



Electronic Benefits Transfer For Farmers' Markets

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Is Your Farmers' Market Ready to Accept EBT?

- What is Electronic Benefits Transfer (EBT)?
- Why accept EBT?
- What is needed to accept EBT?
 - Legal Structure*
 - Bank Account
 - Management Capabilities
 - Marketing Capabilities
 - Are your vendors ready?
 - Best Practices

*Not required, but is good business practice





Is Your Farmers' Market Ready to Accept EBT?

- Supplemental Nutrition Assistance Program (SNAP)
- Formerly known as food stamps
- Transitioned from paper coupons to electronic “debit-like” card
- Electronic Benefits Transfer (EBT)
- In Ohio, the Ohio Direction Card





Is Your Farmers' Market Ready to Accept EBT?

Nationally, SNAP puts healthy food on the table for more than 45 million people each month.

SNAP redemption at farmers' markets nationwide is estimated to be \$11 million or $>0.016\%$ of the total dollars of food purchased using EBT.

<http://farmersmarketcoalition.org/snap-redemptions-at-farmers-markets-exceed-11m-in-2011>





Is Your Farmers' Market Ready to Accept EBT?

So, why accept EBT?

If SNAP redemptions at farmers markets grew to account for only 1% of all SNAP transactions annually, that would equate to an additional \$647,044,071 going directly to local farmers, ranchers, fisherman, and food entrepreneurs.

<http://farmersmarketcoalition.org/snap-redemptions-at-farmers-markets-exceed-11m-in-2011>





Is Your Farmers' Market Ready to Accept EBT?



- What is Needed to Accept EBT at farmers' markets?
 - Is your farmers' market a legal entity (non-profit, LLC, cooperative etc.)?
 - Are you affiliated with an “umbrella” organization (local chamber, visitors bureau, etc.)?
 - Who is responsible? (SSN#)



Is Your Farmers' Market Ready to Accept EBT?

- Why be legally organized?
 - Pros:
 - Legal separation from liability
 - Potential funding opportunities
 - Self-managed
 - Cons:
 - Reporting and recordkeeping requirements (i.e. tax returns)
 - Self-managed





Is Your Farmers' Market Ready to Accept EBT?

- Does your farmers' market have a bank account?
 - EBT funds electronically deposited
 - Separation of farmers' market funds from individuals
 - Accountability of funds received
 - IRS requires the TPP to issue 1099s annually on EBT redemption





Is Your Farmers' Market Ready to Accept EBT?

- Do you have the management capabilities to accept EBT?
 - Person to process transactions at the market
 - Person to account for tokens/scrip
 - Person to reimburse vendors for token/scrip
 - Person to train vendors





Is Your Farmers' Market Ready to Accept EBT?

- Do you have the management capabilities to accept EBT? (cont.)
 - Funds to cover associated costs (transaction fees, equipment fees, monthly service charges, token purchase, etc.)
 - Funds to effectively market to EBT consumers (flyers, signs, advertisements, etc.)





Is Your Farmers' Market Ready to Accept EBT?

- Do you have the marketing capabilities?
 - Person to plan and implement an effective marketing plan
 - Person and process to manage matching program if available
 - Financial resources to carry out the plan





Is Your Farmers' Market Ready to Accept EBT?

- Are your vendors ready?
 - Do they recognize the benefits? (\$~650 million)
 - Do they understand what are eligible food items and what are not?
 - Do they understand they cannot provide change?





Is Your Farmers' Market Ready to Accept EBT?

- Are your vendors ready? (cont.)
 - Do they understand the reimbursement process?
 - Do they have the proper marketing and promotional materials (recipes, information on how to store & prepare)?





Is Your Farmers' Market Ready to Accept EBT?

- Best Practices
 - Develop relationship with organizations who serve this consumer to help “get the word out”.
 - Access to transportation to/from the farmers' market (local transit, etc.)
 - Cooking demonstrations – easy to prepare meals





Is Your Farmers' Market Ready to Accept EBT?

- Best Practices (cont.)
 - Education about seasonality
 - Education about value of local foods
 - Nutrition education (OSUE Food & Nutrition Education Program)
 - Matching programs – Wholesome Wave, local foundations, etc.





Is Your Farmers' Market Ready to Accept EBT?

