

The Use of Farmers' Market Nutrition Programs in the Mid-Atlantic

Introduction

The U.S. Department of Agriculture's (USDA) Women, Infants, and Children (WIC) and Senior Farmers' Market Nutrition Programs were established to encourage low-income people to consume more fresh fruits and vegetables and to support local growers by expanding their direct marketing customer base. Although the programs in the Mid-Atlantic region (DC, MD, PA, VA) face challenges, coordinators report that participants, farmers, farmers' market managers, and the state agencies administering the programs are satisfied overall. There remain, however, many elements that can be improved. This information bulletin provides a general description of the federal programs, specific information on the state programs in the Mid-Atlantic region (based on interviews with state program coordinators), a description of the main challenges for the states (from interviews with key informants), and contact information for the state programs.

matching funds (FNS, 2003a). States issue either redeemable coupons or cashable checks, in units from \$1 to \$5. The program has two goals: "To provide fresh, nutritious, unprepared, locally grown fruits and vegetables, from farmers' markets to WIC participants who are at nutritional risk; and to expand consumers' awareness and use of farmers' markets" (FNS, 2002a).

The WIC FMNP provides much more than income supplementation. In addition the program mandates nutrition education plans, such as nutritional counseling and training in food preparation. Overall it may serve as a catalyst to changing the food purchasing and consumption habits of many, providing broad benefits to the recipients, as well as economic benefits to the farmers from whom they buy.

In FY 2002, 13,176 farmers and 1,911 farmers' markets were authorized to accept FMNP coupons, resulting in over \$20.8 million in revenue for farmers. Over 2 million WIC recipients participated. In FY 2003, Congress provided \$25 million for the WIC FMNP. The program operates in 35 states, 5 Indian tribal organizations, and the District of Columbia, Guam, and Puerto Rico (FNS, 2002a; FNS, 2003a).



The WIC FMNP is administered through a federal/state partnership, with USDA's Food and Nutrition Service (FNS) providing grants to state agencies for the program. Each year the agency leading the state

WIC FMNP

The U.S. Congress established the Farmers' Market Nutrition Program (FMNP) in 1992 as a permanent federal nutrition program and attached it to the Special Supplemental Nutrition Program for Women, Infants, and Children, popularly known as WIC. The WIC FMNP provides additional coupons to its participants to purchase fruit and vegetables at farmers' markets. The federal benefit for each recipient is usually between \$10 and \$20 annually. State agencies may supplement that level with

program must submit a WIC FMNP plan (new or continuing), subsequently approved by FNS. This plan describes the state's nutrition education plans and training for farmers and farmers' market managers, and creates financial management and record-keeping systems. The plan defines which farmers' markets are authorized to accept the coupons, what portion of the WIC population is targeted, and how local farmers will be defined and authorized.

Most states have procedures to authorize both in-state and out-of-state farmers. Farmers are defined

in the federal regulations as “individuals authorized to sell produce at participating farmers’ markets.” Individuals who exclusively sell produce grown by someone else (e.g., wholesalers) are ineligible. The definition of farmers’ markets can be expanded to farm stands, with approval from FNS.



Produce must be fresh, locally grown, and unprocessed; the state plan defines which foods qualify under the basic definitions provided by USDA. Most states publish a list of acceptable and unacceptable fruits, vegetables, and herbs. Locally grown is defined by USDA to “mean produce grown only within State borders but may also [be defined] to include areas in neighboring States adjacent to its borders.” It cannot be produce grown outside of the United States and its territories.

Federal regulations for WIC FMNP are available online at <http://www.fns.usda.gov/wic/PDFfiles/FMNPRegulations-7CFR248.pdf>. The states are required to match 30 percent of the federal funds with non-federal funding. At the state’s discretion, 2 percent of the funding may be used for the development or promotion of farmers’ markets in disadvantaged or remote areas.

Senior FMNP

USDA’s Commodity Credit Corporation (CCC) established the Seniors Farmers’ Market Nutrition Program (SFMNP) as a pilot program for 2001 and 2002 and administers it through the FNS. The program was expected to reach 400,000 seniors in 2002 (Harrison and Daniel, 2002) and to expand

further in 2003, the first year it became an official program. The purpose of the SFMNP, much like the WIC FMNP, is to provide low-income seniors with fresh, nutritious, unprepared, locally grown fruits, vegetables, and herbs from farmers’ markets, roadside stands, and community supported agriculture (CSA) farms¹.

