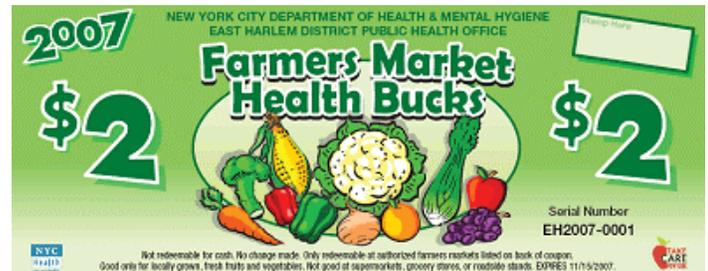


Nutrition Incentives at Farmers' Markets:

Bringing Fresh, Healthy, Local Foods Within Reach



Rachel Winch
October 2008

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Abbreviations

EBT – Electronic Benefit Transfer, a debit like card for Supplemental Nutrition Assistance Program (SNAP) benefits

FMNP – Farmers Market Nutrition Program

FNS – Food and Nutrition Service, the division of USDA dedicated to federal food and nutrition programs

SFMNP – Senior Farmers Market Nutrition Program

SNAP – Supplemental Nutrition Assistance Program, the new name for the Food Stamp Program

USDA – United States Department of Agriculture

WIC – Special Supplemental Nutrition Program for Women, Infants, and Children

Abstract

Many of America's vulnerable families lack access to fresh, healthy food. Around a dozen pilot programs across the country are underway to increase low income families' access such foods at farmers markets. Structured to improve purchasing power, the programs enable families to afford fruits and vegetables purchased at farmers markets. The majority of these programs are still in their infancy, and thus the impact of these programs in improving the diets of low income Americans is not yet known.

Based on visits and interviews, this report profiles pilot programs that match and expand Supplemental Nutrition Assistance Program (SNAP),¹ Special Supplemental Nutrition Program for Women, Infants, and Children Farmers Market Nutrition Program (WIC FMNP), and Senior Farmers Market Nutrition Program (SFMNP) dollars spent at farmers markets. The following seven programs are highlighted: Crossroads Farmers Market (Takoma Park, Maryland); Department of Health and Mental Hygiene's "Health Bucks" Program (New York City); Farmers Market Federation of New York's Fresh Checks Program (Upstate New York); Central Square Farmers Market with The Food Project (Lynn, Massachusetts); Holyoke Farmers Market (Holyoke, MA); City of Boston farmers markets with The Food Project (Boston, Massachusetts); and City Heights Farmers Market (San Diego, CA).

Funding for these new programs was provided largely by foundations and local governments, including: the Wholesome Wave Foundation of Westport, CT; the Kellogg Foundation via Project for Public Spaces in New York; the Humpty Dumpty Institute in New York City; Montgomery County Department of Health, Maryland; the New York City Department of Health and Mental Hygiene; and the National Watermelon Board. While the long-term impacts await evaluation, this report outlines the initial success—and difficulties—of these programs in increasing the access of low income populations to fresh produce and in supporting the incomes of local farmers at farmers markets. The report also outlines the organization and implementation of the varied approaches of these programs. Finally, the report reviews challenges and offers suggested steps to improve these initial pilot programs—suggestions that could be helpful to USDA Food and Nutrition Service (FNS) staff as they explore options to implement the \$20 million in mandatory funding in the 2008 Farm Bill (*Section 4141, Healthy Food Incentives*), a pilot program designed to explore options to improve the nutrition of some 29 million SNAP clients, half of whom are children. As further information and experience are generated from these early pilot programs, this report will be updated to complement additional research on nutrition incentive programs.

Purpose

By documenting the experiences of farmers markets operating healthy incentive programs for people receiving federal nutrition assistance, this report was prepared to:

1. Serve as a resource for farmers markets that currently operate nutrition incentive programs or are considering starting an incentive program;

¹ As of October 1, 2008, the federal Food Stamp Program has changed its name to the Supplemental Nutrition Assistance Program (SNAP).

2. Explain USDA regulations affecting these incentive programs and assist farmers markets in complying with such regulations;
3. Serve as a resource for federal, state and local governments, foundations and non-profit entities considering the obstacles to health and nutrition programs and ways to facilitate and improve the creation and continuation of such programs.
4. Provide background for USDA FNS staff as they explore options for allocating the \$20 million in mandatory funding (Section 4141 of the 2008 Farm Bill, Healthy Food Incentives for SNAP clients).
5. Provide examples of local pilot initiatives for USDA and state WIC staff as they finalize guidelines for implementing the new WIC cash value fruit and vegetable voucher program for 2009 and subsequent years.

Introduction

In many low income neighborhoods in the United States, the lack of access to low cost, high quality, nutritious foods, particularly fresh fruits and vegetables, has led to growing health problems. These “food deserts,” where “access to fresh, locally-grown produce is extremely limited,”² are linked to higher rates of obesity, heart disease, and diabetes in low income areas.³ Marked by the conspicuous absence of supermarkets,⁴ these food deserts are instead populated by convenience stores, gas stations, fast food outlets, and corner stores that are limited in their supply and selection of healthy, fresh foods. Often, these stores charge higher prices than large retail stores such as supermarkets,⁵ which are typically located in hard-to-reach suburban areas. Even if physically available in low income areas, fresh, healthy, local foods are often still out of reach for low income residents because nutrient rich food costs more per calorie than nutrient poor, calorie dense foods.

In order to encourage greater access to and consumption of fresh fruits and vegetables among low income Americans, USDA operates programs to supplement WIC benefits and provide greater purchasing power at farmers markets. The over 4685 farmers markets across the United States provide an opportunity to connect consumers with fresh, local produce and to provide farmers with additional revenue.⁶ Congress created the Farmers Market Nutrition Program for WIC participants⁷ in 1992. In 2000, USDA expanded those benefits to seniors with the Senior Farmers Market

² Fried, Benjamin, For the Health of It, Project for Public Space, October 2005, available at http://www.pps.org/info/newsletter/october2005/markets_health.

³ *Ibid.*

⁴ See Food Availability and Food Deserts in the Nonmetropolitan South, Blanchard, Troy and Lyson, Thomas, April 2006, available at http://srdc.msstate.edu/focusareas/health/fa/fa_12_blanchard.pdf.

⁵ See Neighborhood Groceries: New Access to Healthy Food in Low-Income Communities, California Food Policy Advocates, Bolen, Ed and Hecht, Kenneth, January 2003, available at <http://www.cfpa.net/Grocery.PDF>.

⁶ In 2006, the farmers’ market directory listed 4,385 farmers markets operating in the United States. Source: United States Department of Agriculture. Agricultural Marketing Service. Accessed online at <http://www.ams.usda.gov/AMSv1.0/ams.fetchTemplateData.do?template=TemplateG&navID=WholesaleandFarmersMarkets&leftNav=WholesaleandFarmersMarkets&page=WFMFactsAboutFarmersMarkets&descr/iption=Facts%20About%20Farmers%20Markets&acct=frmrdirnkt> on September 9, 2008.

⁷ WIC serves low income pregnant, postpartum and breastfeeding women, infants, and children up to age 5 who are at nutritional risk.

Nutrition Program.⁸ In the 2002 Farm Bill, the senior farmers market nutrition program provided annual funding at \$15 million, expanding the outlays to \$20.6 million in the 2008 Farm Bill.

Under these programs, some 3 million WIC participants and seniors are purchasing fresh fruits and vegetables at approved farmers markets using FMNP coupons. Each WIC participant is provided \$10 to \$30 in federal FMNP benefits per year, an amount which may be supplemented by the state, foundations and non-profit organizations.⁹ Currently, 46 state agencies operate the FMNP. SFMNP, originally a USDA pilot program in 2001 that became permanent in 2002, provides benefits similar to the FMNP by giving seniors coupons to purchase fresh fruits, vegetables, and herbs from farmers markets.¹⁰ SFMNP participants receive \$20 to \$50 in federal SFMNP benefits each year. In fiscal year 2007, SFMNP operated in 35 states.¹¹

However, at these modest per person funding levels, these federal programs have a limited capacity to provide the necessary purchasing power to enable low income Americans to maintain a level of consuming healthy, fresh, and local foods that will have lasting health benefits. According to the USDA, approximately 29 million low income Americans use SNAP benefits each month, with children making up about half of the recipients.¹²

With the conversion of benefits from paper coupons to a debit type Electronic Benefits Transfer (EBT) card starting in the 1990s, millions of SNAP participants lost their ability to use their benefit dollars at many farmers markets, which lacked the equipment and the processes to allow for EBT purchases.¹³ Although farmers markets across the country are increasingly acquiring machines and implementing processes to enable EBT transactions, the changes have occurred in only about 5 percent¹⁴ of the 4,685 farmers markets nationwide.¹⁵ Additionally, FMNP and SFMNP benefits, averaging only \$20-\$30 per client annually, are not adequate to permit their users to make fresh, healthy, and local foods a regular part of their diet.

In an effort to make produce at farmers markets more affordable to low income populations, the seven pilot incentive programs highlighted in this report provide matching or bonus funds for EBT, FMNP, and SFMNP dollars used at farmers markets. Although varying to some degree, the programs essentially provide EBT, FMNP, and SFMNP participants who shop at farmers markets with extra cash (in the form of tokens or paper coupons) to be used at participating farmers markets. Modest funding for these programs is provided by foundations,¹⁶ local government,¹⁷ and other

⁸ USDA used authorities under the Commodity Credit Corporation to provide \$15 million for FY2001.

⁹ <http://www.fns.usda.gov/wic/WIC-FMNP-Fact-Sheet.pdf>

¹⁰ <http://www.fns.usda.gov/wic/SFMNP-Fact-Sheet.pdf>

¹¹ http://www.fns.usda.gov/oane/menu/Published/NutritionEducation/Files/fruit_veggie_report.pdf

¹² See *Leading the Fight Against Hunger: Federal Nutrition Assistance*, USDA FNS, June 2008, available at <http://www.fns.usda.gov/fncs/hunger.pdf>; USDA SNAP website at <http://www.fns.usda.gov/fsp/>.

¹³ Farmers Market Coalition position paper, available at http://www.farmersmarketcoalition.org/wp-content/uploads/2008/02/fmc_policypaper2007.pdf

¹⁴ <http://current.pic.tv/2008/08/06/farmers-markets-accept-food-stamps-who-knew/>

¹⁵ USDA Agricultural Marketing Service page, available at:

<http://www.ams.usda.gov/AMSV1.0/ams.fetchTemplateData.do?template=TemplateC&navID=FarmersMarkets&rightNav1=FarmersMarkets&topNav=&leftNav=WholesaleandFarmersMarkets&page=WFMFarmersMarketsHome&description=Farmers%20Markets&acct=fmrdirmt>

¹⁶ These include, the Wholesome Wave Foundation of Westport, CT, the Kellogg Foundation via Project for Public Spaces in New York and the Humpty Dumpty Institute in New York City.

entities,¹⁸ such as the National Watermelon Board. Management is provided by non-profit organizations, local government, or the markets themselves. Early evidence¹⁹ shows these programs to be successful at attracting low income customers to farmers markets, getting low income customers into the routine of shopping at farmers markets, and increasing sales for farmers market produce vendors. In addition to the successes, these initial programs have experienced challenges related to the availability of resources, advertising to target populations, and the compliance of these programs with federal law.

While several of the nutrition incentive programs featured in this report started nearly simultaneously in the summer of 2008, the majority of them have developed independently. No single resource exists to explain their very similar, if not identical, efforts. Additionally, these programs have not only lacked coordination with one another, but have often lacked coordination with the oversight staff at USDA FNS, leading to unintentional noncompliance with USDA regulations and retroactive authorizations to carry out these programs.

Most farmers markets that operate this form of promotion program report success in drawing more low income people to the farmers market and bringing fresh, healthy, local food into the price range where it is affordable for people on a restricted budget. The success of these programs for promoting healthy eating habits is further supported by the Government Accountability Office's July 2008 report, which found that financial incentive programs for people with low incomes to purchase targeted foods are effective in achieving short-term goals of increased purchases and consumption of target foods and/or weight loss of program participants.²⁰

Providing incentives for purchases of WIC, SFMNP, and SNAP recipients brings fresh, healthy, local foods within reach of low income families while at the same time increasing access to such foods in low income areas. By strengthening the purchasing power of low income customers and thereby creating a customer base for the market, the matching program contributes to the economic viability and sustainability of markets in low income areas that may not otherwise have access to fresh, healthy, local foods.

Incentive programs targeting SNAP recipients are subject to USDA regulations. One such regulation at 7 CFR 278.2 (b) specifies that "No retail food store may single out coupon users for special treatment in any way."²¹ While this regulation exists to protect SNAP users against discrimination and stigmatization, it also applies to farmers markets piloting incentive programs that increase access to fresh fruits and vegetables for SNAP recipients. This regulation *does not apply* to simply having an EBT machine at farmers markets and a system of tokens or script. Rather, it applies to offering bonus dollars specifically for EBT users, as is the case with such incentives as

¹⁷ These include the Montgomery County Health Department, Maryland; New York Human Resources Administration; and the New York City Department of Health and Mental Hygiene.

¹⁸ These include the Watermelon Board; the Food Project; and private donations.

¹⁹ Because these pilot programs have been running for only 3 years or less, quantitative data is not yet available.

²⁰ Government Accountability Office. *Food Stamp Program: Options for Delivering Financial Incentives to Participants for Purchasing Targeted Foods* (GAO-08-415). July 2008.

²¹ Government Printing Office Access. Electronic Code of Federal Regulations. Agriculture: Regulations of the Department of Agriculture, Food and Nutrition Service. Food Stamp and Food Distribution Program. Part 278: Participation of Retail Food Stores, Wholesale Food Concerns, and Insured Financial Institutions. Accessed online at http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title07/7cfr278_main_02.tpl on September 9, 2008.

“Fresh Checks” or “Health Bucks.” USDA FNS has the capacity to approve programs that do not meet regulations as demonstration projects. Using this allowance, USDA FNS has been approving individual waiver applications to operate these programs as “pilot studies.” In the coming years, this regulation may be amended to allow such programs to operate without a waiver.

Until this regulation is amended, markets are required to submit a letter to USDA FNS requesting to become a demonstration project. Markets may make a request even if they have begun operating their programs. To apply, markets should contact their state SNAP agency to request that the state agency submit a letter on behalf of farmers markets operating programs. [Details on how to apply](#) and waiver [sample letters](#) are provided in the appendix.

The following markets operating “double voucher” matching programs are highlighted in this report:

1. [Crossroads Farmers Market: Takoma Park, Maryland](#)
2. [New York City Department of Health and Mental Hygiene’s “Health Bucks” Program: Bronx, Brooklyn, and East Harlem, New York](#)
3. [Farmers Market Federation of New York Fresh Checks Program: Upstate New York](#)
4. [Central Square Farmers Market with The Food Project: Lynn, Massachusetts](#)
5. [Holyoke Farmers Market in conjunction with the Wholesome Wave Foundation and Nuestras Raices: Holyoke, Massachusetts;](#)
6. [City of Boston farmers markets with The Food Project: Boston, Massachusetts;](#) and
7. [City Heights Farmers Market: San Diego, California](#)

Farmers Market Healthy Incentive Pilot Programs

I. Crossroads Farmers Market in Takoma Park, Maryland



Image 1: Shoppers at Crossroads Farmers Market where WIC FMNP and SFMNP sign is prominently displayed

Unlike many farmers markets where access to high quality nutritious food for people with low incomes was incorporated into an existing market, the Crossroads Farmers Market was launched for the explicit purpose of bringing fresh, local food to people with low incomes living in the community where the market is located. This small Wednesday afternoon market is located near a WIC clinic in a low income area on the border of Montgomery County and Prince George's County in Maryland. Crossroads Farmers Market was launched in mid-May 2007 with the support of a \$60,000 grant from the Project for Public Spaces (PPS) and the W.K. Kellogg Foundation.²²

Farmers from three local farms sell at this small, producer-only market. A local prepared food vendor, Takoma Kitchens, sells savory ethnic baked goods, such as tamales and empanadas. Homemade pupusas and horchata (Latin American beverage made of morro seed, rice, sugar, vanilla, herbs, and cinnamon) are other popular options. While the number of vendors is currently limited, the market caters to the largely Latino population from the neighborhood, in the types of produce and prepared food available. As part of the PPS funding, Crossroads Farmers Market operates a microloan program for minority farmers and actively recruits minority and immigrant farmers to sell at the market. The market has worked with the City of Takoma Park to offer free transportation from local community centers, senior facilities, and low income housing.

Since its inception, the Crossroads Farmers Market has accepted EBT, WIC FMNP, and SFMNP. The market received additional funds from Montgomery County, Maryland, and the National Watermelon Board to match EBT, WIC FMNP, and Senior FMNP dollars for the purchase of fruits and vegetables. Customers visit a central table where they swipe their EBT card and are given \$1 tokens equivalent to the amount they deduct. Additionally, these customers are given a dollar for dollar match, up to \$10, in "Fresh Checks" that can only be used for the purchase of fresh fruits and vegetables.

²² Project for Public Spaces (PPS) is a non-profit organization founded in 1975 dedicated to creating and sustaining places that build community. Visit www.pps.org for more information.

Credit or debit customers may use the same process to purchase \$5 market tokens, though they do not receive bonus Fresh Checks. By having a similar process for EBT users and credit or debit cards users, purchasing with tokens remains a discrete way for EBT customers to use their benefits at the farmers markets and ensures that they do not have to stand in a separate line to redeem their benefits.²³

WIC and Senior FMNP recipients who wish to redeem their benefits at Crossroads Farmers Market may show their coupons to market staff to receive Fresh Checks. The first three times a WIC or Senior FMNP recipient redeems her or his benefits at the market, she or he receives \$10 in Fresh Checks for the purchase of additional fruits and vegetables to match the \$10 worth of benefit dollars spent. After the first 3 visits, customers may bring their empty WIC or Senior FMNP coupon books and receive \$5 each week for the rest of the season. Thus, WIC and Senior FMNP recipients can continue to make subsidized purchases even after they have depleted their government benefits.

