



**TESTIMONY BEFORE THE HOUSE
AGRICULTURE COMMITTEE
SUBCOMMITTEE ON NUTRITION**

Hearing to review incentive programs aimed at increasing low-income families' purchasing power for fruits and vegetables

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Introduction

Chairwoman Walorski, Ranking Member McGovern, and distinguished Members of the Subcommittee—good morning. Thank you for holding today’s hearing regarding incentive programs aimed at increasing the purchase of fruits and vegetables by low-income families and for inviting Fair Food Network to speak.

My name is Oran Hesterman. I am the President and CEO of Fair Food Network, a national nonprofit founded on the belief that vibrant local food systems can create health and economic opportunity for all. It is an honor to address you today and share information about our seven years of experience implementing the Double Up Food Bucks healthy food incentive program.

I know the committee has been engaged over the past year in a review of the various nutrition programs that fall under your jurisdiction. I understand your goal is to find ways to ensure that no American goes hungry while also helping families who are facing hard financial times to move out of poverty. You have heard from many experts and understand the cost of hunger and the toll that diet-related health conditions take on individuals and the lost economic productivity it represents.

The Multiple Wins of Healthy Food Incentives

Our experience implementing healthy food incentives has shown that matching SNAP benefits with incentives for locally and regionally grown fruits and vegetables is a cost-effective way to simultaneously reduce hunger, improve dietary health, and stimulate local food economies in a way that can create new job opportunities. Through this one intervention, we can meet immediate caloric needs and build a healthy population.

There are three main points that I would like to leave you with today:

- Adding healthy food incentives to SNAP benefits works and is generating wins for families, farmers, and local economies.
- The Food Insecurity Nutrition Incentive (FINI) grants program Congress created in the 2014 Farm Bill is supporting excellent projects nationwide, scaling up programs that work, testing and evaluating new approaches and technologies, and extending the benefits to more hard-to-reach communities.
- Finally, the positive results across the country warrant serious consideration to develop and continue expanding this proven public-private partnership.

From Pilot to Statewide Success Story

I first saw the potential of healthy food incentives at a farmers market in Maryland in 2006 when I was a program officer for the Integrated Farming Systems and Food & Society programs at the W.K. Kellogg Foundation. As a philanthropist and trained agronomist, the systems approach and practicality of linking producers and consumers through nutrition benefits appealed to me.

I founded Fair Food Network in 2009 with the mission to design and field-test such multi-win efforts to create on-the-ground impact and serve as a models for others.

Michigan was in the depths of the Great Recession: the number of people living in poverty was approaching 17 percent, and more than 1.7 million people were receiving SNAP benefits. Then as now Michiganders suffered higher rates of obesity and other diet-related illnesses than the national average. Michigan is also a high-ranking agricultural state with a strong and diverse produce sector. Given this context, Michigan seemed a ripe proving ground to demonstrate the impact incentives could have if brought to a statewide scale.

The design of Double Up is simple: For every dollar a SNAP customer spends on fresh Michigan-grown produce he or she receives an additional Double Up dollar to spend on more nutritious fruits and vegetables.

We piloted Double Up in five farmers markets in that first year. Expanding the program with foundation funding, the ensuing six seasons have resulted in remarkable growth. Last year Double Up operated in more than 140 farmers markets, mobile markets, and farm stands, and in 22 grocery stores throughout Michigan.

So how do we know it works?

In 2007, prior to the start of Double Up, annual SNAP sales at farmers markets were a mere \$15,000. Preliminary 2015 data show that last season shoppers spent more than \$1.5 million in combined SNAP and Double Up at participating farmers markets and an additional \$200,000+ at participating grocery stores. These are dollars dedicated to helping families bring home more nutritious fruits and vegetables. In this way, Double Up is helping fill SNAP families' "hunger gap" while simultaneously increasing the consumption of nutritious produce.

Indeed, our most recent evaluation shows that 85 percent of Double Up customers surveyed say they increased the amount of produce they consume because of the program, and more than 60 percent have tried new fruits and vegetables and reduced the amount of junk food they eat.

Today, 90 percent of Michigan shoppers live in a county where the program operates. More than 1,000 Michigan farmers participate annually. At farmers markets, we find that SNAP customers are maximizing the full potential of the program—redemption rates top 90 percent. Many SNAP shoppers report that the Michigan produce in the markets is less expensive and of higher quality than where they usually shop and that the selection is better. Farmers and market managers also tell us that customers that come to the markets for the first time to take advantage of the Double Up program continue to shop at the markets when they are no longer using the SNAP program..

Focus groups conducted by University of Michigan researchers found that SNAP shoppers using Double Up in Detroit were very low income, with 90 percent living below the Federal Poverty Line (FPL). These participants also suffered from higher rates of diet-related health conditions than state and county averages.

This is all important feedback. It tells us that Double Up participants are motivated shoppers who take nutrition and health seriously and work hard to get the best nutritional value for their very limited food dollars. It also indicates that new shopping habits begun as a result of the incentives continue when families leave the program.

We all know that changing dietary patterns takes time and that new healthy food cultures are forged through a combination of approaches. That's why we have built strong partnerships with our state's nutrition education programs, which have been crucial to our ability to pilot, adapt, improve, and expand Double Up. We work closely with the Michigan Department of Health and Human Services to connect directly with SNAP consumers. We partner with the Michigan Fitness Foundation's SNAP Ed efforts to integrate information about Double Up into its statewide social marketing campaign. And we have a close collaboration with Michigan State University Extension, which assists with outreach by equipping its statewide network of nutrition educators with information about the program, spotlighting the program on market and grocery store tours, and providing additional boots on the ground at participating grocery stores to explain the program and educate consumers about how to eat healthier and prepare meals with fresh fruits and vegetables. We also have strong partnerships with food banks and school systems across the state, the YMCA, and other nonprofits. We know our efforts are amplified and enhanced when working together.

