

# Strengthen the Gus Schumacher Nutrition Incentive Program in the 2023 Farm Bill

The Center for Science in the Public Interest (CSPI) urges the following recommendations be implemented in the 2023 Farm Bill to mitigate hunger in the US, while simultaneously improving nutrition security.

The Supplemental Nutrition Assistance Program (SNAP) is a powerful food safety net program and has many positive public health impacts. The program helps to reduce poverty, food insecurity, health care expenditures, and the risk of chronic conditions later in life.<sup>1</sup> Yet eligibility criteria exclude many people experiencing food insecurity, and six out of 10 SNAP participants point to cost as a major barrier to healthy eating.<sup>2</sup> The Gus Schumacher Nutrition Incentive Program (GusNIP) offers SNAP recipients additional benefits to spend on fresh fruits and vegetables.<sup>3</sup> The funds are distributed by United States Department of Agriculture National Institute of Food and Agriculture to grantees across the US who administer the program.<sup>4</sup>

Fruit and vegetable incentives are also a proven model to increase fruit and vegetable consumption. In 2020, participants in GusNIP reported consuming 9% more vegetables and 13% more fruits per day than the average American.<sup>5</sup> Eating fruits and vegetables is associated with decreased risk of chronic diseases such as diabetes and cardiovascular disease, yet only one in ten American adults consume the recommended amount of fruit and vegetables.<sup>6</sup> Consumption is even lower among people with low incomes relative to households with more resources, due to cost and availability of produce.<sup>7</sup>

Despite evidence that GusNIP incentives improve fruit and vegetable intake, funding remains insufficient for nationwide scaling and many organizations face challenges to receive funding which limits the program's reach.<sup>8</sup>

## *Improving GusNIP to strengthen reach, equity, and impact*

### **Recommendation: Allocate \$3 billion over 5 years to support integrating incentives with SNAP EBT technology.**

Funded in the 2008 Farm Bill, the Healthy Incentives Pilot Program (HIP) demonstrated the benefits of integrating SNAP electronic benefits transfer (EBT) technology and incentives.<sup>9</sup> This model allowed SNAP shoppers to earn incentives as a rebate, placed back onto the SNAP card, when they purchased fruits and vegetables.<sup>10</sup> The benefits could then be spent on any SNAP eligible item.<sup>11</sup>

- HIP participants spent 11% more per month in SNAP dollars on fruits and vegetables and participants self-reported eating ¼ cup more of targeted fruits and vegetables per day than SNAP participating non-HIP participants.<sup>12</sup>

- Ninety-one percent of retailers participating in HIP reported no change to check-out time and 26% reported stocking more fresh fruits and 30% reported stocking more fresh vegetables.<sup>13</sup>
- Investing in this model optimizes redemption and reduces stigma around utilizing food assistance, due to increased privacy at checkout.<sup>14</sup>

**Recommendation: Increase overall funds to \$3 billion to continue national expansion of GusNIP in-store and online.**

GusNIP grantees have proven that they can enroll SNAP participants into nutrition incentive projects and provide them with access to fruits and vegetable.<sup>15</sup> However, only a small fraction of people enrolled in SNAP are currently able to access incentives due to limited reach and availability of incentive programs.<sup>16</sup>

- Approximately \$21 million worth of GusNIP nutrition incentives are redeemed annually, but if all 22 million households participating in SNAP received \$20 in incentives per month, the annual cost of incentives alone would be \$5.3 billion.<sup>17</sup>
- Projects, such as Rhode Island’s Food on the Move and Massachusetts’s Healthy Incentive Pilot Program, report that available funds for incentives are inadequate to meet demand.<sup>18</sup>
- Funds are especially inadequate to scale retail expansion. This is a disservice to SNAP recipients, considering the majority of benefits are redeemed at supermarkets and superstores (80%), yet these stores account for less than a quarter (15%) of all SNAP-authorized retailers.<sup>19</sup>

**Recommendation: Eliminate the match requirement for more equitable distribution of funds.**

There is inequitable access to fruit and vegetable incentive programs due to lack of funding support throughout the country.<sup>20</sup> One barrier to applying for GusNIP is that states must meet a matching fund requirement. GusNIP grant applicants must match federal funds dollar-for-dollar (50%) of program costs funded from GusNIP.<sup>21</sup> Matching sources include cash contributions from public and private sector funders and certain types of in-kind contributions. Federal funds cannot be used as match contributions except in the case of Tribal agencies. Removal of the match requirement could improve the geographic reach and diversity of GusNIP funded projects.