The Fresh Checks program was launched at two markets in Takoma Park in 2007—the Takoma Park Farmers Market and the Crossroads Farmers Market, both of which are operated by the non-profit corporation Takoma Park Farmers Market, Inc. While the markets are in the same city, they are quite distinct. The Takoma Park Farmers Market is a Sunday market located in an affluent neighborhood. It is one of the largest farmers markets in the DC metropolitan area with 23 vendors. Operating since 1983, the Takoma Park Farmers Market is a pioneer in the “producer only” movement. Crossroads Farmers Market is a much smaller market comprised of 3 vendors and located in a neighborhood where a greater percentage of customers use government assistance to purchase food. Board members of the Takoma Park Farmers Market founded the Crossroads Farmers Market and applied for its initial grant funding. While both markets continue to accept EBT, WIC FMNP, and SFMNP, resources for the “Fresh Checks” program were concentrated at Crossroads Farmers Market for the 2008 market season and are no longer offered at Takoma Park Farmers Market.

In 2007 during the first year of the program, the two markets combined provided \$7500 in Fresh Checks. The vast majority of these bonus dollars were matching WIC benefits redeemed at Crossroads Farmers Market. Out of an average of 300 customers a week, Crossroads Farmers Market has 75 customers making purchases with WIC or with their \$5 Fresh Checks benefits once their WIC benefits have run out. John Hyde, the President of the Board and Chairman of Community Relations at the Crossroads Farmers Market, explained that WIC recipients are the most informed about their benefits and that the Crossroads Farmers Market was purposely located near a WIC office.

Both the Takoma Parks Farmers Market and Crossroads Farmers Market have received a USDA waiver to conduct their matching programs, although they were not initially aware that they had to apply for one. Just before the matching program was launched in 2007, John Hyde received a call from USDA informing him that the program was in violation of USDA FNS regulations. While a similar program ([NYC Health Bucks](#)) had already been operating in New York City since 2005, they had not received explicit permission from USDA and thus there was no precedent for receiving approval from USDA.

²³ The different denominations of tokens (\$5 and \$1) are used to track redemption. Also, change cannot be given for SNAP tokens, so they are given in smaller denominations.

Faced with the threat of canceling the launch, USDA set up a conference call to discuss the situation. John Hyde explained that two days before the launch was scheduled, he was on a conference call with nineteen staff from USDA. According to John, during this phone call he explained that they were having a grand opening of the program in two days with the mayor and reporters in attendance and that one of two stories would emerge: “Isn’t it great that USDA is helping to increase access to fresh fruits and vegetables for people with low incomes?” or “Isn’t it stupid that USDA is putting up barriers for people with low incomes to access fresh fruits and vegetables?”

While staff at USDA FNS were required to take some action because regulations were being violated, they were open to working with Crossroads Farmers Market toward their shared goal of increasing access to fresh, healthy, local food for people with low incomes. USDA rushed a letter to Crossroads Farmers Market granting them permission to conduct the program as a three year demonstration study. The [demonstration project letter](#) affirmed that they could conduct the program largely as planned. As a pilot study, USDA requires that the market report:

1. By month and market site, the total value of tokens purchased with SNAP benefits,
2. By month and market site, the total value of Fresh Checks distributed,
3. By month and market site, the total value of tokens redeemed,
4. By month and market site, the total value of Fresh Checks redeemed,

In their letter granting the Demonstration Project Waiver, FNS applauded the Takoma Park Farmers Market, Inc. for their efforts: “FNS applauds the Takoma Park Farmers Market, Inc.’s efforts to encourage healthy eating by providing an additional fresh fruit and vegetable benefit through the Fresh Check incentive program.” Together, the Takoma Parks Farmers Market, Inc. and USDA worked together to ensure that the market launch was successful and in compliance with USDA FNS requirements.



Images 2 and 3: Shoppers at Crossroads Farmers Market purchase produce (left) and learn about the farmers market incentive programs for WIC, SFMNP, and SNAP recipients (right)

Contact Information

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II. New York City Department of Health and Mental Hygiene’s “Health Bucks” Program

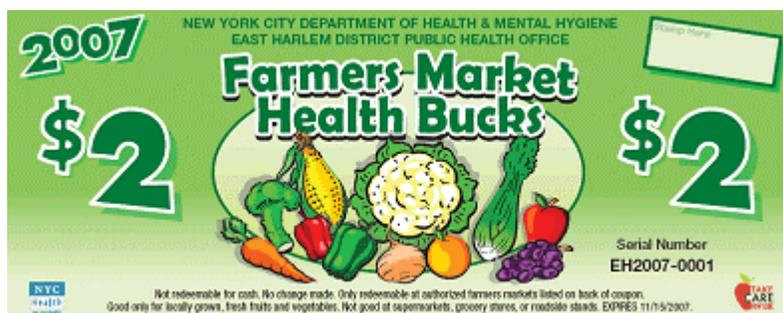


Image 4: Sample NYC “Health Bucks.” Source: www.nyc.gov/healthbucks. Accessed on September 10, 2008.

Potentially the first program of its kind, the New York City Health Bucks program remains one of the largest farmers market matching incentive programs for SNAP recipients. In 2005, in an effort to curb the obesity epidemic and related diseases that were running rampant in low income communities, the NYC Department of Health and Mental Hygiene launched a pilot program in the Bronx called “Health Bucks.” Health Bucks are \$2 coupons created by the NYC Department of Health and Mental Hygiene that can be used to purchase fresh fruits and vegetables exclusively at farmers markets. Customers may redeem Health Bucks at their choice of more than thirty participating farmers markets.

Health Bucks are distributed in two ways—at farmers markets themselves and through community based organizations (CBOs). Customers who spend a minimum of \$5 of their SNAP benefits at participating farmers markets in the Bronx, Brooklyn and East Harlem receive a \$2 Health Buck. Additionally, the NYC Department of Health and Mental Hygiene give Health Bucks to CBOs, who distribute them to their clientele to encourage them to visit the markets. While most of the people who receive Health Bucks are low income, CBOs distribute them regardless of whether recipients receive SNAP benefits. The NYC Department of Health and Mental Hygiene continues to fund and administer the program in coordination with the Bronx District Public Health Office, the Brooklyn District Public Health Office and the East Harlem Public Health Office.

The NYC Department of Health and Mental Hygiene piloted the program in 2005 in the South Bronx and expanded the program to Brooklyn and Harlem in 2006. Health Bucks look largely the same as they did during the pilot. However, the number of participating markets has more than tripled.²⁴ The NYC Department of Health and Mental Hygiene reported that 9000 Health Bucks (worth \$18,000 dollars) were distributed in 2006, of which 40% were redeemed²⁵. Redemption rates rose to approximately 50% in 2007. Redemption rates are much higher for those distributed directly to EBT recipients at markets—close to 90%. However, those distributed through CBOs yield a

²⁴ Baronberg, Sabrina. Deputy Director of the Physical Activity and Nutrition Program at the NYC Department of Health and Mental Hygiene. Personal Communication. August 28, 2008.

²⁵ New York City Department of Health and Mental Hygiene. “Health Department Expands ‘Health Bucks’ Program to Provide More Coupons for Fresh Fruits and Vegetables.” Press Release # 055-07. Released on July 10, 2008 <http://www.nyc.gov/html/doh/html/pr2007/pr055-07.shtml>. Accessed on August 28, 2008.

lower redemption rate since they are not at the point of purchase, which reduces the average to closer to 50%.

While the NYC Department of Health and Mental Hygiene's Health Bucks program has been in operation since 2005, it was not granted demonstration project status until 2007. As USDA FNS explains in the [demonstration project waiver](#), the USDA was not notified about the program for the first two years it was operating: "Although we only recently learned about this supplemental program, Health Bucks have been distributed to Farmers Market Nutrition Programs (FMNP) clients since 2005." Once made aware that the program was out of compliance with USDA regulations, the NYC Department of Health and Mental Hygiene worked with their state SNAP agency to write a letter requesting to be part of a USDA demonstration project.

As a condition of the demonstration project status, the NYC Department of Health and Mental Hygiene must write an annual report to USDA that will be used to help determine the effectiveness of the program. If possible, USDA FNS requested the following information be included in the report:

1. By month, District Public Health Office (DPHO), and market site, total dollar value of EBT tokens purchased,
2. By month, DPHO, and market site, total dollar value of Health Bucks distributed,
3. By month, DPHO, market site and individual farmer, total dollar value of EBT tokens redeemed, and
4. By month, DPHO, market site and individual farmer, total value of Health Bucks redeemed.

In 2008, the NYC Department of Health and Mental Hygiene received additional funding from the Human Resources Administration to give two Health Bucks (\$4) for every \$5 redeemed for the second half of the growing season.²⁶ Health Bucks remains one of the largest incentive programs, operating at multiple markets on a city-wide level.

Health Bucks program materials are included on the following pages. Further promotion materials, including brochures for Brooklyn and Harlem listing participating markets in those areas are available through the NYC Department of Health and Mental Hygiene website at http://www.nyc.gov/html/doh/html/cdp/cdp_pan_health_bucks.shtml, or the quick link www.nyc.gov/healthbucks.

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²⁶ The Harlem and Bronx Departments of Health and Mental Hygiene were each awarded an additional \$30,000 and the Brooklyn office, which has fewer eligible farmers' markets, was awarded \$20,000 for the 2008 season. Source: Sabrina Baronberg. NYC Department of Health and Mental Hygiene. Personal Communication. September 2008.

III. Farmers Market Federation of New York: Fresh Checks Program

In addition to the New York City Health Bucks program, another major farmers market SNAP incentive program is currently underway in New York State. The New York Fresh Checks program, operated by the Farmers Market Federation of New York and funded by the Humpty Dumpty Institute and Wholesome Wave Foundation, offers \$5 bonus “Fresh Checks” (sample is shown below) for any customer who spends a minimum of \$5 of their SNAP benefits at a participating farmers market. Customers are eligible for one NY Fresh Check per market day and may come back each subsequent market day to receive additional NY Fresh Checks. The \$5.00 Fresh Checks are printed in color and serialized to prevent fraud and to enable tracking.



Image 5: Sample New York Fresh Checks. Source: Farmers Market Federation of New York website: <http://www.nyfarmersmarket.com/ebt.htm>

The Fresh Checks program began May 1, 2008.²⁷ As of August 2008, forty-six farmers markets were operating Fresh Checks programs in New York. Diane Eggert, the Executive Director of the Farmers Market Federation of New York, was already aware of the need to apply to be a USDA demonstration project before implementing the Fresh Checks Program through her connections with the program in New York City. Working with the EBT Bureau Chief at the Office of Temporary and Disability Assistance, the Farmers Market Federation submitted a letter regarding 7 CFR 278.2 (b) that “No retail food store may single out coupon users for special treatment in any way” in November 2007. USDA granted them permission to operate as a [demonstration project](#) in January 2008, making it the first farmers market incentive program of its kind to apply for a waiver during the planning process rather than when the program was about to launch or had already been in operation.

The Farmers Market Federation of New York is authorized by its USDA FNS demonstration project status to operate the Fresh Checks program at up to sixty-five farmers markets. The

²⁷ “Farmers’ Market Wireless EBT Project.” Farmers’ Market Federation of New York website: <http://www.nyfarmersmarket.com/ebt.htm>. Accessed on September 1, 2008.

program is open to all upstate markets operating with the New York State Farmers Market Wireless EBT Program. Markets may continue to join the program on a first-come, first-serve basis. As a condition of the USDA FNS demonstration project waiver, all markets that “participate in the New York State Farmers Market Wireless EBT Token program for the 2008 season and agree to abide by the program agreement” must be eligible to participate in the Fresh Checks program. There is no competitive process for applying to be a Fresh Checks market. Permission is granted on a first-come, first-serve basis for eligible markets on the condition that market managers sign an agreement committing them to “safeguard unissued coupons, complete daily issuance logs, issue coupons based on program rules without discrimination, participate in season end surveys and provide assistance to farmers and sellers in accepting and redeeming coupons.”²⁸ As part of their agreement with USDA as an operator of a demonstration project, the Farmers Market Federation of New York tracks data on EBT sales and the redemption of Fresh Checks.

Fresh Checks can be used to purchase any food that is SNAP eligible—they are not limited to the purchase of fruits and vegetables—throughout the market season from May 1, 2008 to November 15, 2008. In order to be reimbursed, farmers must mail their Fresh Checks to the Farmers Market Federation, who cuts them a reimbursement check equal to the value of the Fresh Checks redeemed.

The Farmers Market Federation of New York explained that the goals of the program are to:

- Introduce SNAP customers to the experience of shopping at farmers markets;
- Increase the consumption of locally grown fruits and vegetable; and
- Support local farmers.

The program, though having only operated for a few months, is already seeing many successes. For example, the Rochester Public Market saw \$2,000 in SNAP sales in their first week of opening the program and issued 500 NY Fresh Checks within one month of the program. Since the program has only been operating for a few months, more significant data is not yet available. Data on redemption rates will be available by January 15, 2009.

Further information about the New York Fresh Checks Program, including a comprehensive PowerPoint explaining the technical aspects of the program is available at <http://www.nyfarmersmarket.com/ebt.htm>

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²⁸ Source: Eggert, Diane. Farmers’ Market Federation of New York. Request for Waiver: NY Fresh Checks. Letter to Al Rios, EBT Bureau Chief, OTDA. November 13, 2007. Received from Diane Eggert on August 6, 2008

IV. The Food Project: Central Square Farmers Market (Lynn, MA)

Multiple matching incentive programs are being launched nearly simultaneously in Massachusetts. As of August 2008, USDA FNS had granted three programs in Massachusetts—operating in Lynn, Holyoke, and Boston—demonstration project status to run matching programs. While two of these programs are operated by The Food Project, because of complications arising from having separate funding streams, they are being operated as distinct demonstration projects.

One of the matching programs in Massachusetts began with a \$500 grant from The Food Project to match EBT dollars spent at downtown Lynn’s Central Square Farmers Market, a Thursday afternoon market. Launched in the 2007 market season, this small-scale program provided matching funds for EBT recipients with its first \$500 in funding. The program was launched for a second season in July 2008 with an additional \$500. The second year, the program ran out of funding by August 2008, thus illustrating the success of the program in drawing EBT recipients.

Cammy Watts, Director of Education and Advocacy at The Food Project, explained that the program has been successful in bringing EBT participants to the market as repeat customers even after matching funds were no longer available. She attributes EBT customers coming back to the market week after week, even after matching funds were no longer available, to customers’ increased awareness and comfort at the market and to their development of routinely shopping at the market during the incentive program’s pilot period.²⁹

The matching program operated in Lynn for over a year before The Food Project was made aware that it had to apply with USDA FNS to have the program become a demonstration project. A representative from The Food Project described the process as “complicated and time consuming,” but the program eventually received such a status. A copy of the [demonstration project approval letter](#) is available in the appendix.

Just as with other demonstration projects, The Food Project and the Lynn Central Square Farmers Market are responsible for submitting an annual report to USDA by January 15, which includes, if possible, data on the value of EBT script and incentive match coupons distributed and redeemed.

The matching program, while temporary, is part of the market’s larger effort to increase access to fresh, healthy, local food for people with low incomes. All of the market’s vendors accept WIC, SFMNP, and EBT. The Central Square Farmers Market has also received funding from the Project for Public Spaces to expand the market’s connection to public transportation.

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²⁹ Watts, Cammy. Personal Communication. August 2008.

V. Holyoke Farmers Market (Holyoke, MA)



Images 6, 7, and 8: Shoppers at Holyoke Farmers Market during the Summer of 2008. Photo credit: Gus Schumacher.

The Holyoke Farmers Market, like many of the markets highlighted in this report, operates with the purpose of increasing access of low income persons to fresh, healthy, and local food. Because Holyoke lacks a full service grocery store within walking distance of Holyoke residents and because many residents do not own cars, the Holyoke Farmers Market attempts to at least partially fill this void. Located in downtown Holyoke, the sixth poorest city in the United States, the Holyoke Farmers Market constantly works to better meet the food and nutrition needs of the low income, predominantly Latino customers who make up the majority of the neighborhood.

A recipient of Project for Public Spaces funding, the Holyoke Farmers Market receives additional support from the Greater Holyoke Chamber of Commerce, the Holyoke Mayor's Office, the Holyoke Health Center, and the Holyoke Food and Fitness Policy Council. Operating since 1976, this thirty-two year old weekly market operates on Thursday afternoons. The market has between seven and ten vendors selling each week, including a stand managed by the grassroots organization *Nuestras Raices* ("Our Roots") that sells locally grown produce from urban gardens and farms, including foods of Latin American heritage.³⁰ The Holyoke Farmers Market has partnered with *Nuestras Raices* to conduct outreach in partnership with Massachusetts Health and Human Services. A community based organization, *Nuestras Raices* operates several community gardens and addresses environmental, economic development, substance abuse, and food security issues impacting low income Latinos in Holyoke through its projects.³¹

³⁰ Source: Project for Public Spaces. "Holyoke Farmers' Market." http://www.pps.org/markets/info/market_profiles/food_insecurity/holyoke. Accessed on September 26, 2008.

³¹ For more information visit <http://www.nuestras-raices.org/en/home>



Images 9, 10, and 11. (far left) Shoppers at the Holyoke Farmers Market. Summer 2008. Photo credit: Gus Schumacher. (center): Youth sell at the Nuestras Raices table at the Holyoke Farmers Market. (far right) Volunteers offer advice on gardening and soil testing at the Holyoke Farmers Market. Source: Project for Public Spaces. “Holyoke Farmers Market.” http://www.pps.org/markets/info/market_profiles/food_insecurity/holyoke. Accessed on September 26, 2008.

One of the Holyoke Farmers Market’s most recent initiatives has been its EBT incentive program. On Thursday, July 31, 2008, the Holyoke Farmers Market and the Wholesome Wave Foundation—a Connecticut based non-profit dedicated to increasing access to fresh, healthy, delicious local foods for all—launched a matching program for EBT users.³² To fund the program, the Wholesome Wave Foundation provided a \$10,000 grant, which is being managed and monitored by the Holyoke Mayor’s Office. The program provides a match for SNAP purchases between \$2.50 and \$10.00. At the end of each market day, farmers submit their bonus coupons and EBT tokens and receive reimbursement checks the following week.