You can learn more about Double Up in Michigan in additional documents included in the appendix. This includes a brief overview of the program and a break down by Congressional district, as well as three reports including analyses

on the consumer experience at farmers markets, the program's growth in rural communities, and how Double Up can successfully enhance the benefit of the SNAP program by reducing hunger while also improving nutrition.

But this is not just a Michigan success story.

Such positive findings were echoed in a national cluster evaluation conducted with Wholesome Wave, Roots of Change/Ecology Center, and Market Umbrella. Evaluators analyzed data from more than 500 farmers markets in 24 states and the District of Columbia. The study showed that regardless of the setting—urban or rural, small or large—healthy food incentives work with significant health and economic benefits. I would be glad to provide this report.

Food Insecurity Nutrition Incentive Program, Michigan Impact

Congress responded to the success of incentive pilots such as Double Up Food Bucks by creating the Food Insecurity Nutrition Incentive (FINI) grants program in the last Farm Bill. This program has already had a substantial positive effect on the field. USDA's National Institute of Food and Agriculture is implementing the \$100 million competitive grants program well and made the first round of \$31.5 million in grants last spring. Fair Food Network was honored to receive a grant, which we matched with \$5 million in additional private funding.

This multi-year investment has been a game-changer for us and a huge opportunity for the field at large. It is allowing us to expand Double Up to at least 100 more sites than when we applied, including many more grocery and small food stores. The program is also evolving from a seasonal to a year-round approach, which will strengthen its long-term impact on diet by giving families dedicated funds to buy produce 12 months a year.

The range of food retail venues in which Double Up operates is broad and growing. We have standardized the program as much as possible so it is easily recognizable to SNAP shoppers across the state. Federal funding is allowing us to invest in developing transaction technologies for farmers markets and grocery stores that ensure SNAP program integrity, reduce the program's administrative cost, are easy to use for shoppers, and respond to the back-end needs of various vendors. I am confident that in the next several years, we will have generated promising practices and models that others can implement as the program expands to other retail venues.

Finally, our FINI grant has given us the resources we need for a comprehensive external evaluation of the program. We are committed to ongoing rigorous research to continue refining the Double Up model and generating insights for the field, including a deeper understanding of who uses incentive programs and its effect on their diets.

Local partners interested in launching healthy food incentive efforts in their communities are looking to the Double Up model to get them started. There are currently 239 Double Up markets and 24 groceries in 13 states with an additional six states coming online in 2016. Support from Fair Food Network is helping partners hit the ground running and avoid making the same mistakes we did. We are facilitating an informal network to share information and collaborate on common challenges. This cooperation is an unanticipated benefit of the federal grants and will help us move forward faster than would have been possible if we had worked in isolation.

Future Opportunities

A year's experience with our FINI grant has illuminated policy opportunities as we look toward the next Farm Bill.

- **Appropriate technology for different kinds of retail settings is necessary but expensive to develop.** Farm direct marketing is a new and currently small market segment, which means that there are not a lot of products that have the capacity to add incentives to SNAP purchases that meet FNS requirements and are affordable for the nonprofit organizations that conduct these programs.

Fair Food Network and our colleagues are working with software designers to develop new systems that are user-friendly for retailers and SNAP families and can capture data for evaluation. There are now different electronic systems and approaches being piloted at farmers markets and grocery stores. There are interesting new options to pursue, but designing and implementing these systems is expensive.

- **Communications is absolutely vital to the success of incentive programs.** When people use Double Up they are hooked, but if SNAP shoppers do not know about the program, they will not be able to benefit from the incentives offered. Even though we have been operating Double Up statewide for many years the feedback we get most often from participants is that they had not heard of the program before they got to the farmers market or grocery store. Since most families do not stay on SNAP for extended periods of time there is a constant need to reach out to new participants, explain the incentive concept, and connect them with the participating retailers.

Our experience has taught us that we need to use a variety of communications tools to build awareness and support this new behavior. This includes working closely with partner organizations on multiple outreach efforts in a coordinated social marketing campaign. Doing this effectively requires resources and is crucial to the ongoing success of the program.

- **Finally, we need to ensure that SNAP program rules do not undermine the good work FINI is doing** and that they support farm direct marketers serving these shoppers.

Conclusion

We know that there is no silver bullet that will solve our hunger and health challenges.

Our experience with Double Up Food Bucks and that of our colleagues nationwide demonstrates the power of healthy food incentives. They work. By collaborating across disciplines, we can integrate healthy local produce into an existing federal nutrition program and create benefits on multiple fronts simultaneously. The return on investment for every federal dollar spent is an immediate reduction in hunger, increase in produce consumption, and greater farm income.

FINI is making a difference. The long-term returns on investment supported by FINI are workable models that will enhance the value of the SNAP program and create dynamic connections between rural and urban communities, which will build healthier food environments and a more viable and responsive food system.

Finally, the positive results such programs are generating signals an opportunity for us all. The time is now to thoughtfully prepare to support the development and expansion of such programs so that we can scale this proven public-private partnership.

Thank you again for holding this hearing and for recognizing the potential of healthy food incentives to help low-income families purchase more fruits and vegetables. I am happy to answer any questions.

Appendix

Double Up Food Bucks Overview

Double Up in Farmers Market: The Consumer Experience

<http://www.fairfoodnetwork.org/resources/double-up-farmers-markets-consumer-experience>

The Double Up Experience in Rural Michigan

<http://www.fairfoodnetwork.org/resources/double-up-experience-rural-michigan>

Double Up and Hunger

<http://www.fairfoodnetwork.org/resources/double-up-and-hunger>

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