

# Sweetened Beverage Tax Community Advisory Board

**Date:** August 21, 2018

**To:** Mayor Jenny Durkan

**From:** Sweetened Beverage Tax Community Advisory Board (CAB)

**cc:** Councilmember Bagshaw, Councilmember González, Councilmember Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember Mosqueda, Councilmember O’Brien, Councilmember Sawant, Jessica Finn Coven, Ben Noble

**Subject:** 2018 and 2019 Budget Recommendations – Supplemental

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Dear Mayor Durkan,

On behalf of the Sweetened Beverage Tax Community Advisory Board (CAB), we are following up with additional recommendations related to two priority activities included in our 2018 and 2019 budget recommendations, transmitted on July 5, 2018. The activities are as follows:

<b>CAB Focus Area: Healthy Food and Beverage Access</b>	
<b>Activity</b>	<b>Description</b>
Healthy food vouchers for people in the “food security gap”	Expand access to vouchers for low-income people not eligible for SNAP for purchase of healthy foods (e.g. fruits and vegetables). <ul style="list-style-type: none"><li>• Make vouchers available in a variety of settings, including schools, childcare, senior centers, housing assistance, health care, social services, and food banks.</li><li>• Customers should be able to use vouchers in a variety of food retail settings, including supermarkets, grocery stores, ethnic grocers, farmers markets, produce stands, etc.</li></ul>
Subsidies to schools to provide more fresh fruits and vegetables	Provide cash incentives/subsidies to schools to increase the variety and/or quantity of fresh fruits and vegetables served at meals, snacks, and in salad bars; reduce processed foods; and increase offerings of culturally appropriate healthy foods.

On July 18, 2018, the CAB reviewed and discussed information provided by the Office of Sustainability & Environment on the estimated costs of implementing these activities. The CAB considered the costs of specific strategies in view of the total amount of revenue available in 2018 and 2019.

Based on the information provided, the CAB unanimously recommends the following investments with 2018 and 2019 funds:

	2018 funds	2019 funds
Provide fresh fruit and vegetable snacks program at schools	\$368,000	\$368,000
Subsidies to schools to provide more fresh fruits and vegetables	--	\$308,000
Expand Fresh Bucks programming	\$300,000*	\$520,700*

\*To supplement Fresh Bucks’ 2018 baseline SBT funding.

**Provide fresh fruit and vegetable snacks program at schools – \$368,000**

Studies show that children eat more fruits and vegetables, when more fruits and vegetables are offered. We recommend the City work with Seattle Public Schools (SPS) to add additional schools to the Fresh Fruit and Vegetable Program (FFVP), which is currently limited to schools with at least 74 percent of students eligible for free or reduced-price meals. Based on 2017-2018 data provided by SPS, there are 23 schools with over 50 percent of students eligible for a free or reduced-price (FRP) meals. Of these schools, only seven are expected to qualify for federal funding for the FFVP in the 2018-19 school year. The other 16 schools will be unable to participate without another source of funds.

The CAB is also interested in expanding the FFVP to (1) middle schools and high schools that have over 50 percent of students eligible for FRP meals and (2) summer and afterschool programs. To inform our future recommendations, we request the City work with Seattle Public Schools to obtain cost estimates for expanding the FFVP to these types of sites. Additionally, recognizing that food storage infrastructure may be a barrier for providing more fresh fruits and vegetables at afterschool programs and summer meal sites, the CAB requests more information about how many SPS afterschool and summer meal sites lack refrigeration or space and the estimated cost for increasing the capacity of these sites to provide fresh fruits and vegetables at snacks.

**Subsidies to schools to provide more fresh fruits and vegetables – \$308,000**

School meals may be the only source of fruits and vegetables in some students’ diets. We recommend the City provide a per-meal incentive to SPS to increase the variety and/or quantity of fresh fruits and vegetables served at meals, snacks, and in salad bars; reduce processed foods; and increase offerings of healthy foods that are culturally appropriate. A per-meal incentive could also be implemented to increase procurement of local ingredients.

Priority should be given to (1) the breakfast meal, which typically has the fewest offerings of fresh fruit and vegetables, and (2) schools with high participation in free and reduce-priced meals and/or Title 1 schools.

**Expand Fresh Bucks programming**

Expand access and eligibility for Fresh Bucks, a healthy food program that provides vouchers to low-income people so they can buy more fruits and vegetables. Recommended strategies include:

- Make the program available to residents who fall into the “food security gap”, i.e. people who do not participate in the Supplemental Nutrition Assistance Program (SNAP) but still struggle to afford healthy food. This includes residents who are ineligible for SNAP because they earn too much to qualify, but still can’t afford health food; residents who are ineligible due to SNAP restrictions (e.g. immigration status); and residents who may be eligible for SNAP but are not enrolling due to a number of reasons (e.g. stigma, onerous application process, language barriers, fear of enrolling in government programs, etc.)
- Make Fresh Bucks accessible in more year-round retail settings, with a balance among major grocery stores and supermarkets, ethnically-owned neighborhood stores, and produce markets (e.g. MacPherson’s).
- Conduct a survey of people who participate in SNAP or fall in the “food security gap” to understand their preferences for *where* and *how* they use/would use Fresh Bucks and find information about the program.
- Expand the Fresh Bucks Rx program by partnering with additional community-based organizations and community-based health clinics to serve vulnerable residents who are experiencing food and nutrition insecurity and/or living with nutrition-related chronic diseases (e.g. obesity, diabetes).
- Tailor all Fresh Bucks programming to reach communities of color, immigrants, refugees, people with low income, and individuals with limited English proficiency.
- Contract with community-based organizations and community consultants to deliver culturally- and linguistically-responsive outreach and promotion, customer enrollment, and technical assistance (i.e. to neighborhood grocers). Organizations and consultants should have authentic connections to the focus community or neighborhood grocer.
- Given the significant investment of SBT dollars in the Fresh Bucks program, the CAB requests future Fresh Bucks data reports/briefings provide comprehensive information enabling us to compare progress and outcome measures across the different Fresh Bucks activities, including metrics such as:
  - total and average Fresh Bucks sales by type of retailer and type of customer;
  - number, amount (\$), and rate of Rx benefits redeemed by type of distribution site;
  - number of unique and repeat Fresh Bucks customers by benefit type and retailer type;
  - trends in Fresh Bucks utilization (e.g. how often do repeat customers use the Fresh Bucks program, and are there differences in utilization by type of retailer?);
  - number of Fresh Bucks dollars spent in business that are locally owned and locally owned by people of color;
  - list of community-based organizations (CBOs) that Fresh Bucks contracts with to implement or promote the program, and total amount of SBT funds contracted to these CBOs; and
  - qualitative data that describes the program impact on customers and retailers.

In closing, we would like thank all the staff in the Office of Sustainability & Environment, City Budget Office, and Seattle Public Schools for the information that helped to inform these recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read "James Krieger". The signature is fluid and cursive, with the first name being more prominent.

James Krieger, MD, MPH  
Co-Chair

A handwritten signature in black ink, appearing to read "Christina Wong". The signature is fluid and cursive, with a long, sweeping underline.

Christina Wong,  
Co-Chair