



Photos courtesy of Cindy Torres and Julianne Drake.



ADVANCING FOOD SYSTEMS ISSUES IN COLORADO: INCREASING SNAP AT FARMERS MARKETS

In order to grow the state’s economy and support access to healthy foods for all Coloradans, the Colorado Food Systems Advisory Council (COFSAC) recommends an expansion of services for both producers and consumers to increase the use of SNAP (Supplemental Nutrition Assistance Program, formerly food stamps) benefits at farmers markets across the state. Such services should include training, education, outreach, and evaluation.

I. INTRODUCTION

SNAP (Supplemental Nutrition Assistance Program, formerly food stamps) benefits play an important role in meeting the food needs of low-income Coloradoans. A federal program funded in the Farm Bill, it is administered in Colorado by the Department of Human Services (CDHS). Farmers markets provide a variety of fresh fruits and vegetables direct from the farm to consumers in small settings (one or more produce stands) to large (multiple vendor, year-round markets) in both urban and rural settings. These markets can accept SNAP benefits where the necessary equipment is in place and the implementation and administrative costs are met.

However, many markets lack this equipment and the administrative capacity to manage the program. Further, many SNAP recipients are unaware that they can use their benefits at farmers markets or believe that the costs at such markets are too high. As a result, the numbers of SNAP recipients having access to fresh fruits and vegetables at farmers markets are low.

The Colorado Food Systems Advisory Council (COFSAC) believes that technical assistance and education are key to increasing more Coloradoans’ access to healthy and fresh food at direct markets throughout our state. In its January 2013 report to the General Assembly, the COFSAC identified a need to continue technical assistance, training, and other resources to increase Electronic Benefit Transfer (EBT) infrastructure (automated payment cards to redeem SNAP benefits) and supporting programs such as nutrition education at direct markets in the state¹.



Photo courtesy of Cindy Torres.

This brief presents the key findings of a Colorado Farmers Market Association (CFMA)-initiated work group to examine the barriers and opportunities to grow the use of SNAP at farmers markets and direct market producer points of sale. Such efforts have been shown to connect food insecure residents with healthy Colorado products and support Colorado’s economy. Several findings from local and national research support this, as highlighted in Box A: The Growth of SNAP at Farmers Markets.

¹Colorado Food Systems Advisory Council Annual Report, January 31st 2013, <http://www.cofoodsystemscouncil.org/january-31-2013.html>

SNAP REDEMPTION IS GOOD FOR THE ECONOMY:

According to the USDA, every \$5 in new SNAP benefits generates as much as \$9 of economic activity.²



Studies have shown that shopping at farmer's markets leads to increased fruit and vegetable consumption among low-income individuals⁴, and farmer's markets have a positive economic impact on individual communities and the larger economy.⁵



In FY 2012, \$809 million Federal SNAP dollars were distributed in Colorado.³



SNAP REDEMPTION AT DIRECT MARKETS IS GOOD FOR THE AGRICULTURAL ECONOMY:

SNAP sales at farmers markets nationwide topped \$11.7 million between October 1, 2010 and September 30, 2011.⁶



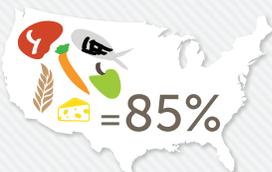
20% vs. 100%

The USDA has found that approximately \$0.20 for every SNAP dollar spent in a community goes to a farmer,⁷ but 100% of every SNAP dollar spent at a Colorado farmers market ends up in the pocket of a Colorado farmer.



75% of farmers attending farmers markets that offer SNAP incentives (or "double voucher" program that match SNAP benefits) through one national program say they make more money at markets that offer SNAP incentives than those that do not.⁸

Nationally, SNAP recipients spend over 85% of benefits on fruits and vegetables, grains, dairy, meat, and meat alternatives⁹, all which are found at CO farmers markets.



81% of SNAP customers at farmers markets offering incentives through one national program indicated that the amount of fruits and vegetables they purchase and consume increased because of SNAP incentives.¹⁰

SNAP REDEMPTION AT DIRECT MARKETS IMPROVES ACCESS TO AND CONSUMPTION OF HEALTHY FOODS AMONG LOW-INCOME POPULATIONS:

Low-income mothers at farmers markets indicated their primary reason for attending was to teach their kids about healthy eating.¹¹



SNAP REDEMPTION IS GROWING AT COLORADO'S DIRECT MARKETS BUT UNMET NEED AND DEMAND REMAINS:



There are currently approximately 70 member markets of the CFMA, with many other markets opening across the state every year.

