

Enhancing Equity

in the Gus Schumacher Nutrition Incentive Program

■ Summary

Increasing people's access to healthy food is key to ending hunger and poor nutrition. The Gus Schumacher Nutrition Incentive Program (GusNIP) works to boost nutrition through two grant programs: the Nutrition Incentive Program (NI) and the Produce Prescription Program.

This brief focuses on how Congress and the U.S. Department of Agriculture (USDA) can increase equity within GusNIP's Nutrition Incentive Program (NI). It also includes public policy recommendations that apply to:

-  **people**
equitable access to fruits and vegetables for underrepresented communities and geographies
-  **organizations**
equitable access to funding and capacity-building services for historically underserved grant applicants
-  **future opportunities**
further evaluation of equity within GusNIP



What Is Equity?

Equity can be defined as the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment. Creating equity requires making investments in people to establish a level playing field and ensuring that all people have fair opportunities.

■ Introduction

GusNIP's Nutrition Incentive (NI) Program provides households that participate in the **Supplemental Nutrition Assistance Program (SNAP)** with an additional monthly benefit to be spent on fruits and vegetables. Such nutrition incentives enable people who live with poverty to purchase more food and healthier food than they could otherwise afford.

In addition to improving food security and increasing fruit and vegetable purchases and consumption, nutrition incentives also benefit local economies, particularly farms. They provide low-income families with more money to spend on food. Communities with sites that offer GusNIP NI have an average poverty rate of **14.1 percent**,¹ higher than the national rate of **11.4 percent**. Appendix A shows GusNIP NI's reach across the United States.

GusNIP enables low-income families to buy more fresh fruits and vegetables, but inequities within the program remain. Making GusNIP available equitably to all will improve food security and nutrition among some of the most vulnerable people in the United States.



Box 1: How the USDA Defines...



Underrepresented communities:

Includes Tribal communities, communities of color, LGBTQ+ communities, individuals with disabilities, veterans, rural and remote communities, insular areas, and/or communities whose residents predominantly live on incomes of less than the federal poverty threshold.



Underrepresented geographies:

Includes Alaska, American Samoa, Commonwealth of the Northern Mariana Islands, Connecticut, Delaware, Guam, Idaho, Kansas, Kentucky, Maine, New Hampshire, North Dakota, Puerto Rico, South Carolina, South Dakota, Tennessee, U.S. Virgin Islands, Vermont, and Wyoming.



Historically underserved farmers:

USDA identifies four groups of farmers as having been historically underserved or discriminated against by federal policies and programs. These groups are farmers who are just beginning, are socially disadvantaged, are veterans, and/or have limited resources.

Source: National Institute of Food and Agriculture, USDA



The USDA administers GusNIP through federal grants to community non-profit organizations. All grantees, grant applicants, and potential applicants must understand and meet GusNIP program requirements. After preparing a competitive grant application, each organization needs to mobilize enough resources to meet the match requirement, find solutions to any technology barriers, and plan to expand their programs.



Under-resourced organizations that serve underrepresented communities or geographies (see Box 1) often have limited capacity, so GusNIP may be less accessible to potential participants.² GusNIP considers tribal communities, U.S. territories and protectorates, and specific states to be underrepresented among GusNIP grantees. NI sites are located primarily in urban areas, where **82.5 percent** of all participants live. Smaller numbers live in rural areas and Tribal communities—**16.3 percent and 1.1 percent**, respectively.³ More needs to be done to ensure equitable access to fresh produce for Black, Indigenous, and Other People of Color (BIPOC) and other historically underserved communities.

■ Policy Recommendations

Informed by qualitative research (see Box 2), Bread developed policy recommendations to advance equity within the GusNIP Nutrition Incentive Program. These include recommendations for Congress and the U.S. Department of Agriculture (USDA).

Recommendations for Congress

Congress should:

- **INCREASE** funding for GusNIP
- **REDUCE** or eliminate the GusNIP match requirement

Box 2: Overview of Research

Allison Bunyan, Bill Emerson National Hunger Fellow with Bread for the World Institute in 2023, conducted qualitative interviews in the spring of 2023 with GusNIP grantees who are implementing projects in the following states: Alabama, Arkansas, Florida, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, New York, Ohio, and Oklahoma. She analyzed the interview transcripts along with secondary data to develop recommendations on improving equity in GusNIP. Many ideas in this brief were drawn directly from GusNIP grantees.



Increase funding for GusNIP.

