



Farmers Market Access to Equipment to Process SNAP Transactions

Historically, retailers that became authorized to accept Supplemental Nutrition Assistance Program (SNAP) benefits were able to access a free, hard-wired device to use for the sole purpose of accepting SNAP benefits. Through a contract with Xerox, Michigan's State Electronic Benefit Transfer (EBT) Contractor, SNAP retailers have had access to these free devices which do not incur transaction fees. The only costs associated with these devices is the cost of the electricity and landline phone line required to operate.

The 2014 Farm Bill removed the requirement for states to provide these devices free to retailers, however farmers markets and direct marketing farmers were exempted. Thus, the current Michigan EBT contract still provides hard-wired devices to farmers markets and direct marketing farmers.

Farmers markets and direct marketing farmers often conduct SNAP transactions in locations that do not have access to electricity and landline phone lines which means **a wireless device is necessary to create access to fresh, healthy food for SNAP shoppers** in these locations.

In order to obtain wireless equipment, farmers markets and direct marketing farmers must purchase, lease or rent equipment and pay monthly and per transaction fees. While grant funding from the national Farmers Market Coalition's SNAP EBT Equipment Program may be available to cover the initial cost of wireless equipment and monthly service fees for the first three years, this funding cannot cover transaction fees and markets will incur all monthly service fees after the three year grant period ends. This is a temporary solution that can support a limited number of markets and farmers nationally contingent upon federal funding availability.

Concerns

- The majority of farmers markets and direct marketing farmers in Michigan operate in locations without access to electricity and landline telephone lines.
- Markets struggle to afford the ongoing costs associated with wireless equipment.
- Every year, markets must determine how equipment needed to process SNAP transactions will be accessed and paid for. Temporary solutions, like grant funding, do not offer long term, sustainable solutions to address the costs of purchasing and maintaining access to wireless devices.
- The process by which farmers markets and direct marketing farmers obtain affordable, wireless point of sale devices must be clear, timely and include technical assistance.

Markets Affected

There are at least **300 farmers markets in Michigan**. Approximately **160 farmers markets currently accept SNAP**.

At least 65 farmers markets in Michigan currently utilize wireless devices that incur costs to operate.

Access to affordable wireless point of sale devices is imperative to expanding access to fresh fruit and vegetables by increasing the number of Michigan farmers markets that accept SNAP. It is also imperative to enhancing Fair Food Network's SNAP incentive program Double Up Food Bucks.

Solution

In recognition of the need for long-term access to no-cost wireless equipment, USDA Food and Nutrition Service (FNS) issued a memo in August 2016 informing states that they can also include in their EBT contracts free wireless equipment for farmers markets and direct marketing farmers and the fees associated with this equipment. We urge the State of Michigan to follow this guidance and incorporate an amendment into its current EBT contract to provide free wireless equipment to farmers markets and direct marketing farmers that does not incur monthly or per transaction fees.

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