



# Is Your Farmers' Market Ready to Accept Electronic Benefits Transfer?

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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 39.4 million people each month.

SNAP redemption at farmers' markets nationwide is estimated to be  $>0.008\%$  of the total dollars of food purchased using EBT.

[www.foodsecurity.org/pub/RealFoodRealChoice\\_SNAP\\_FarmersMarkets.pdf](http://www.foodsecurity.org/pub/RealFoodRealChoice_SNAP_FarmersMarkets.pdf)





# 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 \$494,668,112 going directly to local farmers, ranchers, fisherman, and food entrepreneurs.

[www.foodsecurity.org/pub/RealFoodRealChoice\\_SNAP\\_FarmersMarkets.pdf](http://www.foodsecurity.org/pub/RealFoodRealChoice_SNAP_FarmersMarkets.pdf)



# 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, 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 & 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





# 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, telephone line 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 & 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? (\$500 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 work 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





# Is Your Farmers' Market Ready to Accept EBT?



## Where to get help?

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



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To learn more:

[http://www.foodsecurity.org/pub/RealFoodRealChoice\\_SNAP\\_FarmersMarkets.pdf](http://www.foodsecurity.org/pub/RealFoodRealChoice_SNAP_FarmersMarkets.pdf)

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

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

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

<http://fmmn.org/>



# Q&A

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