2012=53

Approximately 22 markets first became equipped with EBT technology in Colorado in 2007 through a USDA Farmers Market Promotion Program grant. In 2012, 53 markets or individual producers across Colorado were SNAP-certified (able to accept SNAP).



Of these, at least 5 also run an incentive program that matches SNAP benefits redeemed for fresh produce.¹² Nationwide, 526 markets offered such programs in 2012.¹³

\$186,691



During the 2012 season, \$186,691 in SNAP benefits were redeemed at Colorado farmers markets.¹⁴

²Hanson, Kenneth, The Food Assistance National Input-Output Multiplier (FANIOM) Model and Stimulus Effects of SNAP, USDA Economic Research Service, 2010.

³Economic Impact of SNAP in Colorado, Colorado Kids, 2012.

⁴Herman, Harrison, Afifi, & Jenkins, 2008; Kropf, Holben, Holcomb, & Anderson, 2007

⁵Henneberry, Whitacre, & Agustini, 2009; Hughes, Brown, Miller, & McConnell, 2008; Market Umbrella, 2010; O'Hara, 2011.

⁶Healthy Food Incentives Cluster Evaluation: 2011 Final Report, Fair Food Network, 2011.

⁷Agriculture Undersecretary Kevin Concannon, USDA Expands Support for Farmers Markets to Accept Supplemental Nutrition Assistance Program Benefits, Release # FNS-0008.13

⁸Healthy Food Incentives Cluster Evaluation: 2011 Final Report, Fair Food Network, 2011.

⁹Center on Budget and Policy Priorities, 2013

¹⁰Healthy Food Incentives Cluster Evaluation: 2011 Final Report, Fair Food Network, 2011.

¹¹Colorado EBT at Farmers Markets Coalition Evaluation of EBT Use, 2011

¹²Colorado Farmers Market Association

¹³Healthy Food Incentives Cluster Evaluation: 2011 Final Report, Fair Food Network, 2011.

¹⁴Farmers Market Coalition, 2013

II. BARRIERS TO EXPANSION IN COLORADO

Currently, the technical assistance for markets and producers interested in becoming SNAP certified and receiving (and using) EBT technology is provided through the CFMA and the CDHS through its Food and Energy Assistance Division.

SNAP at Farmers Markets is CFMA's second largest program and includes contractual agreements for SNAP currency, technical assistance for administrative and financial tracking of SNAP benefits, funding advocacy for SNAP equipment, marketing and promotion through CFMA's website, and program networking and problem solving through membership networks and trainings. CFMA also supported producer eligibility of WIC Fruit & Vegetable checks, the Senior Farmers Market Nutrition Program, and implementation of the Wholesome Wave Double Voucher Program in CO.

However, more than half of Colorado farmers markets operate with less than a 1/4 time employee or on a volunteer basis. Due to the limited financial and staffing capacity of farmers markets, the majority of farmers markets in Colorado are not equipped to receive SNAP because they have been unable to meet the costs associated with EBT program administration, equipment, and marketing/outreach costs. In addition, CFMA's capacity to support business development strategies to strengthen member markets is under-resourced and operates at a limited capacity and with volunteer EBT program staff.



Photo courtesy of Cindy Torres.

This infrastructure shortfall has created a barrier between Colorado producers and those who are eligible for SNAP. For producers, potential direct revenue is lost. For consumers, valuable community resources found at farmers markets are under-utilized, such as nutrition education, healthy food, local economic contributions, and community networks.

III. STATE COLLABORATIONS TO ENHANCE EBT AT DIRECT MARKETS

To support an increasing use of EBT technology at farmers markets and direct market producer businesses, CFMA launched a diverse work group with Share Our Strength-Colorado in 2011 to help connect Colorado's food insecure residents and Colorado's agricultural producers at farmers markets,

COLORADO STORIES

The Greeley Farmer's Market is a bustling center of community activity that is staffed by the city. In order for low-income families to benefit from the fresh produce sold at the market, the market began accepting SNAP benefits in 2007. SNAP transactions doubled in the first three years, so city officials secured a grant to implement a Double Value Coupons (DVC) program – providing a "match" for SNAP clients for up to \$20 of fresh produce. In 2012, the DVC program drew 55 new SNAP participants to the market. With this success, the City plans to seek additional funding to expand the program.



farm stands, and farm stores through: 1) infrastructure development; 2) outreach and education; and, 3) evaluation of programs and progress.

