

- Chair Allor, Vice Chairs Hood and Beson, Members of the Committee.
- My name is Kate Krauss. I am Executive Director of Fair Food Network, a Michigan-based nonprofit that uses market-based solutions to build health and flourishing local economies in our communities. Thank you for inviting me to speak today Double Up Food Bucks.
- Double Up incentivizes the purchase of healthy food by doubling federal SNAP benefits when they're spent on fresh fruit and vegetables at participating farmers markets and grocery stores. For example, when a family buys \$10 of fresh produce with their federal SNAP dollars at a participating retailer, they receive an additional \$10 of Double Up to purchase more fruits and vegetables.
- We like to say that this a win-win-win. Meaning it benefits not just the families who take home more healthy food, but also local farmers, who see increased sales opportunities, and local retailers, who see increased traffic to their store and increased revenue.
- We've known for some time that this approach is successful. But over the last few years really seen the opportunity heighten and deepen: while Michigan isn't seeing a continued sharp increase in SNAP enrollment, as was the case at the beginning of the pandemic, the case load is still high. And rising food prices are squeezing the 1.3 million people in Michigan who still rely on SNAP for their groceries. Double Up is here so that these families don't have to sacrifice fresh produce in an increasingly tight grocery budget.
- We're seeing the impact of increased SNAP roles and rising food prices borne out by a significant increase in demand. As you can see on the accompanying chart, demand for Double Up began to increase significantly in 2020 and hasn't let up.
- Last year, Double Up helped nearly 700,000 Michiganders afford fresh fruit and vegetables. That represents a three-fold increase from 2019. Some independent retailers are seeing tens of thousands of dollars per month in increased revenue, just from Double Up alone. The \$2 million that the state invested in Double Up last year leveraged close to \$20 million in combined SNAP and Double Up sales for fresh fruits and vegetables. All of this is good news for farmers, local retailers and of course families.

- How do we know that Double Up is making the difference we've hoped for? From a health perspective, a national report released this past month showed that SNAP recipients who participated in these incentive programs didn't just eat more fruits and vegetables than the average SNAP recipient. They ate more fruit and vegetables than the average American. That's the kind of behavior change that if we can scale, can really make a difference in lowering diabetes rates, and many of the awful and expensive problems that come from unhealthy diets.
- A separate report, this one from Colorado State University, which studied Double Up's impact economic impact found that every dollar invested in Double Up adds up to 2.4 dollars in overall in economic activity to Michigan's economy. Double Up is meant to be spent. From the perspective of the farmer or grocer—who is on the other side of the transaction—it's real money that can be used to pay staff, update equipment, or expand operations.
- I realize that each of you have been evaluating a lot of exciting new ideas, given the financial position that the state is in. I'm here to ask that you to invest in a program that we already know works and that's ready to scale today. There is unmet demand from both grocers and shoppers to bring Double Up to communities where we either don't have a presence, or only have a small presence. The only thing that's holding us back is funding. That's why I'm here to ask for a renewed commitment of \$2,000,000 in state appropriations. This \$2M allows us to meet existing commitments at existing stores.
- Thank you for your past support. I hope we can work together to continue this important work.