Few SNAP participants can access nutrition incentives such as those provided by GusNIP NI. In 2021-2022, an average of **41 million people** participated in SNAP.⁴ Providing nutrition incentives—about \$20 each month—to tens of millions of participants would cost many times GusNIP’s annual budget, which was between **\$45 million** and **\$56 million** during fiscal years 2019 through 2023.⁵



Expanding access to GusNIP so that it is more equitable will require additional funding. Advocacy organizations propose funding levels ranging from **\$1 billion to \$3 billion** per year.^{6,7} Further funding will enable GusNIP to make more grants available to historically underrepresented communities and geographies, and it will allow grantees to reach more members of under-resourced or low-income communities. Investing in GusNIP is a smart economic choice. In 2022, incentive spending at local food retailers generated approximately **\$85 million**, more than double the previous year.⁸

*“Further funding will enable GusNIP to **make more grants available** to historically underrepresented communities and geographies, and it will **allow grantees to reach more members of under-resourced or low-income communities.**”*

Grantees currently report that the available funding is insufficient to meet demand. Projects such as **Auburn University’s Alabama Double Up Food Bucks** and **Feeding Florida’s Fresh Access Bucks** reported running out of funds or reaching their maximum number of participants before the end of the fiscal year. Grantees have reduced benefits for participants, turned down potential new GusNIP sites, and halted plans for expansion within their states because of this funding shortfall.

An increase in overall funding for GusNIP should be paired with an increase in funding for GusNIP’s **Technical Assistance, Evaluation,**

and Information (NTAE) Center, which provides grantees and potential applicants for grants with training and technical assistance, evaluation, and informational support services.⁹ Services can include resource development, webinars, one-on-one application planning and project implementation support, peer learning opportunities, capacity-building grants, and more.¹⁰

With additional funding, the NTAE Center can provide targeted support to BIPOC-led organizations and applicants in underrepresented geographies throughout their application, implementation, and evaluation processes. The NTAE Center’s work will help increase access to nutrition incentives for historically underserved communities.

RECOMMENDATIONS FOR CONGRESS

Reduce or eliminate the GusNIP match requirement.

Under the match requirement, GusNIP NI grantees must raise half of the program costs from sources other than USDA. This is a significant barrier to providing equitable access to fruits and vegetables to people across the country, especially for smaller, community-based organizations with limited resources available for fundraising. It may prevent grantees from expanding into additional rural areas and retailers.¹¹

*“Eliminating or reducing the match requirement would make **GusNIP more accessible and sustainable...**”*



The requirement can also deter organizations from applying in the first place, especially under-resourced organizations in underrepresented communities or geographies. Yet, these organizations are often best placed to serve clients because they have the strongest ties to the communities where they operate. Eliminating or reducing the match requirement would make GusNIP more accessible and sustainable by allowing organizations to spend their resources on serving communities rather than on raising additional funds. This, in turn, should enable expansion into historically underserved areas.

RECOMMENDATIONS FOR USDA

Provide equitable support services to grantees and grant applicants from historically underrepresented communities and geographies.

Providing targeted support to these organizations is essential to advancing equity. This support will enable underrepresented groups to access capacity-building opportunities like those available to larger, better-established, and/or white-led organizations. Grantees may need support with project implementation, proposal submission, and financial support to fulfill the match requirement, if it is still in effect.



Recommendations for USDA

USDA should:

- **PROVIDE** equitable support services to grantees and grant applicants from historically underrepresented communities and geographies
- **REDUCE** technology barriers in ways that improve equity
- **ENSURE** that retailers from underrepresented communities and geographies are authorized to accept online SNAP and equipped to process nutrition incentives
- **FUND** EBT integration projects in underrepresented communities and geographies
- **ALLOCATE** funding to prioritize projects serving underrepresented communities and geographies and services for historically underserved farmers
- **MAKE** the USDA Equity Commission a permanent body and identify GusNIP as one of its top priorities

With equitable capacity-building services, all organizations can expand the reach and availability of nutrition incentives in their communities. The **NTAE Center's Capacity Building & Innovation Fund (CBIF)** supports several categories of grantees, including those from current and past USDA GusNIP, GusNIP COVID Relief and Response, and Food Insecurity Nutrition Incentives programs, by offering access to capacity building or innovation initiatives. The 2023 CBIF grant program sought applicants from underrepresented geographies.¹² In the future, CBIF could commit to funding more projects in under-resourced, underrepresented communities.

RECOMMENDATIONS FOR USDA

Reduce technology barriers in ways that improve equity.

