



Impacts of Changing Maximum Incentive Levels on Sales Revenue at Farmers' Markets Participating in the California Nutrition Incentive Program (GusNIP in California)

Research Brief • May 2023

BACKGROUND

To help address increases in food insecurity that arose during the COVID-19 pandemic, the California Department of Food and Agriculture (CDFA) acquired additional funding from the United States Department of Agriculture's Gus Schumacher Nutrition Incentive Program COVID Relief and Response (GusCRR) grants program. This additional funding allowed some farmers' markets participating in the California Nutrition Incentive Program (CNIP) to increase the weekly dollar-for-dollar match incentive offered to CalFresh participants for the purchase of CA-grown fruits and vegetables to \$15 (from \$10) from September 2021 through March 2022. We studied the impact of increasing and subsequently decreasing the CNIP maximum incentive offered on market sales revenue.

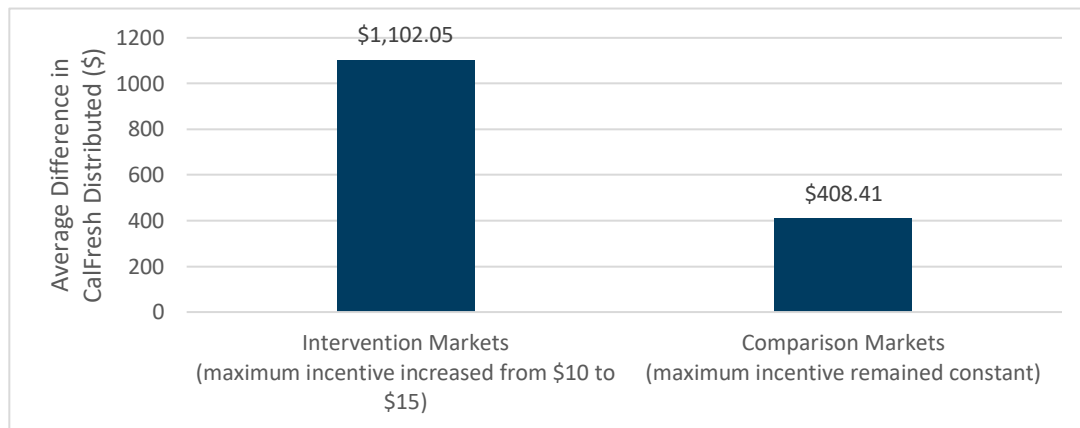
WHAT WE DID

Nutrition Policy Institute researchers conducted controlled interrupted time series analyses utilizing data collected by Ecology Center from their partner farmers' markets in California. The impacts of increasing or decreasing CNIP maximum incentives were assessed by comparing the amount of monthly CNIP and CalFresh distributed and redeemed between markets with changing CNIP maximum incentive levels and markets with constant CNIP maximum incentive levels.

KEY FINDINGS

- Increasing the maximum CNIP incentive led to a statistically significant **greater increase in the dollar amount of CalFresh distributed at markets that increased their CNIP maximum** (intervention) compared to comparison markets (by \$693.64).

Figure 1. Adjusted average difference in the amount of CalFresh dollars distributed after the maximum incentive increased from \$10 to \$15 in intervention markets compared to comparison markets where the incentive did not change (n=74 intervention, 28 comparison markets).



