

FACT SHEET¹

CA Nutrition Incentive Matching Grant Program

2016 Budget Proposal

Proposal: \$5 million investment in California's Nutrition Incentive Matching Grant Program to scale up Market Match, boost healthy food access and provide much needed support to our farmers and farmworkers, who are struggling through the drought.

Economic Benefits: Between 2009-12, Market Match increased CalFresh redemption at participating farmers' markets from 132 percent to 700 percent. It showed, on average, a six fold return on investment in sales. Now, at over 230 sites including farmers' markets, CSAs, farm stands, and mobile markets, California Market Match has demonstrated a six-fold return on investment in farmers' markets sales, with demand for incentives continually exceeding the supply.

The greatest growth was sustained at under-performing farmers' markets like Sunrise Farmers' Market, which doubled its average transaction from \$14.33 to \$28.37, and Laguna Farmers' Market, which increased from \$7.27 to \$19.16. Market Match markets in Yolo County had 163 percent increase in purchases, with the Davis Farmers' Market showing expansion of 224 percent on Saturday and 293 percent on Wednesday, and Woodland Farmers Market experiencing 211 percent growth on Saturday.

Pacific Coast Farmers' Market Association showed ROI rates of:

- East Bay & San Francisco: 132 percent
- Long Beach: 257 percent
- Huntington Park: 403 percent
- Davis: 390 percent
- Woodland: 576 percent
- Monterey: 717 percent

In 2014, Market Match leveraged \$450,000 in incentives to create \$2,024,263 in revenue for participating growers. Every \$1 in SNAP generates \$1.79 in economic activity and there is \$7.8 billion in CalFresh EBT alone. 69 percent of Market Match growers reported new shoppers and 67 percent reported earning more income. Nutrition incentives are proven to encourage healthier shopping habits and can close the loop on federal dollars to benefit local and state economies.

Health Benefits: 40 percent of SNAP beneficiaries were obese from 2007-10, compared with 32 percent of eligible non-participants, and 30 percent of higher-income Americans. 1 in 6 Californians are food insecure but for those under 200 percent FPL (i.e. gross income cutoff for CalFresh), 42 percent experience food insecurity.

Over 70 percent of Market Match participants report they buy more fruits and vegetables due to Market Match. Expanding reach could help bend the cost curve on health care, especially for Medi-Cal, and lessen the impact of diet-related diseases (e.g. obesity) on worker productivity. Overweight and obesity cost the state an estimated \$26.9 billion in health care costs and costs associated with lost productivity in 2011 alone.

Federal Match: Only \$51.7 million of the \$100 million in federal matching monies through the Food Insecurity Nutrition Incentive (FINI) program remains for 2016-18. Unlike mandatory federal programs like CalFresh, California is not guaranteed any of these 1 to 1 matching dollars.

\$5 million in nutrition incentives, matched with \$5 million for nutrition incentives from FINI, could boost healthy food access to \$45 million for almost 300,000 families and generate hundreds of new farm jobs.

¹ Market Match, SNAPing Up Benefits for Farmers and Shoppers http://www.rootsofchange.org/wp-content/uploads/ROC_Market_Match_Report_PDF_Final_Version_042314.pdf