Grocery stores and farmers markets have a wide range of technology capacities.¹³ GusNIP grantees report several technology gaps facing retail sites that implement or would like to implement GusNIP nutrition incentive programs. These barriers may include limited access to the Internet, lack of access to the technology needed to accept credit card payments and process SNAP benefits online, or both. Any such barrier can prevent customers from using GusNIP benefits at these retailers.



Equitably filling technology gaps requires that a level playing field be established. Grantees and prospective grantees from groups that have historically faced systemic discrimination by federal institutions—up to and including complete exclusion from programs and services—need support that will enable them to launch and expand their programs at rates similar to those who have not suffered from such inequities.

RECOMMENDATIONS FOR USDA

Ensure that retailers from underrepresented communities and geographies are authorized to accept online SNAP and equipped to process nutrition incentives.

This will expand access to healthy foods in these communities. Accepting GusNIP and other benefits electronically requires technology that small farms or independently owned stores are less likely to have than larger corporate retailers or large businesses. As mentioned earlier, grantees have reported that some of their participating retailers or potential retailers face barriers to accepting **Electronic Benefits Transfer (EBT)** cards, whether related to unreliable Internet, lack of capacity to accept credit cards, or incompatible point-of-service systems. In addition, grantees have also found that online ordering and purchasing—when paired with delivery service—offers more equitable access to people with limited mobility, such as elders, and people in rural communities. Only **16.3 percent** of GusNIP sites serve rural areas, while 1.1 percent serve Tribal communities.¹⁴

Grantees who work with retailers from underrepresented communities and geographies should have priority access to available funding to update their financial systems. This would help ensure that under-resourced and underserved communities have equitable access to online SNAP and GusNIP nutrition incentives.

The necessary funding could be made available by including GusNIP grantees in a program that the USDA Food and Nutrition Service launched in 2019, the **Online Purchasing Pilot (OPP)**. The pilot showed that retailers have the capacity to accept SNAP benefits through online transactions, and the OPP has since expanded across the country.¹⁵ Another potential solution is for the Capacity Building and Innovation Fund, managed by the GusNIP NTAE Center, to offer grants focused specifically on reducing technology barriers for retailers in underrepresented communities and geographies.



*“Grantees in under-resourced, underrepresented communities and geographies should have **priority access** to funding for EBT integration.”*

RECOMMENDATIONS FOR USDA

Fund EBT integration projects in underrepresented communities and geographies.

Integrating GusNIP incentives with **SNAP EBT** technology allows for interoperable currency across project and site types. EBT integration has the potential to provide universal access to nutrition incentives for all SNAP participants, but, as mentioned earlier, not all retailers have the necessary technology. This is especially true for BIPOC retailers and others who have been historically underserved and adversely affected by persistent poverty and inequality. Grantees in under-resourced, underrepresented communities and geographies should have priority access to funding for EBT integration, just as for other technology access projects. Otherwise, the “universal access” that integration makes possible may not turn out to be universal in reality.

In 2023, USDA introduced the SNAP **Electronic Healthy Incentives Project Cooperative Agreement**, which would make funding available to state SNAP agencies to implement EBT integration projects.¹⁶ California, Rhode Island, Washington, and Massachusetts are launching projects in 2023, and other states are planning similar projects. To improve equity in access to EBT integration services, USDA should consider making retailers and vendors in underrepresented communities and geographies priority recipients of future funding.





RECOMMENDATIONS FOR USDA

Allocate funding to prioritize projects serving underrepresented communities and geographies and services for historically underserved farmers.

USDA's National Institute of Food and Agriculture currently encourages, rather than requires, nutrition incentive projects to serve underrepresented communities and geographies.¹⁷ There is a program specifically for farmers and ranchers of color,¹⁸ but it is small, and it does not do as much as needed to respond to the discrimination Black farmers and other farmers of color have suffered. Black farmers, in particular, have endured generations of discrimination that have caused immense losses of land, livelihood, and legacy.

GusNIP neither encourages nor prioritizes supporting historically underserved farmers so that they can participate equitably in the program.^{19,20} This is true even though GusNIP has other positive policies. These include highlighting the economic benefits for farmers of offering nutrition incentives, prioritizing providing local or regionally produced fresh fruits and vegetables, favoring grantees that can demonstrate their ability to provide services to underserved communities, and encouraging grantees to coordinate with farm organizations.

To advance equity in GusNIP, projects supporting underserved communities and farmers should be identified as top priorities. Projects may include, for example, those implemented by BIPOC-led organizations, those serving underrepresented communities and geographies, and those focused on sourcing fruits and vegetables from BIPOC farmers. As GusNIP policies already encourage, these projects could also prioritize involving community members in project planning, implementation, and evaluation processes.