While quantitative data is not available at this time, Michel Nischan from the Wholesome Wave Foundation reported that on the first morning of the program, an estimated 100 people redeemed their benefits for double value coupons and that some farmers ran out of fruits and vegetables for the first time in fourteen years.³³

The Wholesome Wave Foundation and the Holyoke Farmers Market were made aware of the need to apply to the USDA FNS for demonstration project status after the program was already launched. They applied retroactively for demonstration project status (see their [demonstration project letter](#) below), which they were granted.

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³² The Wholesome Wave Foundation is a Connecticut based foundation that seeks to “make life healthier, tastier and more meaningful and accessible to all through locally and sustainably grown food.” For more information on the Wholesome Wave Foundation, please visit www.wholesomewave.org.

³³ Nischan, Michel. Personal Communication. August 2008.

VI. The Food Project: Farmers Market in the Greater Boston Area (Boston, MA)

The third of the farmers market matching programs launched in Massachusetts, which is also the largest, launched on August 1, 2008, operates as a coordinated effort among the Federation of Massachusetts Farmers Markets, The Food Project, and the City of Boston, along with funding from the Wholesome Wave Foundation. These organizations have collectively launched a “Fresh Food Fund” at farmers markets in eastern Massachusetts.

This latest effort has a \$50,000 budget to match EBT and WIC in target areas with high populations of program participants and/or low redemption rates of WIC FMNP coupons. Of the \$50,000, \$20,000 is allotted for EBT matching, \$20,000 for WIC matching, and \$10,000 is held as a reserve in case redemption rates are higher than expected. Any leftover funds are to be applied to the matching program for the following year. Participating markets are each allocated \$1,500 for matching EBT funds. These matching dollars can be used to purchase any SNAP eligible item. The Food Project provides each market with the physical “Match Money”(Boston Bounty Bucks) in \$1 and \$5 increments, which is laminated for reuse. The markets match the \$5 to \$10 amount of EBT spent dollar for dollar. While customers may receive a maximum of \$10 in match funds per day, there is no limit to the number of times customers may revisit the market on subsequent market days. Each farmers market manager reimburses its farmers for EBT and matching dollars. Every time a market reaches \$500, the manager submits its data to The Food Project, which reimburses the market.

Additionally, in the month of August 2008, WIC program participants in sections of Boston with historically low redemption rates were given double the amount of WIC coupons. Unlike the EBT match program, where matching funds are given out at the time of purchase, these additional WIC coupons were given out at the distribution point. The idea was to see if an increase in benefits was enough incentive to encourage more WIC recipients to shop at farmers markets.

Before the 2008 market season, only one farmers market in the City of Boston accepted SNAP benefits. Through this recently launched matching program, by the end of the 2008 market season, between eight and ten markets that serve low income populations will accept EBT. In addition to increasing the purchasing power of people with low incomes and broadening the customer base at farmers markets, the program supports producers willing to sell in low income neighborhoods.

In addition to accepting and even doubling EBT dollars, some markets have been conducting outreach to educate customers about the SNAP Program. According to Dave Kulick, manager of the East Boston Farmers Market, a representative from the Massachusetts anti-hunger non-profit Project Bread conducts SNAP pre-screenings at the market each week.³⁴

As part of their mission to increase access to fresh, healthy, and local food for people with low incomes, The Food Project will collect data on EBT sales and will survey farmers about the impact of the program on their overall sales. The Food Project’s goal for the match program is to change purchasing and eating habits of low income people in target neighborhoods. Thus, the Food Project

³⁴ Kulick, Dave. Personal Communication. September 2008.

will evaluate the success of the program by the sustained EBT sales after the match program has ended.

The Food Project has applied for and been approved as a USDA FNS demonstration project. While both the Boston and the Lynn programs are administered by The Food Project, they applied as separate projects because of their separate funding streams.

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VII. City Heights Open Air and Certified Farmers Market (San Diego, CA)

Just a few months old, the City Heights Open Air Farmers Market (City Heights) in San Diego, CA may likely become a model for farmers markets across the nation striving to meet the needs of low income communities. The market, which has only been in operation since June 2008, already has twenty vendors selling everything from produce to fresh fish to freshly prepared savory East African pastries. Located in a largely immigrant community, the market provides a wide variety of foods that are unavailable in the grocery store, but which its international clientele crave. Market staff survey customers to ensure that the foods they want are available. If requested foods are not available, market staff inform the farmers of what foods are in demand so that they can take this into consideration when planting. The market regularly conducts health screenings and hosts booths addressing diabetes and obesity. Cooking demos are expected to be next.



Image 12: City Heights Farmers Market, San Diego, California—August, 2008

The City Heights is the first farmers market in San Diego County to accept SNAP benefits. The market also launched a program in August 2008 to match the dollars spent by EBT, WIC, and Senior FMNP recipients. SNAP benefits are exchanged at a central terminal for “program tokens” and bonus “Fresh Fund Dollars.” Funding for the program is provided by the Wholesome Wave Foundation as well as private donations, while this grant funding is managed by the San Diego County Farm Bureau. Customers receive a \$5 coupon if they spend \$5 of their benefit dollars at the market. They may return each week for an additional \$5 coupon. The market initially intended on matching up to \$10 each week, but had to cut back to ensure that they had sufficient funds to cover everyone who wanted to participate. The market would like to increase this amount if funding permits.

City Heights began their matching program with an unadvertised launch on August 9, 2008 to keep the program from becoming overwhelmed. Even without advertising, the market distributed "Fresh Fund Dollars" to 60 market patrons who receive SNAP benefits, WIC, or Senior FMNP during the first day of the launch. As a result, sales using EBT were up by more than 200% and the market's farmers became very excited about the extra income. A City Heights representative reported that, because word travels quickly in the area, they are expecting even more people to participate in the following weeks.

After the program's first few weeks, City Heights Farmers Market Steering Committee member Ellee Igoe described it as a great success:

“People come because they can have more money to spend, and can buy fresher, more nutritious foods than they normally would be able to afford; farmers are ecstatic because of great sales driven by the match. Food-stamp screening on-site is a big hit, especially when placed right next to the voucher disbursement area. Happy crowds and happy farmers attract only more crowds, more money, and more benefit to everyone involved. This is one of those rare instances where it seems everything is working exactly the way we hoped it would.”³⁵

In addition to matching funds, City Heights conducts screenings for potential eligibility for SNAP and WIC and distributes SFMNP booklets to eligible seniors. At their “Seniors Day at Market” this season they distributed 416 SFMNP booklets.

City Heights plans to accept private donations to ensure that they can continue the program once its initial funding is depleted. As of September 29, 2008, City Heights has had to set a limit of \$1,000 of Fresh Fund dollars each week (enough for 200 customers) because the demand has been so high. According to Ellee Igoe, Fresh Fund dollars are exhausted by 9:30 am, just 30 minutes after the market opens, and the Fresh Fund line forms as early as 7:30 am, as illustrated in the image below³⁶

³⁵ Igoe, Ellee. Personal Communication. September 2008.

³⁶ Igoe, Ellee, Personal Communication. September 29, 2008.



Image 13: City Heights Farmers Market, San Diego, California August, 2008. SNAP, SFMNP, WIC FMNP, and SSI recipients waiting in line for Incentive Benefits.

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Other Initiatives

The seven case studies highlighted in this report, while capturing a strong sample of existing programs, are not the only programs operating such initiatives. Because pilot programs of various sizes are springing up largely independent of each other and because there is no central registry of programs, it is difficult to pinpoint a definitive number of programs that are currently operating. Furthermore, new programs are constantly emerging, including temporary incentive programs that may only last a month. Other attempts have already come and gone.

“GreenBucks” New Bedford, Massachusetts. One of the earliest programs, the “Green Bucks” program in New Bedford, Massachusetts, sponsored by the local United Way, was an antecedent to the matching programs today. The idea for the market and GreenBucks program originated in early 2003 when John Calnan, President of the local United Way of Greater New Bedford (UWGNB), realized the gaps in the emergency food system—particularly the lack of healthy, fresh foods—and the role his organization could play in filling those gaps. The program was established through a collaborative effort from UWGNB, Southeastern Massachusetts Agriculture Partnership (SEMAP), Acushnet Heights Neighborhood Association, University of Massachusetts Extension Nutrition Education Program, as well as other community programs.

With a budget of some \$140,000 annually, the Greenbucks programs allowed families to use their vouchers to purchase \$100 worth of fresh locally grown fresh fruits and vegetables. This innovative program issued coupons to lower income families that could be exchanged for local, fresh fruits and vegetables at the Clasky Common Farmers Market. Individuals and families were automatically eligible for the Greenbucks program if they are enrolled in any of the federal nutrition or safety net programs, such as SNAP benefits or Medicaid.

While the Clasky Common Farmers Market accepted food stamps and WIC, there was no formal connection between “Greenbucks” and government food assistance dollars; the program was not administered by a state agency. While not directly connected to SNAP benefits or other public assistance dollars, the GreenBucks Coupon Program at the Clasky Common Farmers Market in New Bedford linked the nutritional needs of over 1,300 low income families with the economic well-being of some 12 local, small-scale Massachusetts farmers. This program in some ways can be seen as a precursor to the matching programs that are operating today.

High Springs, Florida. The City of High Springs Farmers Market, which was the first farmers market in Florida to accept EBT, offered a matching program for EBT of up to \$50 each week beginning in early 2007. Even with this high limit, the EBT redemption was slow. Market manager Sharon Yeago explained that it generally takes at least three years to get EBT off the ground. Through funding from Project for Public Spaces and the W.K. Kellogg Foundation, the market also offered matching funds for WIC FMNP and SFMNP, which successfully increased redemption rates for these two programs. The market has since exhausted its funding and thus is no longer operating its matching programs.³⁷

Downtown Ypsilanti Farmers Market. The Downtown Ypsilanti Farmers Market in Ypsilanti, Michigan has partnered with Growing Hope, a local food justice non-profit organization, to offer bonus “Market Dollars” for every EBT dollar spent, of up to \$5 per week, for the month of July. For more information, see [article](#) in appendix.

Toledo Farmers Market and ProMedica Health Care. In 2008, the Toledo Farmers Market in Toledo, Ohio has partnered with ProMedica Health Care (ProMedica), the area’s largest health care provider, to expand EBT awareness and access at the Toledo Farmers Market. Working with ProMedica’s Community Outreach Director, the Toledo Farmers Market secured \$4,000 in matching funds to use as an incentive and supplement for EBT users shopping at the farmers market for the 2008 market season. EBT users are notified at the Lucas County Jobs and Family Services (LCJFS) office that the Toledo Farmers Market will give them up to \$12 per week in free fruits and vegetables by doubling their EBT purchases. The market has one EBT machine that is placed next to a cooking demonstration station, which is also supported by ProMedica. At this table, EBT users can swipe their Ohio Direct Card for purchase of script in \$3 denominations. For every \$3 of script purchased with EBT, they are given an additional \$3 of Matching Money for up to \$12. This script is accepted by all vendors at the market and is only valid for one day. In addition, ProMedica has been working with LCJFS to create and distribute postcards that promote this campaign to all EBT users.³⁸

³⁷ Source: Yeago, Sharon. Market Manager, The City of High Springs Farmers’ Market. Personal Communication. September 2008

³⁸ Madigan, Dan. Toledo Farmers Market. Personal Communication. August 2008.

Multiple programs exist to supplement the dollars of those eligible for WIC FMNP or SFMNP. Unlike SNAP, an entitlement program whereby all those who are eligible can receive benefits, funds for WIC FMNP and SFMNP benefit levels vary significantly from state to state. Some states fund these programs generously, while other states do not offer any FMNP or SFMNP benefits. To ensure that low income seniors, women, and young children have access to the fresh, healthy, local food at farmers markets, some farmers markets, partner organizations, and state agencies have stepped up to begin to bridge the gap between what needed and what is offered by existing programs.

In Michigan, the Office of Services to the Aging has partnered with local cooperative extension offices to supply seniors who qualify for SFMNP with a bonus book holding \$20 worth of farmers market coupons that are funded by county and local funds in addition to their \$20 in federal SFMNP coupons.³⁹

Boulder, Colorado Farmers Market WIC Program. The Boulder County Farmers Market (Boulder Market) has been supporting WIC FMNP coupon for nearly seven years. The state of Colorado does not participate in the WIC FMNP. Thus, WIC recipients throughout the state do not benefit from any bonus dollars to spend at farmers markets. The Boulder County Farmers Market will be donating \$5,000, up from \$4,000 last season, worth of WIC FMNP dollars to be redeemed at the market. The Boulder Market works with the local WIC agency to print and distribute the coupons. When the coupons are redeemed at the Boulder Market, farmers deduct the value of the coupons they receive from what they pay in market fees. In doing so, the Boulder County Farmers Market is essentially donating those dollars to the program. Boulder Market staff track the coupons redeemed and let the WIC coordinator know when they are approaching the \$5,000 limit, at which point they will stop distributing coupons.⁴⁰

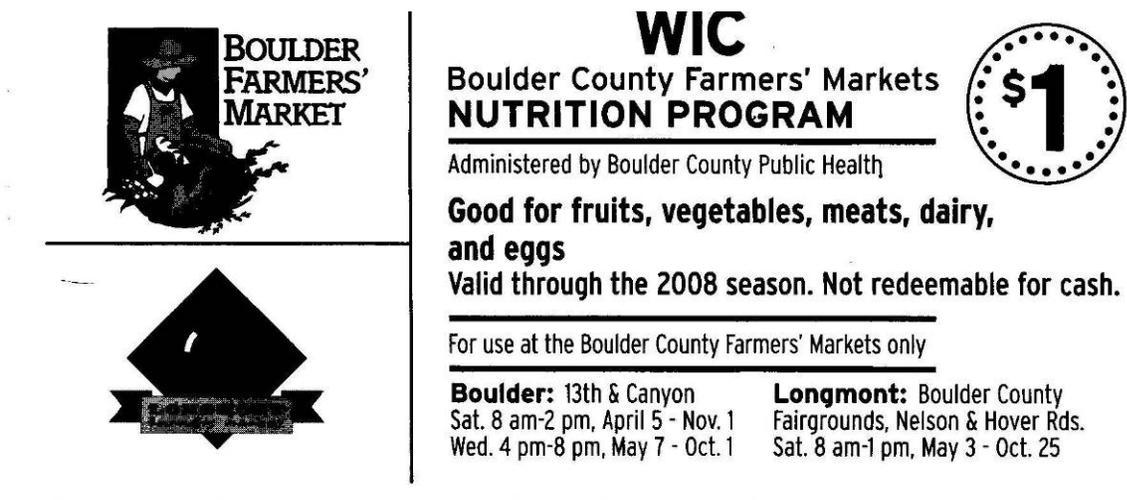


Image 14: Sample Boulder County Farmers Market check

³⁹ King, Sherry. Michigan Office of Services to the Aging. Personal Communication. August 2008.

⁴⁰ Menagh, Mark. Executive Director, Boulder County Farmers Market. Personal Communication. September 2008.

New Orleans Market Umbrella at Crescent City Farmers Market. One innovative program in New Orleans combines nutrition education, games, and field trips to the farmers market with financial incentives to increase redemption of SFMNP coupons and to advocate for increased state SFMNP funding. The Crescent City Farmers Market (CCFM) through its parent organization, marketumbrella.org, and with the support of the Ford Foundation, has initiated a Conditional Benefit Transfer (CBT) program in partnership with 13 senior centers in the New Orleans area. Seniors who receive SFMNP are eligible to receive \$20 in crescents (CCFM's wooden token currency) if they complete a series of conditions. The conditions include: (1) Playing Farmers Market BINGO with CCFM staff at their senior center. Farmers Market BINGO provides an opportunity to engage and educate seniors about nutrition, purchase options and seasonal items before they arrive at the market; (2) Visiting the Crescent City Farmers Market for a "Meet Me @ the Market" guided tour and a chance to spend their FMNP coupons; and (3) Spending all \$20 worth of SFMNP coupons before November 30th. If all three conditions are met, the value of the SFMNP program to the participating senior is doubled; instead of \$20 in vouchers the participants will receive \$20 in vouchers plus \$20 in crescents for a total of \$40 to spend at the market. BINGO sessions began at the end of September 2008 and the first group of senior centers visited the market Tuesday, October 7th. About 60 seniors came through the market that day and 25 redeemed their empty FMNP booklets for crescents. Marketumbrella.org plans to bring a complementary program to WIC FMNP recipients in 2009 as part of their mission to cultivate the field of public markets for public good.

WIC Cash Value Fruit and Vegetable Vouchers (2009 and annually thereafter)

USDA recently revised the WIC food packages to reduce allocations to some products and to use the savings to allocate fruit and vegetable vouchers(\$432 million worth) to 6 million WIC clients (2 million mothers and 4 million children ages 2-5 years). Pregnant WIC women will receive \$10 in vouchers monthly, nursing mothers will receive \$8 in vouchers monthly, and WIC eligible children age 2-5 years will receive \$6 in vouchers monthly to purchase fresh fruits and vegetables. Each state WIC office must have the program in operation by October 2009.

States are working intensively to revise procedures and develop systems for changing the allocation to foster healthier WIC packages that include fruits and vegetables. Several states are working to promote the use of these new vouchers for fresh local fruits and vegetables at farmers markets. Laurie True and her team at the California WIC Association have been national leaders in advancing the guidelines and implementation of these new WIC Cash Value vouchers for fruits and vegetables. As the state with the greatest number of WIC clients—some 1.4 million beneficiaries—and as an agricultural center for produce with over 500 farmers markets and some 4,000 fruit and vegetable farmers selling at those markets, California, in particular its WIC participants, farmers, and economy may benefit greatly from the new cash vouchers for fruit and vegetables. To facilitate the transition to the new fruit and vegetable vouchers, Laurie True outlined a series of innovative approaches that they may be piloted in 2009 including:

- a) Locating farmers markets adjacent to WIC centers to facilitate ease of exchange
- b) Developing pre-packaged fruit and vegetable packets for sale at California's 350 existing WIC-only stores, with such packets being nutritionally balanced for pregnant or nursing mothers or for children ages 2 to 5 years. Packets could be prebundled in \$6, \$8 and \$10 packages.
- c) Working with ethnic farmers to supply culturally suitable and nutritious fresh fruits and vegetables WIC clients of different ethnicities.