The work group now includes CFMA (EBT coordinator, member markets and producers), Colorado State University Extension-Nutrition Education (CSU), CDHS-EBT office, United States Department of Agriculture Food & Nutrition Services Regional office (USDA FNS), Hunger Free Colorado, Share Our Strength-Cooking Matters, Denver Sustainable Food Policy Council, and Denver Human Services. Efforts of the work group have been supported by grant funds from Share Our Strength, the USDA, and Rocky Mountain Farmers Union.

To date, the collaboration has initiated an evaluation of EBT use and related outreach, identified state and federal policy barriers and opportunities for expansion, enhanced the work plans of several participating agencies to include outreach and education around SNAP at farmers markets, increased training and technical assistance for markets, and, provided feedback on the USDA FNS EBT application to make it appropriate for agricultural businesses.

The results of this two-year collaboration and the primary opportunities for growing SNAP at direct markets are presented below.

IV. OPPORTUNITIES FOR THE STATE OF COLORADO

Though the SNAP program is a federally-funded program, the state of Colorado plays a critical role in the implementation of SNAP, SNAP-Education (SNAP-Ed), SNAP at farmers markets, and other programs.

Currently, CDHS provides EBT equipment to retailers at no cost, and has temporarily extended this benefit to agricultural businesses, such as farmers markets and producers. CDHS also provides support and marketing materials to county DHS offices and provides training, along with CFMA, to markets and producers wanting to apply for and use EBT machines. Hunger Free Colorado, along with CFMA, provides one-on-one application assistance through their state-wide hotline to markets and producers who would like assistance in filling out the SNAP EBT application.



Photo courtesy of Cindy Torres.

Colorado State University Extension currently conducts price reports to help producers evaluate economic opportunities at specific farmers markets across the state and helps low-income consumers budget for farmers market purchases. CSU Extension also houses producer information for those applying to be a vendor of the EBT program in Colorado. CSU and Share Our Strength also provide SNAP-Ed to communities across the state.

Due to these and many other efforts, Colorado has made significant strides in the past two years in bridging the gap between agriculture and SNAP-eligible residents. Many opportunities remain that, with additional support from the state, could improve the lives of Coloradans and the economic health of the state. Here, we present several recommendations for the state to enhance their various roles in advancing SNAP at direct markets:

1. Technical assistance: Commit .5 FTE within CDHS to continue to participate in work group activities and provide technical assistance to CFMA on EBT use as well as to county offices who want to conduct more outreach on SNAP at farmers markets.
2. Technical assistance: Commit state support for an FTE at CFMA to develop their leadership in food access collaboration, evaluation, technical assistance, and the distribution of SNAP resources to farmers markets and direct market producers.
3. Education: Provide support for all organizations offering USDA-funded nutrition education (e.g., CSU Extension) to include farmers markets and producers as resources for SNAP clientele.
4. Education: Provide financial support for all organizations offering SNAP Outreach (e.g., Hunger Free Colorado) to include farmers markets and producers as resources for SNAP clientele.
5. Enrollment: Support CDHS to advocate for a USDA FNS application process specifically designed for agricultural retailers of SNAP. This model can be used to inform other states' efforts as well as USDA templates.
6. Equipment: CDHA could permanently provide EBT equipment at no cost to all agricultural businesses, a resource currently provided to food retailers.
7. Marketing: Increase Colorado Department of Agriculture (and other agriculture and hunger organizations) marketing and promotion of EBT use at Colorado-grown venues (e.g., markets, producers, CSA's, farm stands, farm stores).
8. Marketing: CDHS could allow state SNAP Outreach and SNAP-Ed dollars to promote the use of SNAP EBT benefits at Farmer's Markets.
9. Evaluation: Fund continued efforts of CSU Extension to: a) evaluate product pricing at farmers markets; and, b) evaluate the educational potential of direct market agriculture.
10. Funding: Support the development of public-private partnerships to create state-wide incentive programs (e.g., double-voucher programs) to enhance the value of EBT benefits used to purchase fresh produce.

The COFSAC hopes that the state of Colorado will take these recommendations strongly into consideration. The COFSAC looks forward to discussing these in more detail as needed.

The COFSAC is a legislatively-mandated, volunteer-based, 15-member body of state agencies and diverse food systems stakeholders. The COFSAC charge is "to advance recommendations that strengthen healthy food access for all Coloradans through Colorado agriculture and local food systems and economies". The COFSAC is the state conduit for hearing, reviewing, and advancing critical food systems issues in which state government does or could play a role. LiveWell Colorado supports staffing and legislative and community outreach for the COFSAC.

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Photo courtesy of Cindy Torres.

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