

Becoming Certified to Accept SNAP/Food Stamps

One of the biggest challenges of the sustainability movement is making fresh, healthy food affordable and accessible for everyone while safeguarding the economic viability of farm businesses. Indeed, healthy food is a human right and everyone has an inherent right to fresh, healthy food that is affordable, convenient, and culturally appropriate. CSAs are in a unique position to play a role in increasing access to healthy food for all. However, as the market for locally grown products matures and competition grows among the more than 130 CSAs in Connecticut, farmers need to find ways to target new CSA members. CSAs that are authorized to accept SNAP benefits as payment will be in a better position to market their CSA to a broader demographic.



What is SNAP?

SNAP, the Supplemental Nutrition Assistance Program (formerly known as the Food Stamp Program), is a federal aid program that provides food purchasing assistance to low income individuals. The SNAP program is the largest component of the U.S. Farm Bill providing over \$72 billion in benefits to SNAP recipients.

There are close to 44 million SNAP recipients in the U.S., including 440,000 recipients in CT. Approximately 1 in 9 people utilize SNAP in our state. If 1% of the benefits that are currently provided to SNAP recipients in CT were redeemed at local farm stands and CSAs, that would represent over \$6.5 million in new direct-to-consumer sales for farm operators or roughly a 10% increase above current levels (estimated direct-to-consumer sales in CT is near \$60 million).

Benefits of Becoming a SNAP Retailer

1. You will be in a better position to target new customers to become CSA members
2. Your CSA can be included in specialized listings generated by social service and anti-hunger partners intended to help SNAP recipients find healthy shopping options
3. Low income individuals and families will have access to your healthy, fresh, local fruits and vegetables, thereby reducing disparities in your community by having a more inclusive CSA.

Can a CSA Farm be a SNAP Retailer?

Yes, however SNAP is a needs-based program and participants cannot afford nor risk a lump sum payment for CSA membership at the start of the season. Federal guidelines require that SNAP payment may be accepted no more than 14 days in advance of product pick up. In this situation, a person paying with SNAP should have a clear understanding of how much they will be expected to pay each week (or every two weeks) and will have a strong commitment to returning for each pick up day. Administrative fees cannot be paid with SNAP and will need to be charged separately and paid with cash or check.

Pricing

The average 20-week summer vegetable CSA share price in CT is \$31 per week. This is likely too high for members paying with SNAP that are managing very constrained food budgets. CSAs might need to offer more affordable options such as a Half Share, Small Box Share, or Every Other Week Share. Some CSAs offer sliding scale membership fees in order to expand access to a wider number of income brackets. In this model, the CSA farmer is using the sale of a certain number of higher priced shares to offset the sale of a certain number of lowest tier shares. The lowest tier is usually intended for those with a family yearly income of less than \$40,000.

Payment

1. Establish a policy that asks CSA members paying with SNAP to pre-pay for their weekly pick up. This will create a stronger incentive for members to return for pick-up. If you start collecting the first payment two weeks in advance of the first distribution day, you will have some security for the possibility of losses. Anyone who misses their pick-up more than two weeks in a row might lose their membership for the season.
2. Be considerate by limiting any practices that draw unnecessary attention to those paying with SNAP.
3. You will need to have an Electronic Benefits Transfer (EBT) Terminal in order to accept SNAP benefit payments. This device needs to meet federal standards of security; systems such as Square Reader are not secure and cannot be used. You can acquire an EBT device at no cost after you become an authorized SNAP Retailer by USDA-Food Nutrition Services.

Turn over to get started →

Where to Start

STEP 1: Apply to be FNS authorized for a SNAP license to accept SNAP benefits

Nearly all CSA farms already meet the basic FNS eligibility criteria so long as 50% of the total dollar amount of all CSA sales sold are from eligible staple foods. Examples of staple foods include; fruits and vegetables, breads and cereals, meats, fish, and poultry, dairy products, and seeds and plants which produce food.

1. Use this link to create an account and complete the steps to apply for your SNAP license which takes as little as 30 minutes to complete: <http://www.fns.usda.gov/snap/retailers-0>

Tips for Walking through the Application by Section

Basic Information	⇒ <i>Location Address</i> is the address where your CSA pick-up is ⇒ Sign up as a "farm stand/stall/U-pick"
Ownership Information	⇒ Most farmers are "Sole Proprietor" ⇒ List all the owners or officers
Sales Information	⇒ <i>Wholesale?</i> No. This application is just for your CSA, it is NOT farm-wide.
Supplemental Information	⇒ Only check off the months of the year that your CSA distributes shares ⇒ Store hours = days and hours of CSA pick-up

2. Documents to mail:

- Print the cover sheet AND signature page - make sure to sign the signature page!
- The following documents are needed from ALL owners or officers you listed in the "Ownership Information" section:
 - Copy of Photo ID,
 - Copy of Social Security Card with SSN,
 - Copy of Business License (if your farm does not have a business license you need to provide documentation that your farm exists. Call the number on the coversheet if you need assistance).

Call this toll-free number 1-877-823-4369 to speak with someone at the SNAP Retailer Service center with any questions about this process. It will take two weeks to become approved after finishing your application. You may also request a paper application which you will receive within 3-4 business days.

STEP 2: Acquire an EBT (Electronic Benefits Transfer) Machine

Use the following link to create an account using your FNS authorization number you received from completing STEP 1: <https://www.connectebt.com/retail/VerifyUser.action>

CSA farmers are EXEMPT from paying any fees for using or acquiring an EBT machine so your EBT machine is no cost to you. Note that NO taxes (Local, Federal, or State) may be applied to SNAP sales. Remember, SNAP benefits may only be accepted up to two weeks before purchase of goods. Farmers have found that it is worth the effort to accept SNAP as payment to allow access to healthy, local produce and increase their business.

How long will this process take?

After completing the EBT application process, which takes about one hour, your vendor will send you an EBT machine that will arrive in about two weeks! For general EBT information visit: <http://www.fns.usda.gov/ebt/general-electronic-benefit-transfer-ebt-information>

Total application time to become SNAP-Authorized = about one month start to finish!

Questions?

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