

Vermont Farmers' Market EBT/Debit Card Project  
Project Description (12/1/09) Page 1 of 3

**Purpose:** To enable farmers markets to accept bank and EBT (electronic benefits transfer) debit cards, thereby making local products more accessible to low income Vermonters, encouraging consumers to "buy local," allowing local producers to capture some of the \$115 million in federal program benefits Vermonters are spending annually on food, and increasing overall farmers market sales.

**Project Partners:**

- George D. Aiken Resource Conservation and Development Council (Aiken RC&D)
- Northeast Organic Farming Association of Vermont (NOFA-VT)
- Northern Vermont Resource Conservation and Development Council (Northern VT RC&D)
- Vermont Agency of Agriculture, Food and Markets (VAAFAM)
- Vermont Campaign to End Childhood Hunger (VTCECH)
- Vermont Department for Children and Families (DCF)

**Summary of Process at Market:** All vendors at the market agree to take part and are likely to benefit. Each market needs a specific booth staffed continuously by someone who controls the electronic debit card reader, asks customers the dollar amount of food or other purchases they want deducted from the card, lets them swipe the card, and gives them that amount in the form of \$5 or \$1 wooden tokens redeemable only at that market. The \$5 tokens may be purchased with a bank debit card. Vendors may give cash change for the \$5 tokens, which are redeemable for any product sold at the market. The \$1 tokens may only be purchased with SNAP/3SquaresVT benefits posted on an EBT debit card (see next section). The \$1 tokens may buy vegetable starts as well as any non-alcoholic beverage or food product intended for human consumption, except for hot prepared foods. Vendors accept the tokens in lieu of cash, and submit the tokens to the market for payment at the end of the market day. Electronic banking systems reimburse the market for those cash and EBT transactions within 24 hours.

**First Step for Markets:** The project is restricted to markets that are authorized to accept SNAP/3SquaresVT (formerly called the Food Stamp Program) benefits. Those food benefits are provided on EBT (electronic benefits transfer) cards, some of which may also carry cash benefits provided by other programs. Markets must apply to the USDA Food & Nutrition Service (FNS) for this authorization. Project activities are not initiated for a market until the market gets the FNS authorization number. The application is available at [www.fns.usda.gov/snap/ebt/fm.htm](http://www.fns.usda.gov/snap/ebt/fm.htm) or by calling the FNS office 1-877-823-4369.

**Project Costs and Financial Aid:** The electronic card readers cost up to \$1,500 each, and using them entails transaction fees plus a service fee for each month in which card transactions occur. Participation in the Vermont Farmers Market EBT and Debit Card Project entitles a market to receive from the Project Partners about \$4,000 worth of the following equipment and financial resources:

- *One wireless card reader*
- *First installment of market tokens.* The Project Partners will consult the market regarding the number of tokens the market should need. After the first installment, the market is responsible for purchasing additional or replacement tokens.
- *3 seasons' worth of transaction and service fees funded by the Project.* For this project, a "season" is defined as period of six consecutive months from May-October or November-April. Therefore, the Project Partners will cover fees for three consecutive years for a seasonal (summer or winter) market. Year-round markets may choose between having the Project cover fees for 18 consecutive months, or for three consecutive May-October seasons.

- *Staffing and promotion stipends for three seasons.* The stipends are available to markets for three seasons within a 3-year period, following on the same schedule as that used for Project coverage of the transaction fees (see previous section). Stipends are granted by NOFA-VT as reimbursements for funds spent by the market for staffing or promotional costs. The stipend availability, based on invoices provided by the markets, is as follows:
  - First season: up to \$1,000
  - Second season: up to \$500
  - Third season: up to \$250
- *Inclusion in statewide promotion plans.* This includes but may not be limited to: printed materials available statewide through community-based agencies and other venues, updates on the Vermont 211 database and on the [www.vermontfoodhelp.com](http://www.vermontfoodhelp.com) website, updates on farmers market websites and directories, press releases, and other media campaigns.
- *"We Accept EBT and Debit Cards" banner to display at the market.*
- *Technical and programmatic assistance.* DCF will help markets apply to FNS for the federal authorization to accept EBT benefits. The Project Partners are available to help troubleshoot problems, including but not limited to technical difficulties with the card reader, questions about the electronic banking contract, vendor/staff/customer training, and customer outreach.

**Equipment Ownership:** During and following a market's participation in the Project, the following equipment is supplied and owned by the Project Partners and loaned to the market at no charge as long as the market continues to accept both EBT and debit card transactions:

- Wireless card reader
- "We Accept EBT and Debit Cards" banner(s)
- Market tokens

A market that disbands or discontinues accepting EBT or debit card transactions must return the equipment to the appropriate Project Partner, as identified in the market's Project agreement.

**Equipment Security:** The market is responsible for the Project equipment and tokens, and is responsible for replacing a card reader or its batteries that are lost, stolen, or damaged beyond repair. Machine malfunctions can be addressed by contacting the machine service provider. The Project Partners can help coordinate machine repairs with the service provider.

**Market Role in Project Promotion and Consumer Education:** Participating markets will benefit from the statewide promotional efforts conducted by the Project Partners. The market will include the Project in its own promotional efforts. This entails including the EBT/Debit logo and/or "we accept EBT and debit cards" on all of the market's promotional materials, such as its website, advertisements, flyers, newsletters, and e-newsletters, as well as displaying the "We accept EBT/Debit cards" banner at market and appropriate signage at all vendors booths.

**Market Participation:** By enrolling in this project, it is expected that 100% of the market's vendors will agree to accept market tokens. All vendors who sell SNAP-eligible foods will accept both EBT and debit tokens. All other vendors will accept debit tokens. The Project coordinator at the market will ensure that all vendors understand the process and display the appropriation signage.

**Vendor Training and SNAP Program Compliance:** By participating in this Project, the market is agreeing to comply with the regulations of SNAP/3SquaresVT, formerly called the Food Stamp Program. The market's project coordinator is responsible for ensuring that all market vendors are informed of and comply with SNAP regulations. These regulations can be found on-line at: [www.fns.usda.gov/fsp/rules/Regulations/pdfs/110106.pdf](http://www.fns.usda.gov/fsp/rules/Regulations/pdfs/110106.pdf). Training materials can be found at: [www.fns.usda.gov/FSP/retailers/store-training.htm](http://www.fns.usda.gov/FSP/retailers/store-training.htm). The Project Partners will provide training materials specifically written for Vermont farmers markets and vendors.

**Service Fees:** The Project will only provide a stipend and cover transaction and service fees for 18 total months (either consecutive or separated into 3 market seasons), after which the market must absorb these costs. Many markets charge customers a service fee on all cash debit card transactions – service fees may not be charged for EBT transactions – starting at the time they join the Project. Income generated by this fee will help offset card processing costs when Project participation ends. Typical service fees range from \$1.50-\$2.00 per transaction.

For more information about the Project, please contact:

Jean Hamilton, NOFA-Vermont  
802-434-4122 or [jean@nofavt.org](mailto:jean@nofavt.org)

For the questions about the FNS application or wireless equipment, contact:

Ames Robb, EBT Project Director at DCF  
802-241-2899 or [ames.robb@ahs.state.vt.us](mailto:ames.robb@ahs.state.vt.us)

For an application for FNS approval to accept SNAP/3squaresVT benefits:

Call: 1-877-823-4369  
Visit: [www.fns.usda.gov/snap/ebt/fm.htm](http://www.fns.usda.gov/snap/ebt/fm.htm)