

**How to Set up an Electronic Food Stamp Redemption Program
at your Farmers Market
Without using electricity or telephone lines
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This model is based on the program developed at the Olympia Farmers Market and then implemented at the Columbia City, West Seattle and University District Farmers Markets in Seattle.

Background: When USDA eliminated paper food stamps and went to the electronic benefits transfer system (Quest Cards), farmers markets located in parking lots without access to electricity and telephone lines lost their ability to accept food stamps. To get around this, a farmers market can set up an on-site, cell-phone based system using wooden tokens (or paper certificates) valued at \$1 each to capture food stamp sales. Washington State issues over \$26 million in food stamps each month.

What you need:

1. Certification from USDA for the market to accept electronic food stamps (Quest Cards)
2. Access to electricity and telephone lines somewhere. Although you will use a cell phone at the market to get approvals for Quest Card transactions, you will still need to “resubmit” the transaction at a later time (within 15 days of the cell phone transaction) using state provided terminals that they come and install at your house, office, somewhere. The money is then electronically deposited to your bank account within a couple business days.*
3. Cell phone. At the market, food stamp clients will present their Quest Card. You will call an 800 number to get an approval number for the food stamp transaction.
4. Wooden Tokens or a good “non-counterfeit-able” paper voucher system. Each one is good for \$1 and works just like the one-dollar paper stamps did.
5. Signage and transaction forms. The state provides some generic signage for Quest Cards and all the forms you need to do the transactions.
6. Extra cash to reimburse vendors at the end of the day.
7. Visible location where EBT clients can come to do the transaction. It will need staffing because they come randomly.

How it works and contact info:

- *Contact USDA to get an application for market certification: Portland office-503-326-5971 or 1-877-823-4369 (voice response system). (Some markets are now being set up with an on-site wireless device that eliminates the need to re-enter the transaction on the machine. You can ask about this when you call.) see also: <http://www.fns.usda.gov/fsp/retailers/default.htm>
- Once you obtain the paperwork, fill it out and send it in to the Portland office (address will be on the forms, or call number above)
- When your application is approved, you will be contacted by JP Morgan, who will provide you with the electronic equipment you need to process the transactions. For help setting up the equipment, you can also call Jim Gelling in Seattle at e-phones: 206-878-7227.
- Once the market is approved, any vendor selling food stamp eligible items is covered to sell at your market.
- Process: The food stamp client comes to a central spot to do the Quest Card transaction. At our markets, it’s the Market Info Tent. Use the cell phone to get an approval number for the transaction, fill out the transaction form and give the client the proper number of tokens. The client spends the tokens and the farmers redeem the tokens for cash from you at the end of the day.

- **Wooden Tokens:** The tokens can play a dual role – food stamps worth \$1 each or just market money worth \$1 each. Shoppers can buy tokens to give as gifts or to spend at the market. This is especially great for people who use checks. They can just write one check. The vendors need to know which are food stamps and which aren't so we put a small red "X" on the food stamp coins, so they can differentiate between the two. Paper vouchers can function the same way. New Mexico uses two colors for vouchers that look like checks, one color is for EBT and one color is for general use (market money).
- We design the tokens and order them from Don Taniguchi in Seattle (206-849-7231). The minimum order that's cost effective is 1000 tokens of one style (it's approximately \$150). One way to reduce the cost a bit more would be if several markets placed their orders at the same time, and there was some similarity in the design. Any market is welcome to use our token design. One side lists the name of the markets and the other side is generic. In a nice design, it says "\$1 Farmers Market, Good for \$1.00 toward purchase, Fresh Food" There is no expiration on the tokens because they are basically money or a government benefit.
- Get the word out. Make sure the vendors know what you're doing and what the difference is between tokens with an "X" and tokens without the "X". Any vendor can take the non-X token because it's just money.
- No guarantees. Just because you do this, doesn't mean food stamp clients will automatically start to use their Quest Cards. You need to promote this at the market and on flyers/posters/ad etc. The state has some generic signage you can put up on-site and give to farmers.