- Funded GusNIP projects are unevenly distributed across the country. In the 2021 grant cycle, out of 38 funded applications for nutrition incentive programs, 10 states received over half (67%) of allocated funding.<sup>22</sup>

- According to an analysis of USDA data in a 2020 op-ed, funding amounts are also inequitably distributed. Between 2015-2019, California and Michigan received more than two-thirds of the total grant funding. In contrast, 13 Southern states, between West Virginia and Oklahoma, received only 16% of the total funding available while representing 36% of the US populace.<sup>23</sup>
- Given Black, Latine, and Indigenous people are under-represented among farmers and food retail store owners in general, they are also likely under-represented among those who participate in GusNIP-funded programs.<sup>24</sup>

**For more than 50 years, CSPI has been an influential force in the fight for a better food system. CSPI leverages our unique expertise to support passing policies that increase access to nutritious food, support healthy food and beverage choices, and ensure a healthy diet for all consumers.**

*For more information, please contact the Center for Science in the Public Interest at [policy@cspinet.org](mailto:policy@cspinet.org).*

<sup>1</sup> Bleich S, et al. *Strengthening the Public Health Impacts of SNAP: Key Opportunities for the Next Farm Bill*. Healthy Eating Research. 2021. <https://healthyeatingresearch.org/wpcontent/uploads/2021/05/her-snap-farm-bill-3.pdf>. Accessed August 8, 2022

<sup>2</sup> *Barriers That Constrain the Adequacy of Supplemental Nutrition Assistance Program (SNAP) Allotments*. U.S. Department of Agriculture Food and Nutrition Service. 2021. <https://fnsprod.azureedge.net/sites/default/files/resource-files/SNAP-Barriers-Summary.pdf>. Accessed December 1, 2021.

<sup>3</sup> USDA National Institute of Food and Agriculture. *Gus Schumacher Nutrition Incentive Program*. 2022. <https://www.nifa.usda.gov/grants/funding-opportunities/gusnlp-nutrition-incentive-program>. Accessed August 23, 2022.

<sup>4</sup> USDA National Institute of Food and Agriculture, 2022.

<sup>5</sup> Gretchen Swanson Center for Nutrition, *Gus Schumacher Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information Center (GusNIP NTAE): Impact Findings*. 2021. [GusNIP NTAE Impact Findings Year 2 \(nutritionincentivehub.org\)](https://www.nutritionincentivehub.org/gusnlp-ntae-impact-findings-year-2)

<sup>6</sup> Lee SH et al. Adults Meeting Fruit and Vegetable Intake Recommendations — United States, 2019. *MMWR Morb Mortal Wkly Rep*. 2022;71(1):1-9.

<sup>7</sup> Lee, 2022.

<sup>8</sup> John S, et al. The Case for a National SNAP Fruit and Vegetable Incentive Program *Am J Public Health*. 2021;111(1):27-29.

<sup>9</sup> USDA Food and Nutrition Service. *Evaluation of the Healthy Incentives Pilot (HIP) Summary of Findings*. 2014. [USDA HIP Summary of Findings.pdf](https://www.usda.gov/sites/default/files/2014-08/USDA_HIP_Summary_of_Findings.pdf)

<sup>10</sup> USDA Food Nutrition Service. *Healthy Incentives Pilot Basic Facts*. 2013. [Healthy Incentives Pilot Basic Facts | Food and Nutrition Service \(usda.gov\)](https://www.usda.gov/sites/default/files/2013-08/Healthy_Incentives_Pilot_Basic_Facts_Food_and_Nutrition_Service_usda.gov)

<sup>11</sup> USDA Food Nutrition Service, 2013.

<sup>12</sup> USDA Food Nutrition Service, 2014.

<sup>13</sup> USDA Food Nutrition Service, 2013.

<sup>14</sup> John S., 2021

<sup>15</sup> Gretchen Swanson Center for Nutrition, 2021.

<sup>16</sup> USDA Food and Nutrition Service. *SNAP Data Tables. National Level Annual Summary*. 2022. <https://fnsprod.azureedge.net/sites/default/files/resource-files/SNAPsummary-2.pdf>.

<sup>17</sup> Gretchen Swanson Center for Nutrition, 2021.

<sup>18</sup> John , 2021

<sup>19</sup> USDA Food Nutrition Service. *Fiscal Year 2021 Year End Summary*. 2021. [SNAP Authorized Firms FY 2021 Year End Summary \(azureedge.us\)](https://www.usda.gov/sites/default/files/2021-08/SNAP_Authorized_Firms_FY_2021_Year_End_Summary_azureedge.us)

<sup>20</sup> Winne, M. Fischer, A., *Op-ed: With Food Insecurity on the Rise, Nutrition Incentives Should Be More Equitable*. Civil Eats. May, 14 2020. [Op-ed: With Food Insecurity on the Rise, Nutrition Incentives Should Be More Equitable | Civil Eats](https://www.civileats.com/2020/05/14/op-ed-with-food-insecurity-on-the-rise-nutrition-incentives-should-be-more-equitable/). Accessed Aug. 22, 2022

<sup>21</sup> USDA. *Request for Applications. The Gus Schumacher Nutrition Incentive Program*. 2022. [https://www.nifa.usda.gov/sites/default/files/2022-04/FY22-GusNIP-NIP-RFA-508\\_0.pdf](https://www.nifa.usda.gov/sites/default/files/2022-04/FY22-GusNIP-NIP-RFA-508_0.pdf)

<sup>22</sup> Nutrition Incentive Hub. *GusNIP Grantees*. <https://www.nutritionincentivehub.org/grantee-projects>. Accessed July 7, 2022.

<sup>23</sup> Winne, 2020.

<sup>24</sup> Krieger J., Leng K., Sandalow M. 2022. *Working Paper: Towards a more equitable Gus Schumacher Nutrition Incentive Program (GusNIP) 2022*. [GusNIP White Paper v13 format version.docx \(sharepoint.com\)](https://www.usda.gov/sites/default/files/2022-04/GusNIP-White-Paper-v13-format-version.docx).