- Review
 - Consider legal structure
 - Consider management abilities (including costs)
 - Consider marketing abilities (including costs)
 - Consider vendor training
 - Review & implement best practices





Completing FNS Certification

www.fns.usda.gov/snap

USDA United States Department of Agriculture
Food and Nutrition Service

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Home » Programs » Supplemental Nutrition Assistance Programs (SNAP)

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Supplemental Nutrition Assistance Programs (SNAP)

How To Apply

Applicants and Recipients

- > Learn How to Apply for Benefits
- > Eligibility Requirements
- > Learn When Benefits Become Available
- > Reporting Lost, Stolen or Damaged EBT Card
- > Find SNAP Authorized Retailers that Welcome SNAP Benefits
- > State Hotline Numbers
- > Frequently Asked Questions

Retailers

- > Apply To Accept Benefits at Your Store
- > Check Status of Online Store Application
- > How To Accept EBT Cards at Farmers' Markets
- > Learn About Store Eligibility Requirements
- > Store Training Information
- > What Can SNAP Benefits Buy?
- > Additional Information

Browse by Subject

- > Disaster Assistance
- > Employment & Training
- > Grants

SNAP offers nutrition assistance to millions of eligible, low income individuals and families and provides economic benefits to communities. SNAP is the largest program in the domestic hunger safety net. The Food and Nutrition Service works with State agencies, nutrition educators, and neighborhood and faith-based organizations to ensure that those eligible for nutrition assistance can make informed decisions about applying for the program and can access benefits. FNS also works with State partners and the retail community to improve program administration and ensure program the integrity.

Spotlights

- Ask the Expert Knowledge Database
- Recipe Finder Database
- Report Fraud
- Scammers Offer Phony SNAP Application Assistance
- Building a Healthy America: A Profile of SNAP
- SNAP-Ed





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You are here: [Home](#) > [SNAP](#) > [Retailers](#)

Supplemental Nutrition Assistance Program

Apply Online to Become Authorized to Accept SNAP at your Retail Food Store or Farmers' Market.

Apply online to accept SNAP benefits at your store or Farmers' Market. It's fast and secure. You can complete the online application in as little as 15 minutes. It's so easy. By applying online, you can also check the real-time status of your application online using your USDA account.

Applying to accept SNAP benefits at your store or Farmers' Market is a three step process: get a USDA account, fill out an application online, and mail us your supporting documentation to complete your file.

Search FNS

- Search all USDA
- Search Tips
- Topics A-Z

Email Updates

Sign-up to receive free email updates

Browse by Audience

Information For ...

Browse by Subject

- ▶ Disaster Assistance
- ▶ Employment & Training
- ▶ Grants
- ▶ Info Materials
- ▶ Nutrition Education
- ▶ Outreach
- ▶ Program Data
- ▶ Program Improvement
- ▶ Program Policy
- ▶ Quality Control
- ▶ Research & Reports
- ▶ Topics A to Z

Step 1 → →

Get a USDA Account

To Apply Online you first need to set up and activate a USDA eAuthentication account.

To create an account, click on the Set Up An Account link below. You must have a valid email address as USDA will send you a confirmation email. Once you receive the email, it includes a hyperlink to activate your account.

Return to this page after you activate your account to apply online.

- [Set Up An Account](#)

If you do not have internet access, call our toll-free hotline at 1-877-823-4369.

Step 2 → →

Apply Online/Check Status of Online Application

Filling out the Online Application is fast, easy and convenient. You can start and stop the application process. You have up to 30 days to complete and submit the online application to FNS.

Be prepared with the following information ahead of time and click the Fill Out Application link below: owner's name, home address, social security number, and estimated sales.

- [Fill Out Online Application](#)
- [Check the Status of Your Online Application](#)

Step 3 → →

Complete Your Application

You're almost done! To complete your application, send all required documentation to your servicing FNS office. A list of required documents and your servicing FNS office is provided during your online application process.



