



## **Recommendations to Remove FNS Barriers to SNAP/EBT and Direct Market Farming Operations**

The National Sustainable Agriculture Coalition's Marketing, Food Systems, and Rural Development Committee has identified a number of policy barriers within the Food & Nutrition Service (FNS) impacting continued growth in the number of direct market farming operations that are able to accept SNAP/EBT and the continued growth in the total dollar amount of SNAP/EBT benefits being utilized at direct market farming operations.

We make the following recommendations:

### **Implementation of Section 4002 – Exemption for Direct Market Farming**

**We urge you to develop regulations that instruct state SNAP agencies to include provisions in their SNAP processing contracts that require providing no-cost appropriate POS EBT equipment and services to authorized farmers markets and other direct marketing venues.**

California, Mississippi, and South Carolina serve as good models for other states to follow.

Section 4002 of the 2014 Farm Bill requires non-exempt retailers to now pay for EBT equipment and supplies, implementation and related services, something that previous to the bill was a free service. However, Section 4002 also allows the Secretary to exempt farmer's markets and direct marketing farmers. Congressional champions, both Democrats and Republicans, have expressed the intent of the exemption was that farmer's markets and direct marketing farmers would have appropriate POS equipment/technology and related services covered at no cost to the market or farmer. That was also the intent of the advocates who worked on the provision.

FNS's March 21, 2014 "SNAP Provisions of the Agricultural Act of 2014 - Implementation Memorandum," states in reference to Section 4002 and the exemption for farmers markets and direct marketing farmers that, "*A regulation will follow which will more fully consider those establishments that the Secretary has authority to exempt that should be exempt from this requirement.*"

No such regulations have occurred. Time is running out, and this rulemaking needs to happen quickly.

### **"One-Permit-per-Location-per-Device" Policy**

**We urge you to place a moratorium on the one-permit-per-location-device policy as it pertains to direct market farming operations while a long term solution is developed; invest the proper resources in developing a technology-based long term fix to the security and software issues that precipitated the adoption of the policy; and develop a clear, written policy to guide the direct market farming community and FNS regional staff.**

In 2014, without undergoing a rulemaking or reaching out to the direct market farming community ahead of time, FNS began enforcing a "one-permit-per-location-per-device" policy. Up to that point, FNS had allowed an organization running multiple markets to use one SNAP permit and one

piece of wireless equipment at all of their markets. It is our understanding that this was done for security reasons.

This change has doubled and tripled the cost for many markets and created substantial inefficiencies. Some markets have suspended SNAP/EBT acceptance at their markets as a result. It's a big issue for winter markets that operate in different locations. Mobile markets have also been impacted by this policy and can no longer be classified as a farmers market and instead must register as mobile delivery markets, preventing them from accessing free EBT equipment programs and complicating a number of approved FINI grants. In addition, NSAC member organizations have expressed frustration that this policy has not been consistently implemented and applied region to region. It's also unclear where that policy and guidance around that policy can be found in writing. All of this needs urgent attention.

### **Implementation of Section 4012 – Community Supported Agriculture (CSA) SNAP/EBT Acceptance**

**We urge you to reconsider the decision to limit implementation to a two-week period prior to delivery of food and in its place adopt a four week rule right now, while also starting a few state pilot programs to explore whether there are even better ways to dovetail SNAP with the CSA model.**

Section 4012 of the 2014 Farm Bill, “Use of Benefits for Purchase of Community-Supported Agriculture Share,” allows EBT to be accepted in advance of food delivery by “agricultural producer who markets directly to consumers.” FNS has implemented this provision by creating a policy that allows SNAP acceptance of EBT two weeks prior to delivery of food.

FNS's policy shows a fundamental lack of understanding of the CSA model, what a CSA a share is, and how that model works in practice. Recognizing that making the FNS SNAP/EBT system work with something like the CSA model is difficult, we recommend you institute some pilot projects, but in the meantime bring implementation in line with monthly SNAP benefits.