“To advance equity in GusNIP, projects supporting underserved communities and farmers should be identified as top priorities.”



To improve equity, USDA could use a tiered funding model that prioritizes funding for projects based on their demonstrated ability to provide equitable access to fruits and vegetables. Alternatively, USDA could introduce a separate **Request for Application (RFA)** or multiple separate RFAs for which only these projects are eligible. This would separate this funding from the “regular” RFA process through which pilot, standard, and large-scale nutrition incentive projects are awarded funding.

The GusNIP NTAE Center’s Nutrition Incentive Hub reported that it will continue its efforts to reach potential GusNIP grantees in future years. The Nutrition Incentive Hub’s ongoing work to improve equity could also include setting aside funding for supporting projects in underrepresented communities and geographies and projects supporting historically underserved farmers.

RECOMMENDATIONS FOR USDA

Make the USDA Equity Commission a permanent body and identify GusNIP as one of its top priorities.

The Equity Commission works to ensure that USDA’s programs, services, and decisions reflect its values of equity and inclusion.²¹

The commission is not a permanent part of USDA, but its continued work is essential. It is the only structure at USDA dedicated to defining and applying an equity lens, identifying inequities within programs, and initiating sustainable change. It has not yet made recommendations specific to GusNIP.²²

The Commission’s 2023 Interim Report recommends reducing barriers to accessing SNAP benefits for participants and to becoming approved SNAP vendors for small businesses and local farmers. If implemented, these changes may also make GusNIP more accessible.



■ Conclusion

The GusNIP NI Program can do more to address inequities in access to fresh fruits and vegetables while supporting the growth and livelihoods of local farmers. Bread for the World offers the following recommendations to improve equity in the program:

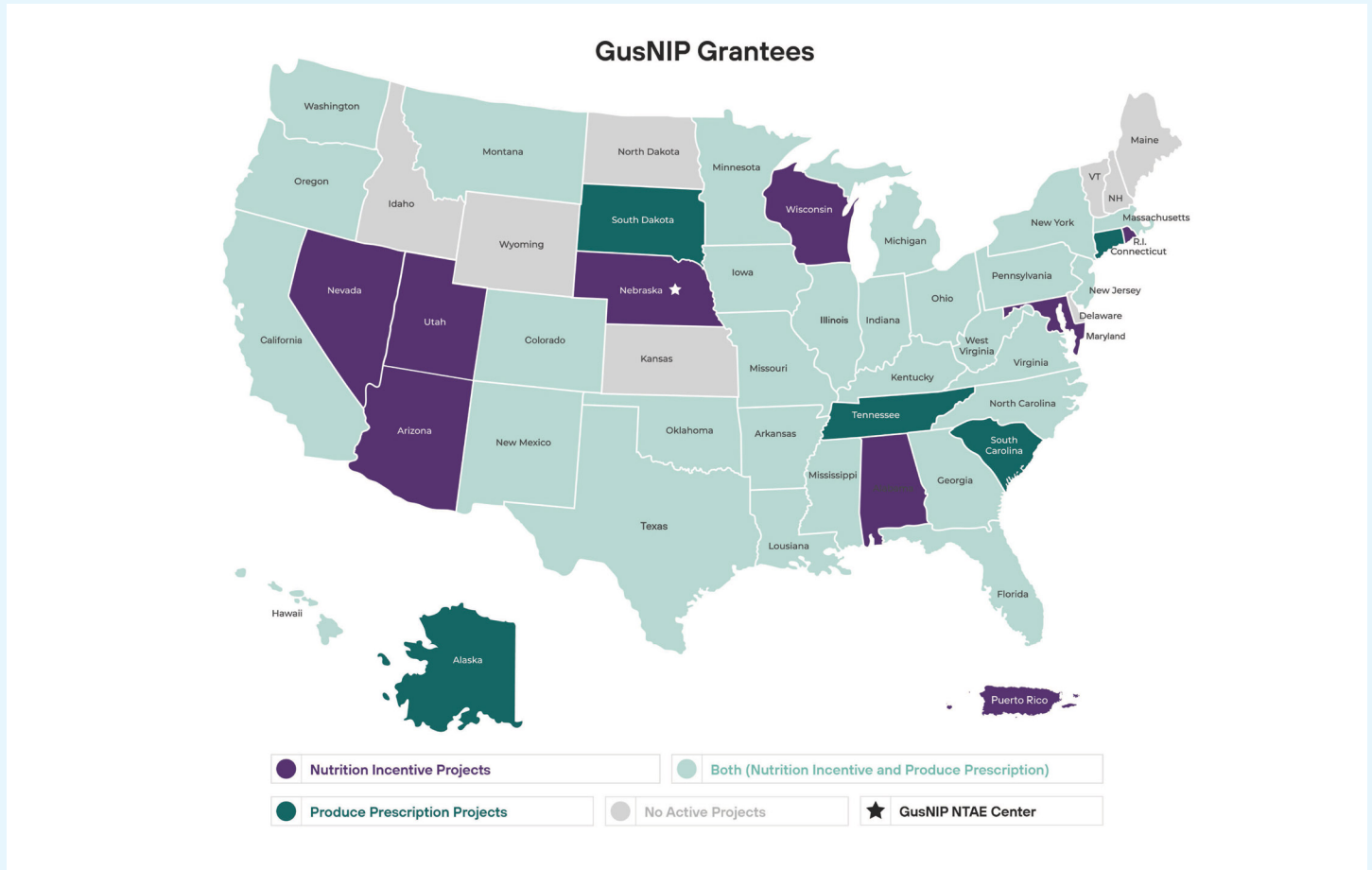
Congress should:

- **INCREASE** funding for GusNIP.
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USDA should:

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- **MAKE** the USDA Equity Commission a permanent body and identify GusNIP as one of its top priorities

Appendix A:



<https://www.nutritionincentivehub.org/grantee-projects>

Endnotes

- <https://www.nutritionincentivehub.org/media/2uwl3ch/gusnip-y3-impact-findings-report.pdf>
- <https://www.cspinet.org/sites/default/files/2022-11/Towards%20a%20more%20equitable%20Gus%20Schumacher%20Nutrition%20Incentive%20Program%20%28GusNIP%29-%20Recommendations%20for%20program%20reauthorization%20and%20implementation.pdf>
- <https://www.nutritionincentivehub.org/media/2uwl3ch/gusnip-y3-impact-findings-report.pdf>
- <https://fns-prod.azureedge.us/sites/default/files/resource-files/SNAPsummary-6.pdf>
- <https://www.nifa.usda.gov/grants/programs/hunger-food-security-programs/gus-schumacher-nutrition-incentive-program#:~:text=7517%2C%20for%20fiscal%20years%202019,be%20appropriated%20over%205%20years.>
- <https://fruitvegincentives.org/priorities/#goals>
- <https://www.cspinet.org/sites/default/files/2022-09/GusNIP%20Fact%20Sheet%20FINAL.pdf>
- <https://nutritionincentivehub.org/media/2uwl3ch/gusnip-y3-impact-findings-report.pdf>



- ⁹ <https://www.nifa.usda.gov/grants/funding-opportunities/gus-schumacher-nutrition-incentive-program-nutrition-incentive-program>
- ¹⁰ https://www.nutritionincentivehub.org/media/hayfmpv5/y3-ta-impact_amy-holly_cbif_060623.pdf
- ¹¹ <https://www.bread.org/article/improving-u-s-nutrition-through-the-2023-farm-bill/>
- ¹² <https://www.nutritionincentivehub.org/funding/capacity-building-and-innovation-fund>
- ¹³ <https://fairfoodnetwork.org/resources/double-up-food-bucks-2021-annual-impact-report/>
- ¹⁴ <https://www.nutritionincentivehub.org/media/2uwlf3ch/gusnip-y3-impact-findings-report.pdf>
- ¹⁵ <https://www.fns.usda.gov/snap/online-purchasing-pilot>
- ¹⁶ <https://www.fns.usda.gov/grant/snap-ehip>
- ¹⁷ <https://www.nifa.usda.gov/gusnip-request-applications-resources-ni>
- ¹⁸ <https://crsreports.congress.gov/product/pdf/IF/IF12475/2#:~:text=Specifically%2C%20the%201990%20farm%20bill,equitably%20participate%20in%20USDA%20program>
- ¹⁹ https://www.nutritionincentivehub.org/media/euvdpb0q/gusnip-ntae-impact-findings_year-1.pdf
- ²⁰ <https://www.nifa.usda.gov/sites/default/files/2023-02/FY23-GusNIP-RFA-508.pdf>
- ²¹ <https://www.usda.gov/equity-commission>
- ²² <https://www.usda.gov/sites/default/files/documents/usda-ec-interim-report-2023.pdf>

