating farmers markets, farm stands, and grocery stores.

In 2019, Michigan was awarded a four-year GusNIP grant from the USDA to scale Double Up across the state. When the pandemic began, we were well-prepared with a presence in 250 retailers in 65 of Michigan's 83 counties. As a result of increased food insecurity caused by the COVID-19 pandemic, demand for Double Up began to increase significantly in 2020 and has not let up. Last year, Double Up helped an estimated 456,000 Michiganders afford fresh fruit and vegetables. That represents a roughly four-fold increase from 2019, leveraging \$18.9 million in combined SNAP and Double Up sales for fresh fruits and vegetables.

Fair Food Network also supports GusNIP at the national level. The 2018 farm bill created a national Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Center (NTAE). The GusNIP NTAE, the Nutrition Incentive Hub (Hub), launched in January 2020 and is led by the Gretchen Swanson Center for Nutrition in partnership with Fair Food Network. The Hub has expertise in multiple areas with a presence across the nation, including the Farmer's Market Coalition, Food Trust, Michigan State University, and National Grocers Association Foundation. These partners help Fair Food Network respond to common and specific questions or challenges, develop tools and templates, and build the capacity of nutrition incentive and produce prescription grantees.

III. Proven public-private partnership primed for scaling broad impacts

Over the past decade, nutrition incentive practitioners have successfully established a national framework to test, improve, and fund incentive programs across the country. There are now active nutrition incentive programs in nearly every state testing innovations and evaluating best practices. This work has been enhanced by the Hub's launch in 2020. Nationally, nutrition incentives have reached 48 States and are available in thousands of sites.

At Fair Food Network, we are humbled by the role we have been called to play as nutrition incentive practitioners. From launching Double Up in Michigan, to helping expand the model in other states, to

supporting GusNIP programs across the country through the Hub, we have gained valuable insights that inform the following recommendations for the 2023 farm bill

- **Nutrition incentives are an effective tool for increasing fruit and vegetable consumption.** National evaluation data indicates that nutrition incentive participants consume more fruits and vegetables than the average American, an especially significant accomplishment for low-income families for whom healthy options are often financially out of reach. These results are considered clinically significant based on prior research which demonstrates that every increase in fruit and vegetable intake has a protective impact on health¹.
Significantly increasing GusNIP's funding should be a top priority in the 2023 farm bill. This could include setting annual GusNIP funding to a specified portion of SNAP funding (such as 1%) or increasing it to a minimum of \$200 million annually
- **Nutrition incentive practitioners are ready to scale GusNIP's impacts throughout communities, states, and regions.** While local farmer markets remain a cornerstone of GusNIP, many programs are working to expand nutrition incentives into "brick and mortar" retail locations, including direct farm markets, corner, and grocery stores. These retailers often operate seven days a week and as a result require higher levels of incentive funding. GusNIP practitioners that work with even just one new retailer report issuing exponentially higher incentive dollars, severely straining program budgets. Having consistent incentive programs operating at grocery stores is not only important to SNAP recipients who benefit from broader access, but also to retailers who invest in their customers through nutrition incentives. Many grocery stores tell us that the last thing they want to do is disappoint customers. Introducing an important benefit only to turn around months later and put the program on hold due to lack of funding can result not only in disappointed customers but in losing those customers altogether. Additionally, retailers point to the upfront costs associated with setting up nutrition incentives, training staff, investing in technology upgrades, and introducing their customers to nutrition incentives. As a result, adequate funding to ensure continuity is critical to retailer participation and retention. Economic modeling indicates that expanding nutrition incentive programs in all states will return as much as \$3 for every \$1 invested, with the highest returns in states with programs that prioritize locally grown produce. Specifically, the study forecasts that an additional \$680 million in families' pockets to spend on healthy food annually would result in a \$1.6 billion boost to America's economy.
GusNIP's current funding provided adequate "seed capital" to initiate and test nutrition incentive and produce prescription projects nationwide. Greatly expanded funding is required to significantly increase program impacts and access.
- **Reducing non-federal match requirements for nutrition incentives will greatly enhance GusNIP's geographic reach and scale impacts across the country.** The current 1:1 match requirement contributes to a dearth of nutrition incentive programs in geographies that lack well-endowed philanthropic institutions, established nonprofit organizations, or supportive state governments. Even in states where these assets exist, non-federal funding sources are under strain from the ongoing pandemic response or remain inadequate to match programs at a statewide scale. Reducing GusNIP's non-federal match not only supports establishing nutrition incentives in underserved locations, but also supports testing highly efficient incentive delivery and expanding economic impacts at a statewide scale.