Completing FNS Certification

How-to video of completing the FNS Certification:

http://ohiofarmersmarkets.osu.edu/videos/snaponline/snap_online.html





How to Accept EBT

- Once USDA FNS has approved your application, EITHER:
 - Seek a TPP (Third Party Provider) OR contact Ohio Department of Job and Family Services (ODJFS).
 - EBT/Debit/Credit need TPP
 - EBT only - ODJFS



How to Accept EBT



- Work with TPP or ODJFS to get equipment ordered.
 - Read the fine print for TPPs!
 - Need a voided check to set up electronic transfer of funds from TPP or ODJFS to your bank account
 - Order tokens or scrip if using these



How to Accept EBT

- Work with other organizations in your community that serve these clients to promote SNAP acceptance at your market
 - Local ODJFS office
 - Local health clinics
 - Local food banks/pantries/faith-based organizations



How to Accept EBT



- Make sure to train your farmers' market vendors
 - Difference between credit/debit/EBT tokens
 - What items can EBT tokens be used to purchase?
 - No change can be given
 - How will vendors be reimbursed?

How to Accept EBT



- Keep proper records:
 - Date
 - Type of transaction (debit/credit/EBT)
 - Dollar (\$) amount of transaction
 - Vendor reimbursement process and dollar (\$) amount
 - Any returns/refunds

<http://ohiofarmersmarkets.osu.edu/videos/ebt/>



What Can be Accepted?

The Food and Nutrition Act of 2008 (the Act) defines eligible food as any food or food product for home consumption and also includes seeds and plants which produce food for consumption by SNAP households.



What Can be Accepted?

- Eligible food items:
 - breads and cereals
 - fruits and vegetables
 - meats, fish and poultry
 - dairy products
 - seeds and plants which produce food for the household to eat



What Can be Accepted?

Soft drinks, candy, cookies, snack crackers, and ice cream are food items and are therefore eligible items

Seafood, steak, and bakery cakes are also food items and are therefore eligible items



What Cannot be Accepted?



- SNAP benefits cannot be used to purchase:
 - Beer, wine, liquor, cigarettes or tobacco
 - Any nonfood items, such as: pet foods, soaps, paper products, and household supplies
 - Vitamins and medicines
 - Food that will be eaten in the store
 - Hot foods



What Can be Accepted?

A list of eligible food items is available at:

www.fns.usda.gov/snap/retailers/eligible.htm





Funding Opportunities

USDA Agriculture Marketing Service Farmers' Market Promotion Program offers grants to help improve and expand domestic farmers' markets, roadside stands, community-supported agriculture programs, agri-tourism activities, and other direct producer-to-consumer market opportunities.

<http://www.ams.usda.gov/AMSV1.0/FMPP>





Funding Opportunities

Ohio Department of Job & Family Services

Potential funding to assist markets to purchase/lease EBT equipment

Eligible markets are those approved by USDA FNS on or after 11/18/11

<http://jfs.ohio.gov/ofam/InfoMarkets.stm>



Cooperative Formation

- What is a Cooperative?
 - User-owned and user-controlled
 - Distributes benefits to members on the basis of use
 - Members are the decision makers
 - Democratic control with one member one vote





Cooperative Formation

Cooperative Principles

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Concern for Community



Cooperative Formation



Steps to Determine if a Cooperative is right for your organization:

1. Assemble Leadership and Advisers
2. Hold Exploratory Meeting
3. Member-User Survey
4. Market, Supply Sources, Cost Analysis



Cooperative Formation

5. Feasibility Analysis
6. Capitalizing the Cooperative
7. Appoint Interim Board of Directors
8. File articles of Incorporation
9. Develop By Laws
10. Elect officers



Cooperative Formation



- Ohio Cooperative Development Center (OCDC)
 - Seed Grants available for new and emerging cooperatives (groups). \$1,000/\$2,000 respectively
 - Assist with legal fees, filing fees, feasibility studies, marketing and promotions of the cooperative.

<http://ocdc.osu.edu/seedgrants/seed.html>



More Information

To learn more:

<http://ohiofarmersmarkets.osu.edu/>

<http://fmmn.org/>

<http://ocdc.osu.edu>

<http://www.fns.usda.gov/snap/ebt/fm.htm>

<http://jfs.ohio.gov/ofam/EBT%20Farmers%20Market.stm>

http://www.foodsecurity.org/pub/RealFoodRealChoice_SNAP_FarmersMarkets.pdf





Where to Get Assistance

- OSU South Centers
- USDA FNS
- Ohio Department of Job & Family Services
- The Farmers' Market Management Network
- The Farmers' Market Coalition





Q&A

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