In addition, SFMNP seeks to increase the domestic consumption of agricultural commodities from these marketing outlets and to aid in their development (FNS, 2002b). The definitions of “farmers” and eligible produce are similar to those used in the WIC FMNP. The program targets low-income seniors (60+) whose household incomes are below 185 percent of the federal poverty income guidelines (FNS, 2002b). In 2002, about 3,500 farmers selling at nearly 2,000 markets, roadside stands, or CSA operations accepted SFMNP coupons (Harrison and Daniel, 2002).

In 2002, the program operated in 32 states, 3 Indian tribal organizations, and the District of Columbia (Harrison and Daniel, 2002). In FY 2002, the program was appropriated \$10 million out of USDA’s Commodity Assistance Programs account (FNS, 2002b); in FY 2003, \$16.7 million will be available (\$15 million from Consolidated Appropriations Resolution of 2003 and \$1.7 million from unspent SFMNP 2002 funds) (FNS, 2003b). Additional details regarding the program are provided in the 2003 request for applications, available online at <http://www.fns.usda.gov/wic/SeniorFMNP/SFMNP03.htm>.

The SFMNP is different from the WIC FMNP in many respects. It is operated as a discretionary, competitive grants program. Although there is no matching funds requirement, there is also no money budgeted for administrative costs as in the WIC FMNP. States file a SFMNP plan annually and each plan is ranked. The plans are funded on the ranking system until the appropriated money has been awarded. While some plans are rejected, others are approved but not funded. Another difference is that one of the goals of the SFMNP is to encourage the promotion and expansion of roadside stands and CSA programs in addition to farmers’ markets. For

¹ In a CSA farm, community members pay the farmer an annual fee, usually before the season starts, to cover the production costs of the farm. In return, members receive a weekly share of the harvest during the local growing season.

example, states may authorize individual farmers to sell at senior centers or senior housing projects. The state plan details the local strategy (e.g., Maryland has only farmers' markets, while Virginia targets its funds in specific areas of the state rather than statewide).

Spending per recipient varies from state to state, but is often higher than under the WIC program. Redemption of coupons and checks has also been shown to be much higher than for WIC FMNP. State program coordinators have cited the following as possible explanations for the higher redemption rates in the SFMNP: (1) seniors are more likely than the younger WIC participants to appreciate the need for fruits and vegetables; (2) seniors often know more about cooking and preparing produce; and (3) seniors may find market days to be an important social outing, while younger WIC participants may have other obligations that make getting to the markets more challenging.

State Programs (DC, MD, PA, VA)

District of Columbia

The District of Columbia's WIC FMNP began in 1992 and is administered by the DC WIC state agency. All WIC participants are eligible to receive \$25 in \$5 WIC FMNP checks per growing season. The checks are distributed at the beginning of the growing season when participants pick up other WIC benefits and are valid from May to November. Federal money accounts for 70 percent of the program costs, while the District contributes the required 30 percent match. FMNP checks paid for by federal funds are capped at \$20 and the DC government contributes the difference (\$5 per participant). In 2002, the federal grant for the DC program was over \$200,000. Redemption rates for the WIC FMNP were 68 percent for 2002.

Because the District utilizes checks, farmers are reimbursed for the funds one day after the checks have been deposited. The agency tracks the farmers who redeem the checks, but does not track by market. Farmers must contact the DC WIC state agency to be authorized to accept FMNP checks (and are authorized or reauthorized in March and April of each year). At this time not all farmers' markets in the city have authorized farmers.

According to the DC WIC state agency, the program has received positive feedback. Farmers are building customer bases from the WIC recipients that extend beyond their check redemption. Participants are equally satisfied with the program. According to the WIC state agency, many low-income people cannot afford fresh produce, so this program plays an important role in making it accessible. The state agency coordinates taste-testing and cooking demonstrations at some of the markets for those who may not be familiar with preparing some of the produce sold by the farmers. The WIC FMNP coordinator is particularly pleased with the impact the program is having on consumption behaviors. The coordinator reports also, however, that the biggest challenge of the program is the limited money provided; \$25 per WIC participant is not enough to address long-term changes in eating patterns. The agency and the participants would like to see the amount increased.

