

Fiscal Note

BILL # HB 2142

TITLE: produce incentive program; annual appropriation

SPONSOR: Dunn

STATUS: As Introduced

PREPARED BY: Chandler Coiner

Description

The bill would appropriate \$5,000,000 from the General Fund on an ongoing basis to the Department of Economic Security (DES) to fund the Produce Incentive Program.

Estimated Impact

The bill would cost \$5,000,000 from the General Fund annually.

Analysis

The Produce Incentive Program, also referred to as "Double Up Food Bucks," is a part of Arizona's Supplemental Nutrition Assistance Program (SNAP), which is administered by DES. It provides a dollar-for-dollar match, up to \$20 per day, for SNAP enrollees who purchase Arizona-grown fruits and vegetables at SNAP-authorized locations. According to the Double Up Food Bucks Arizona website, there are currently 80 participating locations throughout the state.

Laws 2019, Chapter 334 appropriated \$400,000 from the General Fund in FY 2019 to implement the program and provide matching monies. Following this one-time appropriation, the program was funded via the Crisis Contingency and Safety Net Fund in FY 2020 and FY 2021 and the Social Services Block Grant in FY 2022. In FY 2023 and FY 2024, DES reports the program being funded via the American Rescue Plan Act (ARPA). DES plans to spend \$2.0 million in both years. *Table 1* shows the expenditures and fund sources for the program since it began in FY 2019.

In Calendar Year 2022, 31,732 SNAP recipients participated in the program.

<u>Fiscal Year</u>	<u>Fund Source</u>	<u>Budget</u>	<u>Expenditures</u>
FY 2019	General Fund	\$400,000	\$400,000
FY 2020	Crisis Contingency and Safety Net Fund	\$500,000	\$500,000
FY 2021	Crisis Contingency and Safety Net Fund	\$500,000	\$500,000
FY 2022	Social Services Block Grant	\$500,000	\$500,000
FY 2023	State and Local Fiscal Recovery Fund (ARPA)	\$2,000,000	\$778,800 ^{1/}
FY 2024	State and Local Fiscal Recovery Fund (ARPA)	\$2,000,000	-

^{1/} FY 2023 expenditures are year to date.

Local Government Impact

None

2/10/23

