

State of Washington
Decision Package

FINAL

Agency: 303 Department of Health
Decision Package Code/Title: B0 Farmers Market Nutrition Program Reduction
Budget Period: 2015-17
Budget Level: PL-Performance Level

Recommendation Summary Text:

The Farmer’s Market Nutrition Program (FMNP) provides eligible Women, Infants and Children (WIC) participants a \$20 voucher per market season to purchase fresh fruits and vegetables from local farmers markets. This package eliminates all state and federal funding used to operate and provide WIC FMNP benefits.

Fiscal Detail

Operating Expenditures			<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
001-1	General Fund-State		(222,000)	(221,000)	(443,000)
001-2	General Fund-Federal		(588,000)	(588,000)	(1,176,000)
Total Cost			(810,000)	(809,000)	(1,619,000)
Revenue					
	Fund	Source	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
	001 General Fund	0310 Dept of Agriculture	(588,000)	(588,000)	(1,176,000)
Total Revenue			(588,000)	(588,000)	(1,176,000)

Package Description:

The Farmers Market Nutrition Program is part of the Special Supplemental Nutrition Program for the WIC Program. FMNP provides fresh, locally grown fruits and vegetables through farmers markets and roadside stands to eligible WIC families in addition to access to fruits and vegetables through the basic WIC program.

Shopping at farmers markets gives WIC families an opportunity to learn about fresh fruits and vegetables from the people who grow them. The program creates a unique partnership with local WIC agencies, farmers markets, growers, and WIC families that support young families developing healthy eating habits. State funding pays for WIC FMNP recipient benefits and operations including: food checks, staffing of 0.7 FTEs, training, authorizing and monitoring farmers markets and food growers for both the FMNP component of the WIC nutrition program and Department of Social and Health Services (DSHS) Senior Farmers Market Nutrition Program.

This proposed reduction includes the 30 percent state match required by the U.S. Department of Agriculture in order receive federal grant funding for the FMNP. Elimination of all state funding and subsequent loss of federal funding will end operations of the WIC FMNP. In 2013, the program contributed over \$434,000 to the local economies when WIC families used their WIC FMNP checks at farmers markets to buy local produce.

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 Program Contact: Office of Nutrition Services, Janet Jackson Charles, (360) 236-3697

Narrative Justification and Impact Statement:

What specific performance outcomes does the agency expect?

None.

Performance Measure Detail

Activity: A010- Promote Family and Child Health and Safety

Is this DP essential to implement a strategy identified in the agency's strategic plan?

While not essential support, this program does link to:

Goal 2: Prevent illness and injury and promote ongoing wellness across the lifespan for everyone in Washington.

Objective 3: Support healthy weight in children and adults

Does this decision package provide essential support to one or more of the Governor's Results Washington priorities?

The impact of FMNP is indirectly measured through and contributes to the Results Washington.

Goal 4: Healthy and Safe Communities, Healthy Youth and Adults, measure 1.2.A.f: Increase the percentage of healthier food options being offered to low-income children and families through food pantries, farmers markets, and meal programs by 5 percent from 2014 baseline by 2017.

What are the other important connections or impacts related to this proposal?

The Senior Farmers Market Nutrition Program (SFMNP) is part of the Senior Nutrition Program run by DSHS. The Senior Nutrition Program improves nutrition for low-income adults over age 60. DSHS receives approximately \$230,000 federal funding and \$700,000 General Fund State each year for the senior program and serves 21,000 seniors. This is a popular program with participants and strongly supported by food security advocates and farmers market sector (e.g. last year they lobbied legislature for a funding increase and were successful).

DSHS partners with the Department of Health (DOH) on some administrative components of the SFMNP and the FMNP. DOH, on DSHS senior program's behalf, oversees the contracting process with farmers markets and eligible growers/farmers as well as the associated monitoring process - over 600 contracts. Both programs are governed by USDA regulations, but there is no requirement that the programs work together.

If the WIC FMNP is eliminated this will have impacts on the number of seniors served because DSHS would assume the contracting and monitoring responsibilities/associated costs. DSHS would need to reassess viability of continued program operations in this context. At a rough initial estimate, DSHS would likely need one (1) program FTE, and up to 0.5 contract FTE for the administration of 600+ contracts. This could be implemented on a one year trial basis, then evaluate whether the percentage of administrative costs are too high to maintain a viable program and prepare constituents for the possible ending of the program.

What alternatives were explored by the agency and why was this alternative chosen?

The Department of Health (DOH) used the following process to get to the mandated 15 percent General Fund State Reductions:

- All General Fund State supported programs were put into three tiers:
 - Tier 1 – Programs that are 100 percent foundational public health services
 - Tier 2 – Programs that are partially foundational public health services and/or directly tied to the Governor’s Results Washington measures and/or part of the agency strategic plan
 - Tier 3 – All remaining general fund programs
- Tier 2 and Tier 3 programs were scored using the public health criteria matrix, then ranked using the scores and our professional judgment
- Reductions were proposed from the ranked list
- The DOH widely shared our draft reductions both internally and externally to the department and sought feedback

What are the consequences of adopting or not adopting this package?

The consequences of adopting means the WIC Farmers Market Nutrition Program would be eliminated.

What is the relationship, if any, to the state capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

This will require an amendment to WAC 246-780. Existing contracts with farmers markets and food growers will need to be terminated.

Expenditure and revenue calculations and assumptions

Revenue:

None.

Expenditures:

This reduction eliminates all operational and recipient benefit expenditures related to FMNP. This elimination includes the 30 percent state-match required by the USDA in order receive federal grant funding for the FMNP. Beginning in fiscal year (FY) 2016 General Fund State will be reduced by (\$222,000) and FY 2017 (\$221,000). This General Fund State reduction eliminates the state--match which will result in a loss of (\$588,000) in federal funding each FY.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All reductions are assumed to be ongoing.

For federal grants: Does this request require a maintenance of effort or state match?

Not applicable.

For all other funding: Does this request fulfill a federal grant's maintenance of effort or match requirement?

This General Fund State reduction eliminates the Farmers Market Federal grant that requires a 30 percent state match.

<u>Object Detail</u>		<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A	Salaries and Wages	(86,000)	(86,000)	(172,000)
B	Employee Benefits	(26,000)	(26,000)	(52,000)
E	Goods and Services	(53,000)	(53,000)	(106,000)
G	Travel	(6,000)	(6,000)	(12,000)
N	Grants Benefits & Client Svs	(637,000)	(636,000)	(1,273,000)
T	Intra-Agency Reimbursements	(2,000)	(2,000)	(4,000)
	Total Objects	(810,000)	(809,000)	(1,619,000)