Laurie True and her team at the California WIC Association hold meetings with WIC staff, farmers and WIC clients. Laurie is working to encouraging the development of regulations for this \$432 million national program of which \$80 million would benefit California's 1.4 million WIC clients. She explains that while there may be significant complications for farmers and farmers markets to accept the new WIC vouchers, the economic benefits to farmers will outweigh the extra effort.

Laurie says:

WIC has been meeting with Farmer's Market managers and farmers all summer. The farmers initially balk when they hear how complicated the check transaction is going to be compared to SNAP benefits, but cheer up when we show them the county-by-county estimates of the amount of cash-value vouchers that will be spent!⁴¹

Laurie True and her team are working county by county to explore how local farmers can maximize the amount farmers can access from this \$80 million.

It is yet to be determined whether WIC recipients will have the option of redeeming fruit and vegetable voucher coupons at farmers markets. This decision could have significant implications for access to fresh, healthy, local food for people with low incomes. By allowing WIC recipients to purchase directly from farmers at farmers markets or roadside stands, WIC beneficiaries would have greater options for fresh and healthy foods, and often, the most affordable option. Studies conducted in Seattle, Washington and Los Angeles, California revealed that prices at farmers markets for fruits and vegetables were actually lower than nationwide chains in the city.⁴² With the increasing cost of fuel, farmers markets may gain even more competitive advantage over grocery stores where food must travel further. A 2006 University of California study conducted in Los Angeles in which WIC clients were given monthly vouchers for purchasing fruits and vegetables showed a slight preference for utilization of the vouchers at the local farmers market over the nearby supermarket.⁴³ Furthermore, as farmers markets target their locations in low income areas in an effort to increase access to fresh, healthy and local food for people with low incomes, farmers

⁴¹ True, Laurie. Personal Communication. September 9, 2008.

⁴² Curtis, Chris. Director of the Neighborhood Farmers Market Alliance. In person interview. October 11, 2008.

See also: Gaudette, Karen. "Farmers-market food costs less, class finds." *Seattle Times*. June 4, 2007. Accessed online at http://seattletimes.nwsources.com/cgi-bin/PrintStory.pl?document_id=2003733548&zsection_id=2002111777&slug=farmers04&date=20070604 on October 14, 2008.

See also: Ashman, Linda et al. "Seeds of Change: Strategies for Food Security for the Inner City." UCLA Urban Planning Department. 1993.

⁴³ Herman, Dena et al. "Choices Made by Low-Income Women Provided with an Economic Supplement for Fresh Fruit and Vegetable Purchase." *Journal of the American Dietetic Association*. 2006. Accessed on-line at <http://www.healthpolicy.ucla.edu/pubs/files/JADA.052006.pdf> on October 14, 2008.

markets may be the closest or most convenient location to purchase produce for some WIC recipients.

Principal Findings

Resources to generate and maintain incentive programs are lacking

Secure annual funding for these incentive programs is a pressing problem. Programs have either ended because they have exhausted funds, as was the case with the Central Square Farmers Market in Lynn, Massachusetts, or have reduced their per client funding, as was the case with City Heights Farmers Market in San Diego, California, which had to reduce the amount of the vouchers available to its EBT, FMNP, and SFMNP customers from its originally intended amount of \$10 to \$5 per week per customer. With the majority of programs funded as temporary pilot projects, more programs may be discontinued or scaled back if additional funds are not provided. Additionally, data on redemption rates and participant numbers (by EBT, WIC FMNP, and SFMNP users) is needed to evaluate the effectiveness of these programs and give foundations and governments stronger reasons for their financial and administrative support of these programs. This data is also necessary to help programs recognize their deficiencies and effectively plan to improve participation among low income communities.

Education about regulatory compliance is inadequate

USDA regulations governing the participation of retail food stores in SNAP specify that, “No retail food store may single out coupon users for special treatment in any way.”⁴⁴ However, USDA has the authority to grant permission for certain programs that violate this regulation to operate as demonstration projects under Section 17 of the Food Stamp Act for a probationary period. In the case of these incentive programs, which fall under these regulations, the USDA has granted them demonstration project status and required that each program submit annual evaluations on the government benefit and incentive dollars spent at farmers markets. The USDA stated that it would determine whether or not to renew the demonstration authority of each program based on those annual evaluations.

Lack of knowledge about regulatory requirements on the part of these pilot incentive programs and lack of public education about regulatory requirements on the part of the USDA have led to inadvertent delays in compliance. Of the seven programs featured, only one – the Fresh Checks program operated by the Farmers Market Federation of New York – applied for and received a letter granting them permission to operate as a demonstration project prior to its implementation during the planning phase of the program. At least one program – the Crossroads Farmers Market in Takoma Park, Maryland – had its launch jeopardized by its noncompliance with the equal treatment provisions for SNAP. The USDA rushed a letter to the market two days before the launch of the pilot program granting the Crossroads Farmers Market permission to conduct the program as a three-year demonstration study.

⁴⁴ 7 C.F.R. § 278.2(b).

Effective program promotion and coordination with state agencies are essential

Many programs experienced difficulty attracting EBT recipients to the farmers markets but were successful in drawing WIC and SFMNP recipients. One of the main reasons for this disparity of redemption rates is that EBT dollars can be spent anywhere, whereas FMNP and SFMNP coupons can only be spent at the farmers markets. Furthermore, farmers markets report having a better relationship with WIC offices than with SNAP offices. Many WIC offices advertise the farmers market incentive programs and WIC nutritionists and other staff inform clients of where they can redeem their FMNP coupons. At least one farmers market, the Crossroads Farmers Market in Takoma Park, Maryland, is intentionally located near a WIC office.

Beyond promotion at state agencies, getting the word out about incentive programs is a difficult but essential task. The New York City Health Bucks program is in the vanguard of promotion. In New York City, promotional materials are widely distributed through Department of Health and Mental Hygiene offices and local social service or non-profit agencies. The City Heights Market in San Diego, CA has also been successful in market promotion and the Farmers Market Federation of New York has developed extensive market promotion materials, many of which are available at their website at <http://www.nyfarmersmarket.com/ebt.htm>.

The process of implementing incentive programs is too burdensome

Farmers market managers reported difficulty implementing incentive programs, particularly programs related to EBT purchases. The Food Project in Boston, Massachusetts had significant struggles with the EBT machines themselves and have had many instances of EBT machines not working. Furthermore, market managers have found the process of applying to be a demonstration project difficult. One market manager explained:

We ran our program all summer before hearing from USDA. When we were told that we had to apply for a permission waiver, it wasn't a very quick process. They kept asking more and more questions. We couldn't answer them all. If we have to apply for a waiver, it would be great to have a simple form designed just for farmers markets.

For farmers market staff who have already faced significant barriers being able to simply accept EBT at the market, this additional barrier of needing to apply to be a demonstration project adds an additional and burdensome layer of administrative tasks that could potentially dissuade some markets from piloting such programs.

Conclusion and Recommendations

Incentive programs for people with low incomes at farmers markets can be part of an effective, multi-pronged approach to increase access to fresh, local, and healthy food while at the same time supporting small-scale farmers. Such programs are certainly not without their limitations. For one, farmers markets, which are generally open on a limited basis (often just once a week for part of the year), are not a replacement for a full-service grocery store. Additionally, this piecemeal approach of each farmers market individually applying for matching funds from foundations, Departments of Health, private industry, and individual donors is labor intensive. Nevertheless, these cases serve to

illustrate both the successes and the challenges of operating incentive programs that can inform other markets attempting to implement similar programs as well as programs on a larger scale.

Farmers markets are currently pivotal players in linking fresh, healthy, local food to people with low incomes. As part of the requirement for being a demonstration project, markets operating incentive programs must submit data to USDA on EBT and matching dollar redemption rates. This data will help to paint a more complete picture of how effective these programs are at bringing target populations to market. Furthermore, changes in this round of the Farm Bill may not only allow such programs to occur, but may actually provide funding to do so. Section 4141 of the new Farm Bill authorizes USDA to carry out pilot projects to develop, test and evaluate methods of using the SNAP program to improve the dietary and health status of households eligible for or participating in SNAP and to reduce overweight and obesity. Section 4141 provides \$20 million in mandatory funding for a project to test point-of-purchase incentives for healthful foods, funds which are to be made available on October 1, 2008. As USDA determines how these funds will be allocated, the input from farmers markets operating these pilot programs will be crucial.

Recommendations

Regulatory action

1) In order to ease the administrative burdens on incentive programs and encourage farmers markets to offer SNAP clients incentives to use their EBT cards to purchase healthy food, in particular, fresh fruits and vegetables, USDA FNS should update its regulations, such as its equal treatment provisions.

Technical assistance and information sharing

2) In order to ensure timely compliance with its regulations and to avoid any delays in implementation of incentive and other programs promoting healthy food purchases, especially fresh fruits and vegetables, by SNAP, WIC, and SFMNP participants, USDA should conduct public outreach and education campaigns instructing program managers and supporters (such as farmers markets, foundations, state and local governments, and non-profit organizations) about regulatory requirements, compliance, and deadlines for compliance.

3) In order to give more farmers markets access to EBT systems and to encourage more cost-effective, user-friendly EBT transactions, USDA and Agricultural Marketing Service (AMS) should jointly develop an analysis of current EBT systems at farmers markets (e.g., evaluating purchase versus annual lease costs, EBT machine models, etc.) and publish its findings.

4) Under the umbrella of the USDA Farmers Market Consortium quarterly meetings (with members from a cross section of federal departments, foundations, farmers market associations, and non-profits), USDA FNS should organize an annual consortium session allowing members to provide updates on the progress, challenges, and innovations for farmers market incentive programs encouraging SNAP, FMNP, and SFMNP participants to purchase fresh, healthy food at farmers markets and roadside stands. These annual sessions would encourage members to not only share information and learn from one another, but would allow members to coordinate efforts and share

resources. The USDA should provide a central repository for the information exchanged at these meetings so that they are accessible to current and future programs.

5) To monitor and improve the impacts of the new WIC Cash Value Fruit and Vegetable Vouchers at local farmers markets, USDA FNS should analyze and publish its findings annually on the existing and proposed innovations that promote the use of these vouchers at local farmers markets.

Funding

6) To deal with funding gaps for incentive programs, USDA FNS should start a \$10 million competitive grants program within Section 4141⁴⁵ to enable farmers markets (up to \$15,000 per farmers market) and states (up to \$250,000 per state) to apply for “healthy food incentive vouchers,” similar to the programs highlighted in this report, to encourage SNAP clients to purchase fresh fruits and vegetables at farmers markets and roadside stands.

7) To jumpstart California’s Healthy Food Purchase Program⁴⁶ an innovative state pilot program that has been enacted, but not funded, USDA should provide \$2 million from Section 4141 to the State of California’s Department of Public Health for the six proposed California foodsheds (in the cities of San Diego, Fresno, Los Angeles, Modesto, Oakland and Sacramento) outlined in the program.

8) USDA Agricultural Marketing Service might consider promoting incentive programs for people with low incomes to shop at farmers markets to apply for Farmers Market Promotion Program grants when AMS issues guidelines each year for its Request for Proposals for the Farmers Market Promotion Program.

⁴⁵ Section 4141 – PILOT PROJECTS TO EVALUATE HEALTH AND NUTRITION PROMOTION IN THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM. This provision authorizes USDA to carry out pilot projects to develop, test and evaluate methods of using the SNAP program to improve the dietary and health status of households eligible for or participating in SNAP and to reduce overweight and obesity. It provides \$20 million in mandatory funding for a project to test point-of-purchase incentives for healthful foods (to be made available on October 1, 2008 and to remain available until expended), and authorizes appropriations for other projects. It requires the US Secretary of Agriculture to submit an annual report to Congress on the status of each pilot and the results of the evaluations, as well as to broadly disseminate the evaluation results.

⁴⁶ California passed legislation in September 2006 authorizing the *Healthy Food Purchase Pilot Program*, which includes the delivery of financial incentives to EBT users for purchases of fresh produce;. However, the pilot program has not been implemented. The pilot program aims to increase access to fresh produce in selected low income communities, in part by adding a percentage of what SNAP participants spend on fresh produce back to their EBT accounts. The law requires the state agency to consult with USDA’s Economic Research Service to design the pilot evaluation. The state convened a working group made up of state and local health and FSP administrators, information systems staff, retailers, and advocacy organizations to begin discussions about the pilot. However, the California state legislature did not provide funding as part of the legislation, and implementation is on hold until funding is made available.

Appendix

How to Apply for a USDA Waiver

The United States Department of Agriculture Food and Nutrition Service (USDA FNS) requests that all programs operating incentive programs for SNAP recipients register their program.⁴⁷ This applies to programs that are already operating. Programs currently under operation will not jeopardize their programs by applying for a waiver and programs will not be asked to discontinue their programs during the application process.⁴⁸

To request a waiver, request that your state's SNAP agency send a letter on your behalf. Contact information for the SNAP agency for your state can be found at http://foodstamp.nal.usda.gov/nal_display/index.php?info_center=15&tax_level=2&tax_subject=266&topic_id=1518. Requests letters should include the following information:

- Name and contact information of program administrator(s);
- Name of state SNAP agency staff person submitting request on your behalf;
- Explanation of how the program is/will be implemented and operated;
- Sources of funding; and,
- Methods of data collection.

The state SNAP agency (such as the state Department of Health and Human Services, Department of Social Services, Department of Transitional Assistance) should submit their letter to Jeffrey Cohen at USDA FNS:

Mr. Jeffrey N. Cohen, Chief
Electronic Benefit Transfer Branch
Food and Nutrition Service
U.S. Department of Agriculture
3101 Park Center Drive
Alexandria, VA 22302

For a sample letter, please see Appendix Exhibit III A: Farmers Market Federation of New York: Request Letter for USDA Waiver.

Markets and organizations that would like more information about the waivers or process for applying may contact Kathy Ottobre, Program Analyst at USDA FNS:

Kathy.Ottobre@fns.usda.gov or 617-565-5200.

⁴⁷ Waivers are only required for programs that provide "special treatment," including incentives, specifically for food stamp users. Programs that do not specifically target food stamp users, including programs that provide incentives for WIC or SFMNP recipients, do not need to apply for a waiver.

⁴⁸ Source: Kathy Ottobre, Program Analyst at USDA FNS. Personal Communication. August 28, 2008.

I. Takoma Park, MD

Exhibit A: USDA Waiver



19 JUN 2007

United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive

Alexandria, VA
22302-1500

Mr. Joe May
EBTS Director
Department of Human Resources
1100 Eastern Boulevard
Baltimore, Maryland 21221

Dear Mr. May:

The Food and Nutrition Service (FNS) has reviewed the proposal for the Takoma Park Farmers' Market Inc. scrip / token project for Electronic Benefit Transfer (EBT) transactions and we are approving the alternate redemption system being used for the Food Stamp Program (FSP).

The two market locations are:

- Old Town Takoma Park Farmers' Market which will be open on Sundays, year round from 10 a.m.- 2 p.m.; and,
- Crossroads Farmers' Market which will be open on Wednesdays, mid-May to mid-November from 3 p.m.-7 p.m.

The Takoma Park Farmers' Market Inc. plans to redeem food stamp benefits using a wireless Point-of-Sale (POS) device for scrip, in the form of unique wooden tokens. Tokens will be stamped with the market name, a serial number, and the value of the token. The value is limited to a single denomination of \$1.00 per token. The tokens will be the same for both markets, allowing customers to take advantage of the Old Town Takoma Park Farmers' Market being open year round.

The Takoma Park Farmers' Market Inc. will also use the wireless POS device and tokens for credit and debit transactions. However, tokens used with credit and debit cards will be clearly distinct from those used for food stamp EBT benefits.

Only authorized staff will be permitted to convert EBT benefits to tokens. EBT purchases will be limited to the purchase of eligible food items, as determined by FNS. All sales will be in \$1.00 increments (full value of one token) and no change will be given. The market will not exchange unused tokens for cash. Customers of the Crossroads Farmers' Market will be advised that all tokens must either be spent or credited back to their EBT food account by the last day of the market or customers can use them at the Old Town Farmers' Market.

Vendors will turn in all tokens to the EBT manager at the end of each market day and the market will reimburse the vendors for the value of their submitted tokens on a weekly basis. Upon collecting tokens at the end of the market day, the EBT manager will count the tokens

AN EQUAL OPPORTUNITY EMPLOYER

to ensure that all are accounted for. Tokens will be stored in a locked container, with access limited to authorized and trained personnel.

Both markets will maintain token redemption records for 3-years. Records will be made available to USDA and/or the Maryland Government upon request and will include the name of the farmer, the amount of the transaction, and the name of the person conducting the transaction.

Takoma Park Farmers' Market Inc. understands that it will be liable for all lost, stolen, or counterfeited tokens. The market will notify food stamp recipients that the market will not replace lost or stolen tokens.

We are also approving the Fresh Check incentive program under our demonstration authority through November 30, 2009. At that time a determination can be made as to whether to renew the demonstration project or not based on the evaluation results of the markets. Section 17 of the Food Stamp Act [2026](a)(1) gives USDA the authority to approve demonstration projects as follows: "The Secretary may, by way of making contracts with or grants to public or private organizations or agencies, undertake research that will help improve the administration and effectiveness of the food stamp program in delivering nutrition-related benefits." Under the Fresh Check incentive program, food stamp clients will receive an additional fruit and vegetable benefit (token) for a certain level of EBT benefits spent.

We are approving the market as a demonstration project because the Fresh Check incentive program is operating outside of Section 278.2(b) of the FSP regulations on equal treatment for customers which require, "No retail food store may single out coupon users for special treatment in any way." We understand that the Fresh Check incentive program will only be available to food stamp clients and will not be available to non-food stamp market customers.

Since our approval is based on our authority to conduct demonstration projects, the commitment to oversight and report evaluations is very important. As such, the State must submit a cumulative annual year-end report to FNS for each market location. The report must be completed and received by January 15, 2008, 2009 and 2010 if applicable. The report should be sent to FNS Headquarters at 3101 Park Center Drive, BRD / EBT, Alexandria, Virginia 22302. Please also send a copy of the report to Carolyn Shelby of the Mid-Atlantic Regional Office Food Stamp Program.