To unleash the full potential of nutrition incentives in communities that are currently unable to access GusNIP funding and to scale impacts statewide, the non-federal match requirement should be limited to no more than 10%.

- Additional enhancements to GusNIP can further strengthen the program’s impact and access. In addition to lowering the nutrition incentive match requirement, **USDA can provide GusNIP applicants that support underserved communities with additional resources to successfully apply and operate pilot programs.** With additional authority and resources to support pre-applicant stage programs, the Nutrition Incentive Hub is ideally situated to direct its technical assistance and capacity-building expertise to support new programs in target geographies.

This farm bill provides an opportunity to continue building on the tremendous progress that has been made in launching public-private partnerships that advance health and economic opportunity. At the same time, we need to sustain proven programs that are ready to scale, and guard against dismantling existing, successful programs should their funding not be continued by USDA through the current competitive grant process. **USDA should create a new grant funding mechanism that provides ongoing financial sustainability to proven nutrition incentive programs that are ready to deliver incentives statewide in a highly efficient manner.**

V. Conclusion

Nutrition incentives work! Let’s harvest the opportunities listed above that represent the “low-hanging fruit” for continuing the positive momentum built over the last several farm bills. Our experience with Double Up, and that of our colleagues nationwide, demonstrates the positive impacts incentives are having for low-income families, grocers, American farmers and farmers markets, and local communities nationwide. GusNIP is making a huge difference and its reach and impacts need to be expanded. We appreciate this committee’s bi-partisan support for GusNIP, a program that is paying off and ready to be scaled even further.

1. Gus Schumacher Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Center (GusNIP NTAE). (2021). *Year 2 Impact Findings*. Available at <https://www.nutritionincentivehub.org/media/fjohmr2n/gusnip-ntae-impact-findings-year-2.pdf>
2. Thilmany D, Baumann A, Love E, Jablonski Becca BR. January 2021. *The Economic Contributions of Healthy Food Incentives*. fairfoodnetwork.org/wp-content/uploads/2021/01/Economic_Contributions_Incentives_2_2_21.pdf

DOUBLE UP PARTNER ORGANIZATIONS

Partner organizations are bringing Double Up programs to life in communities from coast to coast.

Alabama: Community Food Bank of Central Alabama

Arizona: Pinnacle Prevention

Arkansas: Arkansas Coalition for Obesity Prevention

California: SPUR (San Francisco Bay Area Planning & Urban Research Association)

Colorado: Nourish Colorado

Hawai'i: The Food Basket, Inc. & Sustainable Molokai

Idaho: Idaho Farmers Market Association

Indiana: The St. Joseph Community Health Foundation

Iowa: Iowa Healthiest State Initiative

Kansas/Missouri: Mid-America Regional Council (MARC)

Massachusetts: City of Boston Mayor's Office of Food Access

Michigan: Fair Food Network

Minnesota: Bluff Coop

Mississippi: Jackson Medical Mall Foundation, Double Up Food Bucks Mississippi

Nebraska: Nebraska Department of Agriculture & Nebraska Extension

Nevada: Vegas Roots

New Hampshire: Fair Food Network

New Jersey: Fair Food Network

New Mexico: New Mexico Farmers' Marketing Association

New York: Field & Fork Network

North Carolina: Blue Ridge Women in Agriculture & MountainWise

North Dakota/South Dakota: North Dakota State University Extension & South Dakota University Extension

Oklahoma: Hunger Free Oklahoma

Oregon: Farmers Market Fund & Oregon Food Bank

Tennessee: Nourish Knoxville

Texas: Sustainable Food Center

Utah: Utah Department of Health

Wyoming: Wyoming Food for Thought Project

Appendix

The Economic Benefits of Expanding Healthy Food Incentives,

<https://fairfoodnetwork.org/wp-content/uploads/2021/01/US-Policy-Brief-3-8-21.pdf>

People in Nutrition Incentive Programs Eat More Produce Than the Average Person, and Other Insights From the 2021 HUB Convening March 7, 2022,

[https://fairfoodnetwork.org/from-the-field/people-in-nutrition-incentive-programs-eat-more-produce-th
an-the-average-person-and-other-insights-from-the-2021-hub-convening%e2%80%af/](https://fairfoodnetwork.org/from-the-field/people-in-nutrition-incentive-programs-eat-more-produce-than-the-average-person-and-other-insights-from-the-2021-hub-convening%e2%80%af/)

Get double the fruits and veggies, <https://doubleupamerica.org/>

Oran B. Hesterman, PhD, Founder & Chief Executive Officer,

<https://fairfoodnetwork.org/people/oran-b-hesterman-phd/>