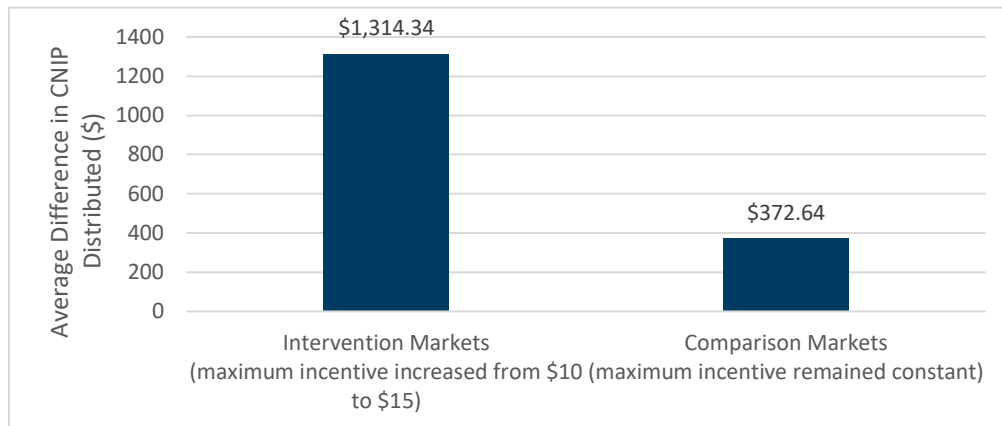
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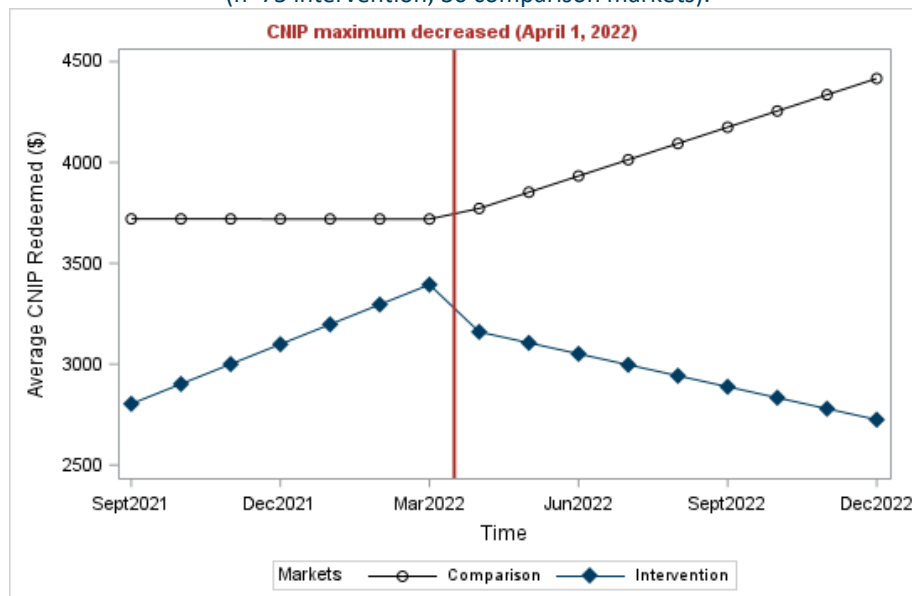
- Increasing the maximum CNIP incentive led to a statistically significant **greater increase in the dollar amount of CNIP distributed at markets that increased their CNIP maximum** (intervention) compared to comparison markets (by \$941.70).

Figure 2. Adjusted average difference in the amount of CNIP dollars distributed after the maximum incentive increased from \$10 to \$15 in intervention markets compared to comparison markets where the incentive did not change (n=74 intervention; 30 comparison markets).



- Although increasing the maximum CNIP did not have statistically significant effects on the amount of CNIP redeemed, **reducing the maximum CNIP incentive had a statistically significantly negative effect on the change in trend of CNIP redeemed per month at markets that decreased their CNIP maximum** (intervention) compared to comparison markets (decreased trend by \$233.54 per month).

Figure 3. Adjusted average amount of CNIP dollars redeemed before and after maximum incentive decrease (n=75 intervention; 30 comparison markets).



- There were no statistically significant effects of reducing the maximum CNIP incentive on CalFresh distributed, CalFresh redeemed, or CNIP distributed. There were no statistically significant effects of increasing the maximum CNIP incentive the amounts of CalFresh or CNIP that were redeemed at the markets.

CONCLUSIONS

- Increasing the maximum CNIP incentive available at markets led to significant increases in the dollar amounts of CNIP and CalFresh that were distributed at farmers' markets. However, there were not statistically significant effects on the amounts of CNIP or CalFresh that were redeemed at markets.
- Reducing the maximum CNIP incentive available at markets led to a significant decrease in the trend of CNIP redeemed per month.

More [information on the methods and results](#) are available online.