If possible, the annual report should include:

1. By month and market site, total value of tokens purchased with food stamp benefits,
2. By month and market site, total value of Fresh Checks distributed,
3. By month and market site, total value of tokens redeemed,

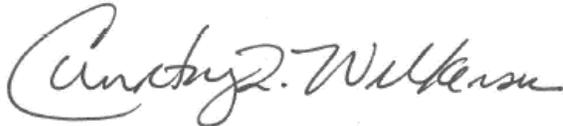
4. By month and market site, total value of Fresh Checks redeemed,
5. By month, market site and individual vendor, total value of tokens redeemed,
6. By month, market site and individual vendor, total value of Fresh Checks redeemed,
and
7. By month and market site total value of tokens purchased but returned unused by
clients for EBT credit.

Staff from FNS's Office of Analysis, Nutrition and Evaluation (OANE) can answer any reporting questions and can assist the Takoma Farmer's Market, Inc. determine how to gather this data if need be. OANE may then pursue their own evaluation efforts based on the data collected from the markets.

Finally, FNS applauds the Takoma Park Farmers' Market Inc.'s efforts to encourage healthy eating by providing an additional fresh fruit and vegetable benefit through the Fresh Check incentive program. As such, we look forward to receiving the evaluation of the markets.

If you have any concerns or questions please contact Carolyn Shelby at (609) 259-5193.

Sincerely,



for Jeffrey N. Cohen
Director
Benefit Redemption Division

II. New York City Department of Health and Mental Hygiene Health Bucks

Exhibit A: USDA Waiver

Ms. Phyllis Morris
Director of HEAP, SSI and EBT Policy
Division of Temporary Assistance
Office of Temporary and Disability Assistance
40 N. Pearl Street
Albany, New York 12243

Dear Ms. Morris:

This is to advise you that the Food and Nutrition Service (FNS), in consultation with our Office of the General Counsel (OGC), has concluded that incentive programs, such as the New York City Department of Mental Health and Hygiene's Farmers Market Health Bucks Program, are operating outside of the equal treatment provisions of the Food Stamp regulations.

Although we only recently learned about this supplemental program, Health Bucks have been distributed to Farmers Market Nutrition Programs (FMNP) clients since 2005. During the 2006 season, the program expanded from one District Public Health Office (DPHO) in the Bronx to additional DPHOs in Brooklyn and East Harlem, more market sites were added in the Bronx and participation was expanded to include food stamp Electronic Benefits Transfer (EBT) customers. Farmers participating in the EBT program at the designated markets have been individually authorized by the Food and Nutrition Service. All have been supplied with their own wireless equipment, and many of them sell their products at multiple market locations. The 2006 Year End Report prepared by the Farmers' Market Federation of New York recommended that the Health Bucks program be expanded even further in 2007.

Regulations at 7 CFR 278.2(b) specify that "No retail food store may single out coupon users for special treatment in any way." We understand that the Health Bucks Program has only been available to EBT and FMNP clients, and not to members of the general public that shop at the designated markets. Therefore, it is out of compliance with this provision. Section 278, which covers the authorization and participation of retail food stores, applies to FNS and retailers rather than State agencies. As such, the Program's general waiver authority, which applies to State activities, may not be used for provisions of Section 278.

Nevertheless, we have concluded that incentive programs such as Health Bucks may be carried out as demonstration projects. Section 17 of the Food Stamp Act [2026](a)(1) gives USDA the authority to approve demonstration projects as follows: "The Secretary may, . . . , undertake research that will help improve the administration and effectiveness of the Food Stamp Program in delivering nutrition-related benefits."

So that this valuable program may continue, and we can determine whether policy changes may be warranted, we are approving the use of Health Bucks under our demonstration authority through November 30, 2009. At that time a determination will be made, based on the evaluation results of the project, whether or not to renew the demonstration authority. Under the Health Bucks Program, food stamp clients will receive additional fruit and vegetable benefits through provision of Health Bucks coupons when a certain level of EBT benefits has been spent at a designated farmers market. Health Bucks will only be redeemable for fresh produce at the markets listed on the back of the coupon. The New York City Department of Mental Health and Hygiene will be responsible for the cost of operating the program, identifying designated markets and reimbursing produce sellers for the value of the coupons.

Since the approval is based on our authority to conduct demonstration projects, the commitment to oversight and report evaluations is very important. As such, the State must submit a cumulative annual year-end report to FNS for the 2007, 2008 and 2009 market seasons, if applicable. The reports must be completed and received by January 15, 2008, 2009 and 2010 respectively. They should be sent to the EBT Branch Chief at USDA-Food and Nutrition Service, 3101 Park Center Drive, Alexandria, Virginia 22302. Please also send a copy of each report to Denise Daly of the Northeast Regional Office Food Stamp Program.

The annual report should identify the individual DPHOs sponsoring the program each year, list the locations of all farmers market sites designated by each DPHO that season and identify the individual participating farmers for each DPHO/site, along with an indication of whether they sold any products in addition to fruits or vegetables. If possible, the report should include:

- By month, DPHO, and market site, total dollar value of EBT tokens purchased,
- By month, DPHO, and market site, total dollar value of Health Bucks distributed,
- By month, DPHO, market site and individual farmer, total dollar value of EBT tokens redeemed, and
- By month, DPHO, market site and individual farmer, total value of Health Bucks redeemed.

Staff from the FNS Office of Analysis, Nutrition and Evaluation (OANE) can answer any reporting questions and can assist the Farmers' Market Federation of New York or other future evaluator to determine how to gather this data if needed. OANE may then pursue their own evaluation efforts based on the data collected from the markets.

If you have any concerns or questions please contact Kathy Ottobre at (617) 565-5200 or Denise Daly at (617) 565-6404.

Sincerely,

Jeffrey N. Cohen
Director
Benefit Redemption Division

Cc: Al Rios, EBT Bureau Chief
Tom Hedderman, Food Stamp Bureau Chief
Bob Lewis, NYS Dept. of Agriculture and Markets
Mary Ann Ferris, NERO
Denise Daly, NERO
Denise Thomas, New York City Field Office
Kathy Ottobre, EBT Branch
Carol Olander, OANE

Exhibit B: Press Release: Health Department Expands “Health Bucks” Program to Provide More Coupons for Fresh Fruits and Vegetables

FOR IMMEDIATE RELEASE

Press Release # 055-07

Tuesday, July 10, 2007

CONTACT INFORMATION FOR MEDIA: (212) 788-5290

Andrew Tucker (atucker@health.nyc.gov)

Sara Markt (smarkt@health.nyc.gov)

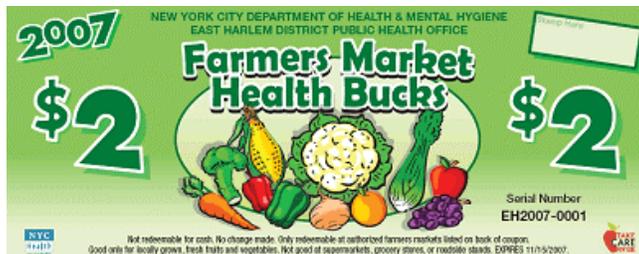
HEALTH DEPARTMENT EXPANDS “HEALTH BUCKS” PROGRAM TO PROVIDE MORE COUPONS FOR FRESH FRUITS AND VEGETABLES

Greenmarket Season Kicks Off at Poe Park in the Bronx on Tuesday, July 10 at 11:00 A.M.

NEW YORK CITY – July 10, 2007 – New Yorkers have a healthy appetite for fresh, local fruits and vegetables, according to results from a pilot program designed to encourage healthier food shopping at farmers’ markets. The Health Department reported today that New Yorkers redeemed more than 40% of the 9,000 Health Bucks coupons distributed last year to purchase fresh fruits and vegetables at participating farmers markets. To build on that success, the agency will give out approximately 15,000 Health Bucks this summer, each one valued at \$2.

Health Bucks are distributed through the Department’s District Public Health Offices, in partnership with local community groups, in the South Bronx, North and Central Brooklyn, and East and Central Harlem. Nearly two

thirds of adults are overweight or obese in these areas, as are 35% of public high school students and 40% of children in public elementary schools.



The Health Bucks initiative includes special incentives for food stamp recipients. Anyone spending \$5 worth of food stamps at a farmers’ market receives a \$2 Health Buck coupon. This is also part of an effort to get more farmers markets to accept food stamps and Electronic Benefit Cards/EBT. “We want more New Yorkers to be able to take advantage of farmers’ markets and bulk up on nutritious, fresh fruits and vegetables,” said Dr. Jane Bedell, Assistant Commissioner for the Bronx District Public Health Office. “A trip to the local farmers’ market can be a fun summer outing and Health Bucks make it more affordable. Local produce is not only delicious, but it can help prevent heart disease and diabetes, which are heavily affecting our communities.”

More than 30 markets are participating citywide, and half of them accept food stamps. Local partners in the Health Bucks program report that Bronx residents are eager to take advantage of it. “Last year we distributed Health Bucks to a number of schools and health centers in the Southwest Bronx,” said Geysil Arroyo, program coordinator at the Institute for Urban Family Health. “This year, wherever we go, people are asking us to bring more!”

Participating locations are listed on the coupon and mapped on the Health Department’s website at www.nyc.gov/html/doh/html/cdp/cdp_pan_health_bucks.shtml. The Greenmarket summer season kick-off will happen at Poe Park in the Bronx on Tuesday, July 10 at 11:00 A.M.

Besides supporting local growers, urban farmers’ markets can help expand food options in underserved neighborhoods. Recent Health Department surveys have found large differences in people’s access to fresh produce:

- Harlem has many bodegas and corner stores, but they are seven times less likely than Upper East Side shops to stock certain common vegetables.
- Only 21% of bodegas in Bedford-Stuyvesant carry apples, oranges, and bananas.
- Only 6% of corner stores in Bedford-Stuyvesant and Bushwick sell leafy green vegetables.



The Health Bucks program builds on other efforts to expand access to healthy foods and promote physical activity in East and Central Harlem, Central Brooklyn and the South Bronx, including:

- Making low-fat milk more accessible in stores through the Healthy Bodegas initiative.
- Improving physical-education programs and equipment in 200 schools, after-school programs, daycare centers and Head Start programs.
- Co-sponsoring – with the Department of Parks and Recreation, NYCHA and local organizations – more than two dozen free family fitness programs for area residents.

Healthy eating can prevent illnesses such as obesity, diabetes, heart disease, cancer and high blood pressure. Fruits and vegetables are high in fiber, vitamins and minerals, and low in fat, calories and sodium. The U.S. Dietary Guidelines recommend that most people eat about two cups of fruit and two and a half cups of vegetables each day. Most servings should come from whole fruits and vegetables rather than juice.

For a list of participating markets and their locations, visit:

www.nyc.gov/html/doh/html/cdp/cdp_pan_health_bucks.shtml

To find out how many fruits and vegetables you need, visit:

www.mypyramid.gov/downloads/MyPyramid_Food_Intake_Patterns.pdf

For a list of all farmers markets in New York City, visit:

www.nyfarmersmarket.com/regionmetro.htm and www.nyccah.org/maps/farmers.php

Exhibit C: Health Bucks Promotional Materials

Use HEALTH BUCKS to Purchase Local Fresh Fruits & Vegetables at These Participating Farmers Markets

**NEW YORK CITY DEPARTMENT OF HEALTH & MENTAL HYGIENE
BRONX DISTRICT PUBLIC HEALTH OFFICE**

Health Bucks Program - Participating Farmers Markets

The 2008 Farmers Market Season is July 1 to November 15, 2008 (EBT)=Accepts Food Stamps

<p>La Familia Verde Farmers Market (EBT) East Tremont & LaFontaine Aves. • Tuesday (8 am - 2 pm)</p>	<p>Taqwa Community Farmers Market (EBT) Ogden Ave. & 164th St., in Highbridge Garden • Saturday (8 am - 4 pm)</p>	<p>Harvest Home Sunday Farmers Market (EBT) Grand Concourse and East 165th St. • Sunday (8 am - 4 pm)</p>
<p>South Bronx CSA Farmers Market (EBT) 138th St., between St. Anns & Cyprus • Wednesday (10 am - 6 pm)</p>	<p>New York Botanical Gardens Farmers Market Mosholu Pkwy. at Kazimiroff Blvd., in garden • Wednesday (10 am - 3 pm)</p>	<p>Harvest Home Mt. Eden Farmers Market (EBT) Mt. Eden and Morris Aves., at Bronx Lebanon Hospital • Thursday (8 am - 4 pm)</p>
<p>Lincoln Hospital Greenmarket (EBT) 140th St., between Park & Morris • Friday & Tuesday (8 am - 3 pm)</p>	<p>Hunts Point Farmers Market Southern & Bruckner Blvds. and 163rd St. • Wednesday & Saturday (8:30 am - 5 pm)</p>	<p>Harvest Home Forest Ave. Farmers Market (EBT) Forest Ave. between Westchester Ave. & 156th St. • Wednesday (8 am - 4 pm)</p>
<p>Borough Hall Greenmarket (EBT) 158th St. and Grand Concourse • Tuesday (8 am - 6 pm)</p>	<p>MBD Community Park Farmers Market 1710 Southern Blvd. & 173rd St. • Friday (8 am - 4 pm)</p>	<p>Harvest Home Jacobi Hospital Farmers Market 1400 Pelham Parkway at Eastchester Road • Tuesday (8 am - 4 pm)</p>
<p>Poe Park Greenmarket (EBT) Grand Concourse & 192nd St. • Tuesday (8 am - 3 pm)</p>	<p>Bissel Gardens Farmers Market (EBT) Baychester Ave. & East 241st St. • Wednesday (10 am - 3 pm) • Saturday (9 am - 1 pm)</p>	<p>Harvest Home Morris Park Farmers Market 1734 Williamsbridge Rd., off Morris Park Ave. • Saturday (8 am - 4 pm)</p>
<p>West Farmers Market Boston Road & East Tremont Ave., in Drew Gardens • Wednesday (10 am - 3 pm)</p>	<p>Northeast Bronx Farmers Market Hammersley and Wickham Aves. • Saturday (9 am - 6 pm)</p>	<p>For updated market information, call 1-800-522-5006</p>



Department of
Health & Mental
Hygiene

Human Resources
Administration
Department of
Social Services



Exhibit D: Health Bucks Promotional Materials

NYC farmers markets provide an opportunity for residents to buy **fresh** and **affordable** produce while supporting regional farmers. **Health Bucks**, worth \$2 each, are developed and distributed by NYC Health Department District Public Health Offices and can be used to purchase **fresh fruits and vegetables** at participating farmers markets (listed on each Health Buck).

At farmers markets that accept Food Stamps (Electronic Benefit Cards/EBT), one Health Buck coupon will be given to each customer for every \$5 of Food Stamps spent at the market.

The Health Department encourages all **New Yorkers** to eat more **fruits and vegetables** to improve their **health** and reduce their risk of diabetes, high blood pressure, and heart disease. Support your local farmers markets and have a **happy** and **healthy** summer!

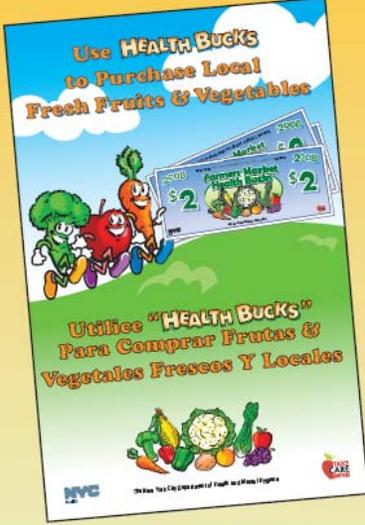
Los mercados de agricultores de la ciudad de Nueva York brindan a los residentes la oportunidad de comprar frutas y vegetales **frescos y baratos**, y al mismo tiempo apoyan a los agricultores de su área. Los **Health Bucks**, que tienen un valor de \$2 cada uno, han sido creados y distribuidos por las Oficinas Distritales de Salud Pública del Departamento de Salud de la Ciudad de Nueva York. Se pueden usar los cupones para comprar **frutas y vegetales** frescos en los mercados participantes. (Detrás de cada Health Buck se encuentra una lista.)

En los mercados de agricultores que aceptan cupones de alimentos (Electronic Benefit Cards - EBT), con una compra de \$5 con cupones de alimentos, se ofrecerá un cupón de Health Buck.

El Departamento de Salud exhorta a todos los **neoyorquinos** a comer más **frutas y vegetales** para mejorar su **salud** y reducir el riesgo de diabetes, presión alta y enfermedades del corazón.

