

18 November 2011

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Secretary Vilsack,

Thank you for the good work your department is doing to improve food quality and access in nutrition programs, develop new market opportunities for American farmers, and stimulate rural development. We urge you to institute an administrative change to provide wireless electronic benefit transfer (EBT) machines free of charge to farmers markets and other healthy fresh food retailers that do not have electricity or telephone lines. This low-cost change would improve the value of the USDA's programs and remove an unnecessary barrier that prevents most of the 45 million Americans in the SNAP program from using their benefits at local farmers markets.

USDA and states currently offer free EBT machines to all retailers certified to accept SNAP benefits that have telephone and electric lines. Farmers markets, farmstands, and other healthy food retailers without telephones and electricity are required to purchase or rent their own equipment if the states where they are located will not bear half the cost. In practice, this means that USDA facilitates the use of SNAP benefits in the kinds of stores that offer the least healthy selection of foods, including convenience stores, liquor stores, and gas station mini-marts. Meanwhile, the costs prevent farmers markets and produce farmers from serving the communities that need them most. USDA promotes farmers markets, but administrative policy prevents them from serving many of the more than 45 million Americans in the SNAP program, or capturing some of the \$70 billion year in SNAP food purchases.

Common sense government policy would facilitate the use of SNAP benefits at farmers markets because:

1. Diet-related conditions cost the American economy more than \$150B per year, and their prevalence is higher in low-income areas. Encouraging SNAP use at farmers markets is a practical and easy way to help families improve their diets.
2. Ability to accept SNAP benefits is necessary for fresh fruit and vegetable incentive programs that offer a practical alternative to prohibiting the purchase of certain foods with SNAP benefits.

3. Purchases at farmers markets keep food dollars in the regional economy, stimulating economic activity in the area immediately around the market and in the rural home communities of the farmers. Furthermore, it would allow all of the limited funds in the USDA's Farmers Market Promotion Program to be used for market development and capacity building.
4. Farmers markets create jobs, with a conservative estimate of 3.5 jobs at each market.
5. Direct sales at markets are an entry point for many new farmers, a sector we need to support to have the great farmers we will need in the future.
6. Supporting EBT capacity in farmers markets now means that they won't be on the wrong side of the digital divide as WIC transitions to EBT, saving USDA and state agencies resources over the next several years.
7. Many SNAP participants live in communities without adequate grocery stores. Local farmers markets can be nimble and offer affordable, nutritious food where it could be years before a traditional store will be developed.

Some states have raised funds to provide EBT machines to their farmers markets, and USDA's Farmers Market Promotion Program provides grants to individual markets to get them, but funds do not come close to meeting demand. Furthermore, when individual markets purchase EBT machines they cannot achieve the economies of scale that USDA could were it to provide them to all interested markets. Time and money is being wasted, farmers are losing out on important sales and low-income consumers are being excluded from some of the best food retail options around.

Less than 25 percent of America's more than 7,100 farmers markets now accept SNAP. USDA staff has estimated that all markets could be "hooked up" for less than \$4.5 million and the cost could be even lower with a competitive bidding process among suppliers. The Department spends nearly this much studying farmers markets each year – surely it can spend that amount to make markets available to the SNAP clientele it also serves. USDA should absorb the total cost since connecting farmers and low-income consumers serves the agency's two key constituencies.

We believe that this problem can and should be remedied by the start of the 2012 farmers market season. Thank you for considering this problem; we will be glad to help you find a good solution to the problem.

Sincerely,

American Dietetic Association
American Farmland Trust
American Heart Association
American Public Health Association
American Sustainable Business Council
California Association of Micro Enterprise Opportunity
California Food and Justice Coalition

Cedar Valley Sustainable Farm
Chicago Botanic Gardens
City of Chicago Department of Family and Support Services
City of Minneapolis, Mayor R. T. Rybak
Community Food Security Coalition
Fair Food Network
Farmers Market Coalition
Fay-Penn Economic Development Council
Feeding America
Food and Water Watch
Food Bank of North Alabama
Green For All
Greene Street Market, Huntsville, AL
Illinois Farmers Market Network
Illinois Stewardship Alliance
Institute for Agriculture and Trade Policy
Johns Hopkins University Center for a Livable Future
Liberty Prairie Foundation
Living Earth Farm, IL
Main Street Birmingham
Mulberry Hill Farm, Inc.
National Farmers Union
National Organic Coalition
National Urban League
National Sustainable Agriculture Coalition
PolicyLink
Public Health Institute
Public Health Law and Policy
Rural Coalition
Sustainable Business Alliance
The Land Connection
Trust for America's Health
Union of Concerned Scientists