¡Apoye a sus mercados de agricultores del área y disfrute de un verano **alegre y saludable!**

INFORMATION ON
HEALTH BUCKS BRONX



Utilice "HEALTH BUCKS" Para Comprar Frutas & Vegetales Frescos Y Locales

www.nyc.gov/healthbucks



NYC | Department of Health & Mental Hygiene | Human Resources Administration | Department of Social Services | **TAKE CARE NEW YORK**

NYC | Department of Health & Mental Hygiene | Human Resources Administration | Department of Social Services | **TAKE CARE NEW YORK**

Exhibit E: Health Bucks Promotional Materials

NEW YORK CITY DEPARTMENT OF HEALTH & MENTAL HYGIENE
BRONX DISTRICT PUBLIC HEALTH OFFICE

Health Bucks Program Participating Farmers Markets

The 2008 Farmers Market Season is July 1 to November 15, 2008
(EBT) = Accepts Food Stamps

Use HEALTH BUCKS to Purchase Local Fresh Fruits & Vegetables at These Participating Farmers Markets

<p>1 La Familia Verde Farmers Market (EBT) East Tremont & LaFontaine Aves. • Tuesday (8 am - 2 pm)</p> <p>2 South Bronx CSA Farmers Market (EBT) 139th St., between St. Anns & Cyprus • Wednesday (10 am - 6 pm)</p> <p>3 Lincoln Hospital Greenmarket (EBT) 149th St., between Park & Morris • Friday & Tuesday (8 am - 3 pm)</p> <p>4 Borough Hall Greenmarket (EBT) 158th St. and Grand Concourse • Tuesday (8 am - 6 pm)</p> <p>5 Poe Park Greenmarket (EBT) Grand Concourse & 192nd St. • Tuesday (8 am - 3 pm)</p> <p>6 West Farmers Market Boston Road & East Tremont Ave., in Drew Gardens • Wednesday (10 am - 3 pm)</p>	<p>7 Taqwa Community Farmers Market (EBT) Ogden Ave. & 164th St., in Highbridge Garden • Saturday (8 am - 4 pm)</p> <p>8 New York Botanical Gardens Farmers Market Mosholu Pkwy., in garden • Wednesday (10 am - 3 pm)</p> <p>9 Hunts Point Farmers Market Southern & Bruckner Blvds. and 163rd St. • Wednesday & Saturday (8:30 am - 5 pm)</p> <p>10 MBD Community Park Farmers Market 1710 Southern Blvd. & 173rd St. • Friday (8 am - 4 pm)</p> <p>11 Bissel Gardens Farmers Market (EBT) Baychester Ave. & East 241st St. • Wednesday (10 am - 3 pm) • Saturday (9 am - 1 pm)</p> <p>12 Northeast Bronx Farmers Market Hammersley and Wickham Aves. • Saturday (9 am - 6 pm)</p>	<p>13 Harvest Home Sunday Farmers Market (EBT) Grand Concourse and East 165th St. • Sunday (8 am - 4 pm)</p> <p>14 Harvest Home Mt. Eden Farmers Market (EBT) Mt. Eden and Morris Aves., at Bronx Lebanon Hospital • Thursday (8 am - 4 pm)</p> <p>15 Harvest Home Forest Ave. Farmers Market (EBT) Forest Ave. between Westchester Ave. & 156th St. • Wednesday (8 am - 4 pm)</p> <p>16 Harvest Home Jacobi Hospital Farmers Market 1400 Pelham Parkway at Eastchester Road • Tuesday (8 am - 4 pm)</p> <p>17 Harvest Home Morris Park Farmers Market 1734 Williamsbridge Rd., off Morris Park Ave. • Saturday (8 am - 4 pm)</p>
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For updated market information, call 1-800-522-5006 www.nyc.gov/healthbucks

Bronx HEALTH BUCKS Market Locations

Health Bucks Farmers Market Locations

Source: NYC Department of Health and Mental Hygiene. Similar brochures available for Harlem and Brooklyn at www.cenyc.org

III. Farmers Market Federation of New York

Exhibit A: Farmers Market Federation of New York: Request Letter for USDA Waiver



Farmers' Market Federation of New York

2100 Park Street
Syracuse, NY 13208
315-475-1101
315-362-5012 (fax)

www.nyfarmersmarket.com

To: Al Rios, EBT Bureau Chief, OTDA
From: Diane Eggert, Executive Director, Farmers Market Federation of NY
Date: November 13, 2007
Re: Request for Waiver: NY Fresh Checks

NY Fresh Checks is an incentive program to “top up” food stamp sales by providing a \$5.00 coupon to food stamp customers for a minimum \$5.00 in food stamp purchases at participating farmers markets. The ability to incentivize EBT customers to use their benefits at farmers markets through this project will help to introduce a new customer base to the benefits of farmers markets – high quality, nutritious foods at affordable prices. Combined with the nutrition education from Cornell Cooperative Extension often found at farmers markets, and the information given by farmers about the foods they grow and sell, food stamp consumers will learn that adding fresh foods to their diets is not only affordable, but easy.

NY Fresh Checks will be \$5.00 coupons, serialized and colorized to be attractive, prevent fraud, and allow for tracking. Up to 65 farmers markets in upstate New York will be eligible to participate in the program. The market must participate in the NYS Farmers Market Wireless EBT Token program for the 2008 season and agree to abide by the program agreement. Markets will then be eligible on a first come, first serve basis. Market managers will sign an agreement to participate in the NY Fresh Checks program, agreeing to safeguard unissued coupons, complete daily issuance logs, issue coupons based on program rules without discrimination, participate in season end surveys and provide assistance to farmers and sellers in accepting and redeeming coupons. Market managers will also understand, through the signed agreement, that coupons will be available on a limited basis, as funding permits.

Once the agreements are signed, a series of coupons will be issued to market managers, with serial numbers tracked per market. Market managers will issue one coupon to each food stamp customer that purchases a minimum of \$5.00 in EBT tokens at the market. There will be no limitations on the number of times a customer can come back into the market and receive a coupon based on a minimum purchase of \$5.00 in EBT benefits. The coupons can be used with any farmer or vendor in the farmers market that is selling FNS (food stamp) authorized product.

When issuing the coupon, the market manager will ask each customer whether they are a new or returning customer, recording this on a NY Fresh Checks issuance log. This will track new versus repeat food stamp customers.

The coupon period will be from May 1, 2008 through November 15, 2008. Redemption of the NY Fresh Checks will be handled through the Farmers Market Federation of NY with funds from the Humpty Dumpty Institute. Farmers will endorse each check and mail to the Federation for reimbursement, using a redemption form provided by the Federation. Checks will be cut from the Federation office and mailed on a timely basis.

The Farmers Market Federation of NY will track EBT sales numbers and volumes per market, per month. A comparison to 2006 sales volumes will show the level of increase in food stamp usage at each of the farmers markets. Returned coupons will be checked against the serial numbers issued to determine market of origin. Comparing this to the average dollar EBT sale will show us the effect the NY Fresh Checks has had in drawing additional food stamp customers into the farmers markets. Also, a review of the NY Fresh Checks issuance logs will show the number of repeat EBT customers in each of the markets, the degree of increase as the season progresses, as well as the progression of new EBT customers as the season continues.

Exhibit B: USDA Waiver



United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive

Alexandria, VA
22302-1500

JAN 29 2008

Mr. Russell Sykes
Deputy Commissioner
Center for Employment and Economic Supports
Office of Temporary and Disability Assistance
40 N. Pearl Street
Albany, NY 12243-0001

Dear Mr. Sykes:

We have received and reviewed your December 12, 2007 request to approve the New York Fresh Checks Program as a demonstration project under section 17 of the Food Stamp Act [2026](a)(1). As you noted, the Food and Nutrition Service (FNS) has previously provided such approval for the Farmers' Market Health Bucks Program, a similar program managed by the New York City Department of Mental Health and Hygiene.

As proposed, the Fresh Checks Program will be managed and administered by the Farmers' Market Federation of New York, located at 2100 Park Street, Syracuse, NY. The program will provide incentives to EBT customers to use their food stamp benefits at designated farmers' markets by giving them a \$5.00 Fresh Check coupon for a minimum food stamp purchase of \$5.00. The coupons will be serialized to allow for subsequent tracking of their use. Fresh Checks for the coming season will be valid from May 1, 2008 through November 15, 2008. They will be funded through a private donation from the Humpty Dumpty Institute and require no federal funding.

Up to 65 farmers' markets in upstate New York will be allowed to participate in the program. To be eligible, the market must be authorized by FNS to participate in the NYS Farmers' Market Wireless EBT Token program for the 2008 season. Markets will be eligible on a first come, first serve basis. Market managers must sign an agreement to participate in the NY Fresh Checks program and abide by the rules therein, agreeing to safeguard unissued coupons, complete daily issuance logs, issue coupons based on program rules without discrimination, participate in season-end surveys, and provide assistance to farmers and sellers in accepting and redeeming coupons. Fresh Check coupons will be available on a limited basis, as funding permits.

Once the agreements are signed, the Farmers' Market Federation will issue a series of coupons to market managers, with serial numbers tracked by market. Market managers will issue one coupon to each food stamp customer that purchases a minimum of \$5.00 in EBT tokens at the market. There will be no limitation on the number of times a customer can come back into the market and receive a coupon based on a minimum purchase of \$5.00 in EBT food stamp benefits. The coupons may be exchanged only for eligible food with any farmer or vendor at the participating farmers' market that sells Food Stamp Program authorized products. The project also involves a nutrition education component managed by Cornell Cooperative Extension.

AN EQUAL OPPORTUNITY EMPLOYER

Mr. Russell Sykes

Page 2

When issuing the coupon, the market manager will ask each customer whether they are a new or returning customer, recording this on a NY Fresh Checks issuance log. This will track new versus repeat food stamp customers.

The Farmers' Market Federation will handle redemption of the coupons. Farmers will endorse each check and mail them to the Federation for reimbursement, using a redemption form provided by the Federation. Checks will be cut from the Federation office and mailed to the farmers. The Federation will track Fresh Check distribution and EBT sales numbers, reconciling them back to the market managers' issuance logs. They will be the responsible agency for evaluating the results of the Program.

Regulations at 7 CFR 278.2(b) specify that "No retail food store may single out coupon users for special treatment in any way." Because the Fresh Check Program will not be available to the general public, it is not compliant with this provision. Section 278, which covers the authorization and participation of retail food stores, applies to FNS and retailers rather than State agencies. As such, the Program's general waiver authority, which applies to State activities, may not be used for provisions of Section 278.

Nevertheless, we have concluded that incentive programs such as Fresh Checks may be carried out as demonstration projects. Section 17 of the Food Stamp Act [2026](a)(1) gives USDA the authority to approve demonstration projects as follows: "The Secretary may, . . . , undertake research that will help improve the administration and effectiveness of the Food Stamp Program in delivering nutrition-related benefits."

We approve the use of Fresh Checks under our demonstration authority through November 30, 2010, as long as funding remains available. Since the approval is based on our authority to conduct demonstration projects, the commitment to oversight and report evaluations is very important. As such, the State must submit a cumulative annual year-end report to FNS for the 2008, 2009 and 2010 market seasons, if applicable. The reports must be completed and received by January 15, 2009, 2010 and 2011 respectively. They should be sent to the EBT Branch Chief at USDA-Food and Nutrition Service, 3101 Park Center Drive, Alexandria, Virginia 22302. Please also send a copy of each report to Denise Daly of the Northeast Regional Office Food Stamp Program.

The annual report should identify the name and location of Markets that signed agreements each year and identify the individual participating farmers for each market, along with an indication of whether they sold any products in addition to fruits or vegetables. If possible, the report should include:

- By month and market site, total dollar value of EBT tokens purchased,
- By month and market site, total dollar value of Fresh Checks distributed,
- By month, market site and individual farmer, total dollar value of EBT tokens redeemed, and
- By month, market site and individual farmer, total value of Fresh Checks redeemed.

Mr. Russell Sykes
Page 3

We would also be interested in the data you collect on number of repeat EBT customers in each of the markets, the degree of increase as the season progresses and the progression of new EBT customers as the season continues.

Staff from the FNS Office of Research, Nutrition and Analysis (ORNA) can answer any reporting questions and can assist the Farmers' Market Federation of New York or other future evaluator to determine how to gather this data if needed. OANE may then pursue their own evaluation efforts based on the data collected from the markets.

If you have any concerns or questions please contact Kathy Ottobre at (617) 565-5200 or Denise Daly at (617) 565-6404.

Sincerely,



Jeffrey N. Cohen
Director
Benefit Redemption Division

Exhibit C: Promotional Materials: <http://www.nyfarmersmarket.com/ebt.htm>
Farmers' Market Wireless EBT Project

Click [here](#) for list of EBT Farmers' Markets for 2008

Farmers' Market Wireless EBT Program In 1999, New York State began to its conversion from paper food stamps to Electronic Benefits Transfer (EBT), an electronic debit card system. This new system had the unfortunate effect of locking open air farmers' markets out of the food stamp program, preventing food stamp recipients from using their benefits to purchase fresh, local foods direct from farmers at farmers' markets.



[Click to download the EBT Training Program Power Point Slideshow](#)



Beginning in 2001, the NYS Department of Agriculture and Markets and the Farmers' Market Federation of New York partnered for a pilot project to test wireless handheld EBT terminals for use in open air farmers' markets. The pilot proved that the wireless technology, although in its infancy, was effective in capturing food stamp sales at farmers' markets in urban settings. The pilot also documented the need for farmers to accept food stamp benefits at farmers' markets, due to customer demand for their products.

As demand for wireless service grew and as the technology evolved, the farmers' market wireless EBT project continued to expand to new cities and more farmers. In 2005, the pilot changed focus from providing terminal access to individual farmers to providing terminal access to market managers. Under this new paradigm, markets are authorized under FNS to be food stamp agents. They are able to "sell" EBT tokens (specially designed wooden tokens) that can be used with any vendor in the market selling food stamp eligible products. Farmers are able to accept the tokens, same as cash, but with no change back, and then redeem them with the market manager at day's end.

Under the Farmers' Market Wireless EBT Program, market managers are provided, free of charge, with a wireless EBT terminal; 1000 serialized, market-specific [EBT wooden tokens](#); [EBT logs](#), a vinyl banner to display at the EBT sales booth, "We Gladly Accept EBT Token" signage for farmer booths, as well as training and technical assistance.

In addition, a media kit, with promotional materials in both English and Spanish, is distributed to help each market promote the availability of the EBT terminal in their market. The media kit includes a promotional poster, press releases, a series of print ads, a consumer brochure and instructions in the most effective means in using the kit. [Click here to view the media kit.](#)

To participate in the program, market managers must complete a Farmers Market EBT Participation Agreement. Click for a copy of the [Farmers Market EBT Participation Agreement](#) and the [Farmers and Vendors EBT Project Application/Agreement](#).

Now, farmers markets can choose to accept debit and credit transactions on their market's wireless EBT terminals. Using a separate token from the EBT program, the debit and credit side offers increased sales potential for participating farmers. Click here for copies of the [debit and credit tokens](#) and the [debit and credit token logs](#).

Humpty Dumpty Institute has funded a new program that ties a coupon program to EBT benefit usage at farmers markets. The NY Fresh Checks, is a \$5 coupon incentive that will help to drive food stamp

customers to upstate farmers markets participating in the NYS Farmers Market Wireless EBT Program using a central terminal. The program allows markets to issue a NY Fresh Check to every customer who purchases a minimum of \$5 in EBT tokens each market day, thereby increasing their purchasing power to shop at the farmers market. The customer is allowed only one NY Fresh Check per market day, but is encouraged to come back to the market week after week to earn additional NY Fresh Checks each market day.

The goal of the program is to increase the demand for locally grown fresh foods at farmers markets among food stamp customers, increase the usage of food stamp benefits at farmers markets and change dietary habits of food stamp customers to include more fresh fruits and vegetables from local growers by helping to change shopping habits over time.

To participate in the program, a [NY Fresh Check Participation Agreement](#) is available here, along with [Manager Instructions](#) for participating in the program, [Issuance Logs](#), and [Redemption forms](#) for participating farmers.

For more information on New York's Farmers' Market Wireless EBT Program contact Diane Eggert at (315) 637-4690.

Exhibit D: Farmers Market Federation of New York Promotional Materials



Exhibit D: Farmers Market Federation of New York Promotional Materials

HOW TO USE YOUR FOOD STAMP (EBT) CARD AT THE FARMERS MARKET:



- 1) Head to the table with the banner "Use Your Food Stamp (EBT) Card Here!"
- 2) There, use your Food Stamp (EBT) Card to purchase as many \$1 wooden tokens as you'd like. *These tokens will act as "cash" at the market where you purchased them.*
- 3) Use your \$1 tokens at any market booth that displays a sign stating "Food Stamp (EBT) Tokens Accepted Here."



YOUR BENEFITS GO FURTHER AT THE FARMERS MARKET!

When you shop at your local farmers market, you benefit from food that's fresher, and more flavorful.

It's the best food you can bring home to your family. Not to mention, local market farmers and vendors offer free recipes and prep tips. And now, your Food Stamp (EBT) Card is welcome at many NY Farmers Markets.

TO FIND THE NY FARMERS MARKET NEAREST YOU, VISIT WWW.NYFARMERSMARKET.COM/REGIONS

WHAT YOU CAN BUY WITH YOUR FOOD STAMP (EBT) TOKENS

- Fruits and vegetables
- Breads
- Meat, fish, poultry
- Dairy products
- Maple and honey products
- Seeds and plants that produce foods
- Baked goods: wrapped, labeled and intended for home consumption
- Jams, sauces, soups, etc.

WHAT TO DO WITH LEFTOVER TOKENS

- Unused tokens may be exchanged at the token booth for a refund back onto your Food Stamp (EBT) Card.
- You may also keep unused tokens and use them next time you shop the farmers market. Tokens do not have an expiration date!

IV. The Food Project: Lynn, MA.

Exhibit A: USDA Waiver

Ms. Cyndi Sullivan
Deputy Director
Financial Program Management
Department of Transitional Assistance
600 Washington Street
Boston, Massachusetts 02111

Dear Ms. Sullivan:

We have received and reviewed your August 12, 2008 request to approve the Food Project in Lynn, operating as a Farmers' Market under FNS number 0034659, to conduct an incentive program as a demonstration project under section 17 of the Food Stamp Act [2026](a)(1).

As proposed, the Lynn Farmers' Market incentive match program will be managed by the Food Project. Additional sponsors and partnerships for the market include the City of Lynn, the Office of Community and Economic Development and the Project for Public Spaces. Funding will come from a \$500 anonymous donation.

The program will provide the ability to encourage Electronic Benefit Transfer (EBT) customers to use their food stamp benefits at Central Square Market and will help introduce a new customer base to the benefits of farmers' markets – high quality, locally produced and nutritious foods. Combined with the nutrition education often found at farmers' markets, and the information given by farmers about the foods they grow, food stamp consumers will learn that adding fresh foods to their diets will be simple and affordable.

The incentive program will provide a \$5.00 coupon to any food stamp customer that spends at least \$5.00 in EBT benefits at Central Square Market. It began on July 3, 2008 and will continue through the growing season or until the \$500 has been expended, most likely by August 15, 2008.

For standard EBT purchases (all purchases besides the \$5.00 incentive bonus), the market uses a scrip system, where customers receive laminated coupons in \$1.00 and \$5.00 increments that can be used for purchases at any of the food and farm vendors. When a customer purchases \$5.00 worth of scrip with their EBT card, he/she is eligible to choose an additional \$5.00 worth of produce or honey from The Food Project's farm stand, to combine with his/her \$5.00 EBT purchase. The coupons will be available on a limited basis, as funding permits. EBT customers may participate once a week, while supplies last.

The Food Project will manage and administer the incentive program and will track total EBT sales, the dollar value of each individual EBT purchase, the number of EBT incentive coupons redeemed. They will use a unique code to track each \$5.00 incentive program transaction.

Ms. Cyndi Sullivan

Page 2

Regulations at 7 CFR 278.2(b) specify that “No retail food store may single out coupon users for special treatment in any way.” Because the match program will not be available to the general public, it is not compliant with this provision. Section 278, which covers the authorization and participation of retail food stores, applies to FNS and retailers rather than State agencies. As such, the Program’s general waiver authority, which applies to State activities, may not be used for provisions of Section 278.

Nevertheless, we have concluded that incentive programs such as this may be carried out as demonstration projects. Section 17 of the Food Stamp Act [2026](a)(1) gives USDA the authority to approve demonstration projects as follows: “The Secretary may, . . . , undertake research that will help improve the administration and effectiveness of the Food Stamp Program (FSP) in delivering nutrition-related benefits.”

We approve the use of incentive match coupons at the Lynn Central Square Farmers’ Market under our demonstration authority through November 30, 2010, as long as funding remains available. We require that only eligible food items may be purchased with the scrip and the matching coupons.

In addition, since the approval is based on our authority to conduct demonstration projects, the commitment to oversight and report evaluations is very important. As such, the State must submit a cumulative annual year-end report to FNS for the 2008, 2009 and 2010 market seasons, if applicable. The reports must be completed and received by January 15, 2009, 2010 and 2011 respectively. They should be sent to the Retailer Management Information Branch Chief at USDA-Food and Nutrition Service, 3101 Park Center Drive, Alexandria, Virginia 22302. Please also send a copy of each report to Denise Daly of the Northeast Regional Office Food Stamp Program.

The annual report should identify the individual participating farmers, along with an indication of whether they sold any products in addition to fruits or vegetables. If possible, the report should include:

- By month, total dollar value of EBT scrip purchased,
- By month, total dollar value of incentive match coupons distributed,
- By month and individual farmer, total dollar value of EBT scrip redeemed, and
- By month and individual farmer, total value of match coupons redeemed.

We would also be interested in any other data collected.

Ms. Cyndi Sullivan
Page 3

Staff from the FNS Office of Research and Analysis (ORA) can answer any reporting questions and can assist The Food Project or other future evaluator to determine how to gather this data if needed. ORA may then pursue their own evaluation efforts based on the data collected from the market.

If you have any concerns or questions please contact Kathy Ottobre at (617) 565-5200, or Denise Daly at (617) 565-6404.

Sincerely,

Jeffrey N. Cohen
Director
Benefit Redemption Division

cc: Ray McCabe, Benefit Issuance Supervisor, MA DTA
Mary Ann Ferris, NERO
Denise Daly, NERO
Bob Hughes, Concord Field Office
Kathy Ottobre, EBT Branch
Anita Singh, ORA

V. Holyoke Farmers Market

Exhibit A: USDA Waiver

Ms. Cyndi Sullivan
Deputy Director
Financial Program Management
Department of Transitional Assistance
600 Washington Street
Boston, Massachusetts 02111

Dear Ms. Sullivan:

We have received and reviewed your August 8, 2008, request to approve the Holyoke Farmers' Markets incentive program as a demonstration project under section 17 of the Food Stamp Act [2026](a)(1).

As proposed, the Holyoke Farmers' Market incentive match program will be managed by Nuestras Raíces, a grass roots organization that promotes economic, human and community development in Holyoke. Additional support and marketing will be provided by the Holyoke Food & Fitness Policy Council, the Holyoke Mayor's Office, and the Holyoke Health Center. Funding will come from a \$10,000 grant provided to Nuestras Raíces by the Wholesome Wave Foundation of Connecticut. The grant will be managed and monitored by the Holyoke Mayor's office.

The program will provide the ability to encourage Electronic Benefit Transfer (EBT) customers to use their food stamp benefits at Holyoke Farmers' Market and will help introduce a new customer base to the benefits of farmers' markets – high quality, locally produced and nutritious foods. Combined with the nutrition education often found at farmers' markets, and the information given by farmers about the foods they grow, food stamp consumers will learn that adding fresh foods to their diets will be simple and affordable.

The incentive program will provide a one-to-one match for food stamp purchases between \$2.50 and \$10.00 at the Holyoke market. It began on July 24, 2008, and will continue through the growing season or until the allotted match money of \$10,000 has been expended.

EBT customers will come to the Holyoke Farmers Market and swipe their EBT cards at a booth managed by the Holyoke Mayor's office. They will be issued scrip to use for their food purchases at any of the participating farmers. The Market Manager will also issue matching vouchers, in a different color with its own design, for an equal value. The matching vouchers are issued in increments of \$2.50. The purchased scrip and matching vouchers must be presented to the farmer at the time of purchase.

At the end of each market day farmers will turn in the coupons that they have accepted to the Mayor's Office who will keep track of the coupon sales along with the regular EBT scrip. Market managers will reimburse the vendors weekly for their EBT scrip sales and the matching voucher sales. Farmers will be reimbursed for their EBT sales through the

Ms. Cyndi Sullivan
Page 2

Holyoke Chamber of Commerce and for the match vouchers by Nuestras Raíces. In between markets the manager will safeguard the coupons. There will be little opportunity for fraud because the manager will know how many coupons are issued each day and thus how many should be redeemed by the farmers at the end of the market.

There will be no limitations on the number of times a customer can come back to the market on subsequent days and participate in this match program.

The Holyoke Food & Fitness Policy Council (HFFPC) is responsible for tracking the data of sales volume and EBT usage from redemption of the vouchers, and comparing these figures from previous years. HFFPC is also surveying customers to determine produce buying habits and interests. HFFPC and Nuestras Raíces will report to Massachusetts Department of Agricultural Resources and Department of Transitional Assistance, and will disseminate the successes and challenges of the program through national food and health networks.

Regulations at 7 CFR 278.2(b) specify that “No retail food store may single out coupon users for special treatment in any way.” Because the match program will not be available to the general public, it is not compliant with this provision. Section 278, which covers the authorization and participation of retail food stores, applies to FNS and retailers rather than State agencies. As such, the Program’s general waiver authority, which applies to State activities, may not be used for provisions of Section 278.

Nevertheless, we have concluded that incentive programs such as this may be carried out as demonstration projects. Section 17 of the Food Stamp Act [2026](a)(1) gives USDA the authority to approve demonstration projects as follows: “The Secretary may, . . . , undertake research that will help improve the administration and effectiveness of the Food Stamp Program (FSP) in delivering nutrition-related benefits.”

We approve the use of incentive match coupons at the Holyoke Farmers’ Market under our demonstration authority through November 30, 2010, as long as funding remains available. We also require that the matching vouchers be serially numbered to enhance security and facilitate tracking, and we require that only eligible food items may be purchased with the scrip and the matching vouchers.

In addition, since the approval is based on our authority to conduct demonstration projects, the commitment to oversight and report evaluations is very important. As such, the State must submit a cumulative annual year-end report to FNS for the 2008, 2009 and 2010 market seasons, if applicable. The reports must be completed and received by January 15, 2009, 2010 and 2011 respectively. They should be sent to the Retailer Management Information Branch Chief at USDA-Food and Nutrition Service, 3101 Park Center Drive, Alexandria, Virginia 22302. Please also send a copy of each report to Denise Daly of the Northeast Regional Office Food Stamp Program.

Ms. Cyndi Sullivan
Page 3

The annual report should identify the individual participating farmers, along with an indication of whether they sold any products in addition to fruits or vegetables. If possible, the report should include:

- By month, total dollar value of EBT scrip purchased,
- By month, total dollar value of incentive match vouchers distributed,
- By month and individual farmer, total dollar value of EBT scrip redeemed, and
- By month and individual farmer, total value of match vouchers redeemed.

We would also be interested in the data collected on the number of repeat EBT customers in each of the markets, the degree of increase as the season progresses and the progression of new EBT customers as the season continues.

Staff from the FNS Office of Research and Analysis (ORA) can answer any reporting questions and can assist HFFPC or other future evaluator to determine how to gather this data if needed. ORA may then pursue their own evaluation efforts based on the data collected from the market.

If you have any concerns or questions please contact Kathy Ottobre at (617) 565-5200, or Denise Daly at (617) 565-6404.

Sincerely,

Jeffrey N. Cohen
Director
Benefit Redemption Division

cc: Ray McCabe, Benefit Issuance Supervisor, MA DTA
Mary Ann Ferris, NERO
Denise Daly, NERO
Bob Hughes, Concord Field Office
Kathy Ottobre, EBT Branch
Anita Singh, ORA

Exhibit B: Media Coverage



Staff photo by MICHAEL S. GORDON

At the Holyoke Farmers' Market on Thursday, Michel W. Nischan, president and chief executive officer of Wholesome Wave Foundation; Foundation board member Elizabeth C. Fink; Holyoke Mayor Michael J. Sullivan and Nuestras Raices executive director Daniel C. Ross, from left, announce a grant to help low-income residents purchase produce.

Grant provides farm bounty

By KEN ROSS
kross@repub.com

HOLYOKE — A \$10,000 grant will allow low-income residents to get twice as much fresh, locally grown fruits and vegetables from the city's farmer's market.

"I think it's wonderful," Mayor Michael J. Sullivan said. "It's another incentive to buy whole foods locally."

A nonprofit, Westport, Conn.-based organization named Wholesome Wave Foundation provided the \$10,000 grant, which will enable low-income residents to double the amount of food they can get at the farmers' market using government-provided food coupons.

Meanwhile, U.S. Department of Agriculture also announced this week it will provide \$21 million worth of coupons to 49 states to help senior citizens purchase food from local farmer's markets. Massachusetts seniors received \$555,915 through this federal grant. These coupons are not two-for-one vouchers like the ones provided by Wholesome Wave.

Holyoke is one of the few communities in New England which offers the two-for-one coupons, according to Michel W. Nischan, president and chief executive officer of Wholesome Wave. The foundation provided grants for similar voucher programs in Boston and three Connecticut communities.

The organization plans to track how many people use the program and other data, Nischan said. And once all the money has been spent, Nischan said his organization would be open to the idea of providing similar grants to the city in the future.

The program is not restricted to Holyoke residents. Any person who uses food stamp vouchers can receive double coupons at Holyoke's Farmers' Market.

Nuestras Raices will administer the grant program in Holyoke and provide residents with the double coupons at the city's farmers' market, according to Nuestras Raices executive director Daniel C. Ross.

Like Sullivan, Ross praised

the grant program, saying it will enable low-income residents to buy twice as much fresh, local produce, while also supporting local farmers.

"We really want people to be consuming fresh, healthy produce," Ross said.

Miguel A. Santiago of Holyoke, who was holding some of the new double coupons as he wandered through the farmer's market Thursday, said he was excited about the new program.

"It's very good," he said. "I can buy more vegetables and fruit."

The market is held every Thursday from 10:30 a.m. until 5 p.m. through October on High Street outside City hall.

FRIDAY, AUGUST 1, 2008

The Springfield Republican Sec. B1
Local

VI. The Food Project and Boston Farmers Markets

Exhibit A: USDA Waiver



JUL 17 2008

United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive

Alexandria, VA
22302-1500

Ms. Cyndi Sullivan
Deputy Director
Financial Program Management
Department of Transitional Assistance
600 Washington Street
Boston, Massachusetts 02111

Dear Ms. Sullivan:

We have received and reviewed your June 23, 2008 request to approve the Boston Farmers' Markets incentive program as a demonstration project under section 17 of the Food Stamp Act [2026](a)(1).

As proposed, the Boston Farmers' Market incentive match program will be managed and administered by The Food Project, a non-profit organization with offices in Boston, Lynn and Lincoln, Massachusetts. The program will be supported through funds from the Mayor of Boston's Fresh Food Fund, Project Bread and a private foundation.

The program will provide the ability to encourage Electronic Benefit Transfer (EBT) customers to use their food stamp benefits at Boston Farmers' Markets and will help introduce a new customer base to the benefits of farmers' markets – high quality, locally produced and nutritious foods. Combined with the nutrition education often found at farmers' markets, and the information given by farmers about the foods they grow, food stamp consumers will learn that adding fresh foods to their diets will be simple and affordable.

Prior to 2008 only one farmers' market in Boston accepted food stamps. This summer between eight and eleven farmers' markets in low-income neighborhoods will accept EBT cards. The incentive program will provide a one-to-one match for food stamp purchases between \$5.00 and \$10.00 at these participating markets. It will begin on July 1, 2008 and continue through the growing season or until each market has used up its allotted match money of \$1500.

To participate, a market must be authorized by the Food and Nutrition Service (FNS) to accept food stamps and agree to use a scrip program for EBT customers. Market managers will be responsible for the EBT terminals, issue the scrip and provide matching incentive coupons, for purchases between \$5.00 and \$10.00, to each food stamp customer. The coupons can then be used to purchase FNS authorized products at the market under the same restrictions as regular food stamp scrip. There will be no limitations on the number of times a customer can come back to the market and participate in this match program.

Managers must sign an agreement to complete daily issuance logs, issue the match coupons based on program rules without discrimination, participate in season end surveys and provide assistance to farmers and sellers in accepting and redeeming match coupons.

AN EQUAL OPPORTUNITY EMPLOYER

Then The Food Project will provide the market with coupons in \$1.00 and \$5.00 increments to be used for the match. Coupons will be identified as “match money” and display their value, the name of the market where they can be used, the sponsors of the program, and a message that they cannot be redeemed for cash. Each coupon will be laminated so that it is reusable but cannot be reproduced. The match coupons can only be redeemed at the markets at which they are issued, and in between markets the manager will be responsible for safeguarding them.

At the end of each market day vendors will turn in the scrip and coupons they have accepted to the market managers, who will keep track of the use of each on a log provided by The Food Project. Market managers will reimburse the vendors weekly for their EBT sales and the match sales. When \$500 in match sales have been reached, the market manager will provide the sales information and request reimbursement from The Food Project, who will reimburse them on a timely basis. Each market may ask for three reimbursements of \$500 for the match program, throughout the market season.

The Food Project will track the number and value of EBT sales at each market during and after the match program to determine how it has helped to boost sales, introduce new customers, and change people’s buying habits. They will also survey farmers who have participated in these markets in previous years, to determine the impact it has had on their sales. The success of the program in changing people’s buying habits will be determined by whether sales stay constant after the match program has ended.

Regulations at 7 CFR 278.2(b) specify that “No retail food store may single out coupon users for special treatment in any way.” Because the match program will not be available to the general public, it is not compliant with this provision. Section 278, which covers the authorization and participation of retail food stores, applies to FNS and retailers rather than State agencies. As such, the Program’s general waiver authority, which applies to State activities, may not be used for provisions of Section 278.

Nevertheless, we have concluded that incentive programs such as this may be carried out as demonstration projects. Section 17 of the Food Stamp Act [2026](a)(1) gives USDA the authority to approve demonstration projects as follows: “The Secretary may, . . . , undertake research that will help improve the administration and effectiveness of the Food Stamp Program (FSP) in delivering nutrition-related benefits.”

We approve the use of incentive match coupons at eligible Boston Farmers’ Markets under our demonstration authority through November 30, 2010, as long as funding remains available. We also require that the laminated coupons be serially numbered to enhance security and facilitate tracking.

In addition, since the approval is based on our authority to conduct demonstration projects, the commitment to oversight and report evaluations is very important. As such, the State must submit a cumulative annual year-end report to FNS for the 2008, 2009 and 2010 market seasons, if applicable. The reports must be completed and received by

Ms. Cyndi Sullivan
Page 3

January 15, 2009, 2010 and 2011 respectively. They should be sent to the Retailer Management Information Branch Chief at USDA-Food and Nutrition Service, 3101 Park Center Drive, Alexandria, Virginia 22302. Please also send a copy of each report to Denise Daly of the Northeast Regional Office Food Stamp Program.

The annual report should identify the individual participating farmers for each market, along with an indication of whether they sold any products in addition to fruits or vegetables. If possible, the report should include:

- By month and market site, total dollar value of EBT scrip purchased,
- By month and market site, total dollar value of incentive match coupons distributed,
- By month, market site and individual farmer, total dollar value of EBT scrip redeemed, and
- By month, market site and individual farmer, total value of match coupons redeemed.

We would also be interested in the data you collect on number of repeat EBT customers in each of the markets, the degree of increase as the season progresses and the progression of new EBT customers as the season continues.

Staff from the FNS Office of Research, Nutrition and Analysis (ORNA) can answer any reporting questions and can assist The Food Group or other future evaluator to determine how to gather this data if needed. ORNA may then pursue their own evaluation efforts based on the data collected from the markets.

As requested, your May 29, 2008 submittal for approval of an incentive program at Allston Farmers' Market alone has been closed, since that market is now part of this approved project. If you have any concerns or questions please contact Kathy Ottobre at (617) 565-5200, or Denise Daly at (617) 565-6404.

Sincerely,



Jeffrey N. Cohen
Director
Benefit Redemption Division

VII. City Heights Farmers Market

Exhibit A: Program Flier



What is the Fresh Fund?

The “Fresh Fund” is a program at the City Heights Farmers’ Market aimed at making fresh, locally grown produce accessible to everyone! Started with a generous donation from the Wholesome Wave Foundation, the program will provide Fresh Fund Dollars to eligible participants when they shop at the market. Then, our fresh food vendors redeem them for cash at the end of each day. In other words, each Fresh Fund Dollar first serves an individual or family—and then puts money in the pocket of a small farmer!

How can I participate?

Currently, there are two ways to be eligible to participate in the Fresh Fund. Each week, food stamp recipients can redeem \$5 worth of Fresh Fund Dollars when they spend \$5 of their food stamps at the market. And, WIC mothers can receive \$5 worth of Fresh Fund Dollars when they bring their “WIC folder” to the market Information Booth*. In the future, we hope to grow this program to serve residents on Supplemental Security Income (SSI/Disability) and low income Seniors over 65.

*If you are not currently receiving WIC or food stamp benefits, you can be pre-screened for eligibility at the Market.

How can I donate?

Each year, huge agribusinesses are subsidized by the federal government, many of them being paid to *not* grow their crops of corn, wheat or soy. Small, non-commodity growers miss out on most of these subsidy programs and everyone’s health suffers when processed foods are cheaper than fresh fruits and vegetables. This backwards system has to change.

The Fresh Fund is part of a national advocacy effort to show the USDA and federal/state/local governments that subsidizing local food systems is a healthier, much desired alternative for our tax dollars. In the meantime, it’s up to us to support the Fresh Fund so that we can demonstrate the demand for such a program.

Any size contribution is appreciated. Please drop your donation at the market Information Booth or contact Ellee Igoe of the City Heights Farmers’ Market Steering Committee (ellee.igoe@their.org or 619-641-7510 x234).

Exhibit B: Article on City Heights Farmers Market in *Edible San Diego*

REACHING THE HEIGHTS

New Farmers' Market Encouraging Healthy Eating In Diverse Neighborhood

STORY AND PHOTOGRAPHS BY CARON GOLDEN



Amina Hassan serves up savory East African sambussas at City Heights Farmers' Market

By the time the City Heights farmers' market opened at 9 am on an overcast Saturday morning in July, there was a long line of people patiently waiting on Wightman Street near Fairmount Avenue for their turn at the registration tables. That morning, the Senior Nutrition Farmers' Market program was being launched for seniors receiving Social Security income (SSI). Thanks to the county's Department of Aging and Independent Services, those qualified by income would receive a \$20 voucher to buy produce at any San Diego County farmers' market through November. In the first hour, 150 seniors were registered by volunteers and headed off to the nearby stalls to begin spending their money on items like organic oranges, collard greens, avocados and peaches. By the close of the market at 1 pm, 416 seniors had been enrolled.

"We chose to kick off the seniors program at the City Heights farmers' market because of the community it serves and the fact that it accepts food stamps," says Wendy Shigenaga, a nutritionist with the department.

This program is only one of several for the farmers' market that community organizations have been feverishly launching to benefit a largely immigrant neighborhood where over 40 languages are spoken and incomes are low. The market is the first in San Diego County to accept food stamps. It accepts WIC (Women, Infants and Children) coupons and, through a \$10,000 grant from the Wholesome Wave Foundation in Connecticut, is providing dollar-for-dollar matching up to \$10 apiece to WIC voucher recipients and food stamp users to stretch their dollars



at the market. The program has been dubbed the Fresh Fund and if the fund can be increased, it will include seniors and SSI recipients.

The new market itself is a marvel of dedication to a philosophy articulated by Blanca Melendrez, San Diego-Imperial Regional director of the Network for a Healthy California. "We want to provide access to fresh, culturally appropriate and locally grown foods at affordable prices. We want to offer a culturally diverse open-air market and educate the community about nutrition. And, we want to increase dollars entering and staying in City Heights."

These are ambitious goals and for over a year Melendrez has been working with Tia Anzellotti, executive director of the San Diego Hunger Coalition; Ellee Igoe, in charge of Food Security and Community Health at the International Rescue Committee, San Diego; and an even larger coalition of more than 20 local organizations eager to achieve them. The coalition surveyed the community to make sure it even wanted a farmers' market and, if so, to learn what foods were wanted. Lots of community meetings provided feedback for the look of the market. But without expertise in farmers' markets, the coalition members realized they needed a market manager responsible for programming and operations. Acting on their behalf, last spring the three women approached the San Diego County Farm Bureau, which oversees local farmers' markets, to take on the management role. The International Rescue Committee, San Diego, has taken on the fiscal agency responsibilities.

"The three came to me to set it up," recalls Casey Anderson, the Farm Bureau's membership and marketing manager. "They had a vision but had never put one together, so they asked if we could help put it on and manage it."

Anderson took on the project—the first market the Farm Bureau has actually managed—and in one month, on June 7, to the sound of mariachis and numerous speeches by local supportive politicians like Tony Atkins and Ron Roberts, the farmers' market opened. There were young women dressed in colorful Somali garb, older women from Vietnam in broad, conical straw hats and lots and lots of kids eagerly waiting for a balloon sculpture or to get their faces painted by a clown in a pink wig. By 11 am, the vendors were almost all sold out of their wares.

Of course, in the weeks that have followed, the challenge for the organizers has been to draw more customers and more vendors. They have about 20 regular vendors now, from farmers and nurseries to Fresca Fish—which sells fresh cod, mahi mahi and tilapia—and several prepared-foods vendors like Amina Hassan, who makes savory East African pastries called sambusas, filled with chicken, beef, spinach, potato and other ingredients, as well as rich eggplant and okra stews. Just a couple of stalls away is Josefina Trzos of Desde Sinaloa Foods. Originally from the Mexican state of Sinaloa, she makes thick grilled gorditas on site, stuffed with black beans, jack cheese, diced nopales and salsa, as well as colorful wraps of homemade flour tortillas filled with chicken

and vegetables. There are, in fact, strict health guidelines for food vendors; you won't find kettle corn or crepes here.

Additionally, the organizers are bringing in resources to promote healthy eating and cooking. There have been booths that address diabetes and obesity issues, others that promote exercise and do health screenings. And, there is talk of upcoming cooking demonstrations.

"Ultimately, we'd like to engage different ethnic communities for food demonstrations to expose residents to other types of cooking," says Anzellotti.

Every effort is being made to encourage vendors to join the market as regulars, including discounted fees. The produce vendors pay 8 percent of their take; food vendors are charged \$20 for a stall; community groups can participate for free.

"We want to be as attractive as possible to small farmers so they'll join us," says Brian Lewis-Beevers, the City Heights resident hired by the Farm Bureau to be site manager. He adds that Price Charities is providing storage facilities and free parking for the market.

For immigrant residents, the appeal is that they finally have a local market reminiscent of their shopping experience in their former country. "When we first started, people told us that it wouldn't be successful, but community members here are used to shopping in open-air markets," says Melendrez.

Some may even be able to participate as vendors if the new Backyard Farmers program takes shape. The International Rescue Committee is working on establishing a community garden in the neighborhood with 80, 600-square-foot plots as well as three larger spots for people interested in moving into a farm incubator project that would encourage growers to produce crops for the market, according to Igoe. "I'd love to see a partnership between the farmers at the market and community members who are interested in getting into farming but who don't have land," she says. "We have an aging farming population. We need to move people into farming or we won't have a local food movement."

With the help of the San Diego Food Not Lawns group, the permitting process with the City of San Diego is in the last phases. An open house on site last April drew over 100 people, who signed up for a plot or a waiting list for a plot. Already, says Igoe, they've started trainings with different ethnic groups, including Cambodian and Somali Bantu residents. There's even the possibility that some residents who have gardens at their homes might be certified to grow produce that community members would want and form a co-op to sell it at a stall at the farmers' market, but that, Igoe and Lewis-Beevers acknowledge, has been harder to work through.

"It's a challenge to get the right permits and an inspection to get certified by the Department of Agriculture," says Lewis-Beevers. But, he says, that it's something the market would like to do because he gets a lot of requests for unusual vegetables.

In the meantime, vendors are being encouraged to look at their own crops a bit differently. "Somalis, Vietnamese and Hispanic residents are finding staples but we're doing a survey to find out what other crops they need so we can tell farmers there's a market for it," says Anzellotti. "For instance, Vietnamese like to cook soups with turnip greens but they're hard to find and expensive. Ironically, farmers who grow turnips cut off the greens and compost them. But, here's a market for something they'd otherwise toss. It works for everybody."

What has been noteworthy in particular at this market is, of course, the acceptance of food stamps. The organizers hope that this will be a model for other markets, which have yet to initiate the program. According to Melendrez, San Diego County is one of the few in California that doesn't automatically include food stamps in its farmers' market program. "There was some misinformation about how the process works and how cumbersome it would be for vendors and market managers," she says. "But, the process is easy."

At the City Heights farmers' market every week are tables staffed by volunteers where residents can be screened to find out if they're qualified and then can enroll. Once enrolled and issued an EBT card, they can use the card to get 10, \$1 tokens for use at the market to buy produce. When they get to the market, they take the card to be swiped by an EBT machine, provided to the market for free by the state. When customers are done shopping they can return unused tokens and get credit put back in their account or save the tokens for another week. At the end of the market vendors can go to the market



Bernardino and Veronica Loera of Loera Farms

manager to cash in the tokens they received. "It's very simple, but farmers were concerned they wouldn't be paid in a timely fashion," says Anzellotti. "This addresses the issue."

With 25,000 residents who qualify for food stamps but aren't enrolled, the organizers hope that more people who need help paying for

food will come to sign up. In fact, according to Melendrez, San Diego County has the lowest participation in food stamps in the nation. "In City Heights, almost \$16 million goes back to the government unused," she says. "That's money that doesn't flow in the local economy. We want to increase food security with healthy food and we don't have an environment here in which people can do these things. So this farmers' market is not just a place to sell food, it's a place to promote food stamps and WIC so people who need it can participate."

Indeed, the organizers are thrilled that WIC recipients now have a place close by where they can use farmers' market vouchers. This is a new program, explains Igoe. "WIC changed its rules for the first time in 25 years as to what moms can buy with vouchers at the grocery store to include fresh fruit and vegetables. We think that WIC vouchers should be used at farmers' markets throughout the year, not just at grocery stores. But the WIC Farmers' Market Nutrition Program is only a summer program and participants only get one voucher for up to \$10."

Currently, the WIC FMNP has had only a 30 percent redemption rate in San Diego's mid-city area. "We're trying to increase that with the farmers' market so the funding isn't reduced," says Igoe.

Over the next six months, the State of California will be deciding whether to make the FMNP viable year round. "To help convince them, we launched the Fresh Fund. We want them to see how many moms are buying fresh produce for their kids," Igoe says. In fact, a study published earlier this year by researchers at UCLA found that participants who received \$10 in weekly vouchers to purchase produce from a nearby farmers' market or supermarket increased their fruit and vegetable consumption and kept that up even six months after the coupons were

suspended. The researchers pointed out that the findings demonstrate that WIC participants value fresh fruits and vegetables, suggesting that increasing their accessibility would increase their consumption.

At the Loera Farms stall, Fallbrook farmers Bernardino and Veronica Loera say that more than half of their sales are paid for with food stamp tokens. And Chris Johnson, co-owner of Fresca Fish, says he's happy to participate in the market and introduce customers to products they might not be familiar with. "We're selling our fish at very reasonable prices," he says. "We make a shrimp ceviche and snow crab dip. Kids will come up and taste it and say, 'That's fish?' But, it's so expensive they don't know what it is."

With affordable fish and greens and fruit and healthfully prepared ethnic foods, the organizers of the City Heights farmers' market are trying to improve the community as a whole. "We want to use the market to educate the community about nutrition and to increase the dollars entering and staying in City Heights," says Melendrez. "Our goal is to develop a replicable model that can assist other communities in San Diego, particularly low-income areas. By providing a healthy environment, our goal is to have a healthy community." ❖

*City Heights Farmers' Market
Wrightman St btwn Fairmount & 43rd St, San Diego
619.795.3363.*

Caron Golden is a freelance writer whose work appears in the San Diego Union-Tribune, Culinaire and her blog, San Diego Foodstuff. She's the co-host of the signonradio.com's weekly show, The Gourmet Club, and now a regular guest on KPBS radio's These Days.

Exhibit 3: City Heights Article from Union-Tribune

New farmers market aims to fill void in City Heights

By Jeff McDonald
UNION-TRIBUNE STAFF WRITER
June 4, 2008

SAN DIEGO – It's no secret that fresh fruits and vegetables are key to good nutrition. For people who live and work in lower-income communities, it's also clear that access to healthy, affordable produce can be difficult.

For more than a year, volunteers and activists have worked to lure a farmers market to City Heights, a diverse central San Diego community where immigrants relocate from all over the world and schools educate a group of students that speaks more than 30 languages.

Their efforts will pay off Saturday, when the neighborhood's first certified farmers market opens for business on Wightman Street in the heart of Urban Village.

Not only that, the City Heights Farmers Market will be the first farmers market in the county to accept food stamps – a critical development for nutrition advocates and hunger-relief workers.

"We really hope this is going to increase food-stamp participation and reduce hunger," said Blanca Melendrez, the local director of the Network for a Healthy California, a state health program run through University of California San Diego. "We hope this will serve as a model for other farmers markets."

San Diego County has the lowest food-stamp enrollment in the country by far, with less than 1 in 3 eligible residents signing up for the benefit, one recent study found. The second-lowest performing city was Las Vegas, with 44 percent enrollment.

Under a special program worked out by Melendrez and others, City Heights Farmers Market customers who use food stamps or Women, Infants and Children coupons will get a dollar-for-dollar match up to \$10, allowing them to buy even more fruits and vegetables.

More than 25 farmers markets are in San Diego County, including tiny Borrego Springs, which opens between November and June. Farmers markets in other parts of California have been accepting food stamps for several years.

County Supervisor Ron Roberts and a nonprofit called Price Charities each contributed startup money for the City Heights Farmers Market. It will open from 9 a.m. to 1 p.m. every Saturday and be managed by the San Diego County Farm Bureau – another first for this region.

"We, like everybody else, are recognizing this link between local-grown and the local population," said Eric Larson, the farm bureau's executive director. "We want to facilitate that. We want to see an expansion of farmers markets in San Diego County."

Organizers have 11 vendors signed up for the initial weekend, but they expect the market to grow. Eventually, they want it to become a neighborhood tradition that matches families to healthy, locally grown foods and products, and provides nutrition education, health screenings and food demonstrations.

"One of the goals of this market is not to just be about selling vegetables but to teach people about healthy lives," Melendrez said.

Amina Sheik, a health educator from Somalia who works in City Heights, said many immigrants are reluctant to shop at supermarkets such as Albertsons, which is one of the centerpieces of the Urban Village project, in part because such stores offer a limited variety of cultural staples.

She and others say the new market will be welcomed not so much because of cost issues, but because of the types of products and atmosphere it offers.

"In the East African community, we're used to open markets, so this will be great," Sheik said of the new farmers market. "The community has been waiting for it."

Researchers have known for years that inner-city residents generally have above-average rates of diabetes, heart disease and other illnesses that stem from poor eating habits.



At the same time, urban cores typically have fewer places to buy healthful foods and produce.

In the 1990s, when Lisa Vandervort of the City Heights Wellness Center sought to boost her clients' access to locally grown foods, she helped start a pilot project allowing participants in the federal Women, Infants and Children program to spend their benefits on fresh produce.

Until then, WIC coupons could not be spent on such items.

But the program didn't have as much impact as Vandervort expected. Many of her clients had no way to get to a farmers market, and the neighborhood had far more convenience stores and fast-food restaurants than supermarkets.

"Out of the 5,000 people they served, redemption was less than 50 percent," Vandervort said. "The closest farmers market we had was in Hillcrest."

In January, *The American Journal of Public Health* reported that consumption of fruits and vegetables rose sharply when women in the WIC program were given vouchers for fresh produce.

After six months, families given produce vouchers were eating almost three more servings of fruits and vegetables a day than members of a control group that did not receive vouchers.

■ Jeff McDonald: (619) 542-4585; jeff.mcdonald@uniontrib.com

VIII. Toledo Farmers Market

Exhibit A: Promotional Materials



TOLEDO FARMERS' MARKET

525 Market St. • Toledo 43604

The Toledo Farmers Market
is open Saturdays from
8:00 a.m.- 2:00 p.m.

Any monies that are refunded will include the corresponding matching funds. No cash will be disbursed. Offer good while supplies last.

IV. Ypsilanti Farmers Market, Michigan

Markets reach out to those in need Food assistance cards, coupons accepted at Ypsilanti farmers' markets

Sunday, August 03, 2008

BY JORDAN MILLER

The Ann Arbor News

Every seat under a small tent at the Tuesday Downtown Ypsilanti Farmers' Market was filled with people wanting to eat healthy.

Peter di Lorenzi, Family Nutrition Program instructor for the Michigan State University Extension, was giving a presentation on healthy eating and simple cooking tips. But he also was there to explain to many of the audience members how to use their food assistance coupons to purchase fresh fruits and vegetables at the market.

"It's real helpful," said Ypsilanti resident Jessica Bailey, who was there as a result of a federally funded program called Project Fresh, which provides vouchers for fresh produce to low income mothers in the Women, Infants, and Children - WIC - program. "You get a nice quality and quantity. ... Usually we just get milk, juice, cereal and beans, but we don't get fruit."

Market manager Rachel Chadderdon said organizers have focused their efforts on appealing to a low income demographic.

"I think we're really targeting our marketing to populations that aren't usually targeted by farmers' markets," Chadderdon said. "We're located downtown, really close to subsidized housing areas. ... They're a really good cross-section of the community and I think that's really appealing to a lot of people."

Now in its third season, the Downtown Ypsilanti Farmers' Market, which is located in the Key Bank parking lot on the corner of Michigan Avenue and Hamilton Street, is experiencing unprecedented growth. In the two previous seasons, typical attendance was approximately 450 customers on a good day, according to Chadderdon, who also works for Growing Hope, an Ypsilanti healthy food-focused nonprofit. This year, the July 15 market day had 763 customers.

The downtown market was the third farmers' market in the state to begin accepting Electronic Benefit Transfer food assistance cards. Starting this summer, the market received a grant from the Michigan Department of Community Health to promote EBT use by offering one free "Market Dollar" token for every EBT dollar spent, up to \$5 per week, during the month of July.

Several of the vendors said that as many as 50 percent of their customers use EBT. Brenda Jo Domsle, who was selling organically raised meat and cheese, said her business is probably 10 percent EBT.

"I think they just want a nice quality meat," she said. "People just want to make sure they're feeding their children good stuff."

The downtown market was founded in 2006 as a joint effort between Growing Hope, the Washtenaw County Public Health Department, the Michigan State University Extension Service, and the Ypsilanti Food Co-op.

The Ypsilanti Depot Town Farmer's Market, which has operated in Ypsilanti for 30 years, accepts EBT as well. That market averages approximately 100 customers per market day, according to Depot Town market manager Nancy Corfman, who estimates that 5 percent of the sales come from EBT.

"Growing Hope's mission is to improve people's lives through gardening and healthy food access," Chadderdon said. "It's really just an extension of that mission to find the population most in need of healthy food access and try to bring it to them."

In an effort to increase their reach in the community, the market's managing partners have recruited Ypsilanti residents to display yard signs promoting the market. They also enlisted Ann Arbor-based Food Gatherer's, a nonprofit food distribution organization, to place information about using EBT at the Downtown Market into their food distribution bags.

Last year the market also introduced Senior Project Fresh, a similar program aimed toward senior citizens. Last summer, low income seniors redeemed \$3,000 worth of coupons for fresh produce at the market. In an effort to give seniors more access to the food that the market provides, they offer free bicycle delivery and provide volunteers to help seniors cross the street and carry groceries home, according to Chadderdon.

Jordan Miller can be reached at jmiller@annarbornews.com or 734-994-6679.