The District of Columbia's SFMNP is administered by the District of Columbia Commodity Supplemental Food Program (CSFP). It began as a pilot program in 2001 and served almost 8,000 seniors in 2002 (it is receiving \$143,000 in federal grants in 2003). CSFP nutrition technicians distribute \$25 in \$5 checks to eligible seniors enrolled in the program. The checks are valid from May 1 through October 31. The CSFP tracks which farmers redeem the checks, but does not determine which markets redeem them. Seniors have been very enthusiastic about the program and it has proven to be an effective way for them to obtain fresh produce. According to the CSFP, the program has been running smoothly for the 2001 and 2002 seasons, and farmers also appear to be faring well in the program. Redemption rates for the program were 80 percent in 2002.

Several issues of concern were raised in conversations with farmers and representatives from organizations that participate in the DC program. The \$25 per year maximum is seen as a major limitation for participants. Lack of access to the markets by participants (transportation being a major factor) and the need for sign-up (and interviews) of participants were also seen as limiting. One person suggested that offering the required training for farmers in winter (instead of in the spring) would fit their schedules better, and that the deadline for farmers and farmers' markets to

apply should be extended past April/May to better serve markets that open later in the season.

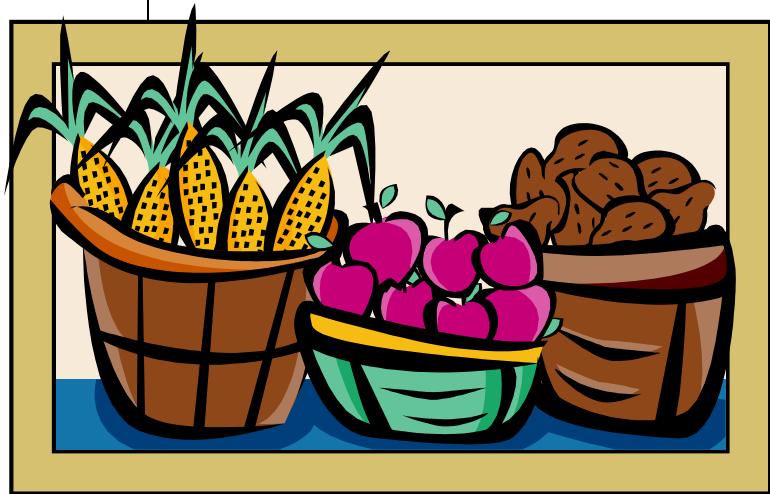
Maryland

Maryland hosted one of the first pilot farmers' market nutrition programs in 1989; 2003 will mark its eleventh year of the WIC FMNP. The program began by certifying 10 markets and approximately 20 farmers, and now certifies 66 markets (out of 76 state-listed markets) and 400 farmers. Roadside stands and farm markets (i.e., markets located on a farm) are not certified. The SFMNP was piloted in 2000 and is modeled after the state's WIC FMNP. Both programs operate statewide and each of Maryland's 24 counties has at least one certified market. The program is administered by the Maryland Department of Agriculture (MDA), which supplies WIC agencies (for the WIC FMNP) and the Maryland Department of Aging (for the SFMNP) with the coupons for distribution.

Checks, rather than coupons, will be issued to participants in 2003. This change should eliminate delays in reimbursing farmers (the lag time has been up to 8 weeks), but also it will decrease the amount of information the state can track. With the coupons the state was able to track which center had distributed it, the market where it was used, and the farmer who redeemed it. The checks will identify only the major FMNP market in the area (not necessarily where the check was redeemed) and the farmer who cashed it.

WIC FMNP participants receive a book of checks for a total of \$20, in denominations of \$2.50. Distribution of the checks varies by county—some counties distribute them to households and others distribute them to all WIC enrollees. The state is moving to a system in which all counties will distribute the checks to all WIC enrollees, in order to account for different family sizes. Originally, seniors in the SFMNP received a total of \$30. In 2002 the amount received was \$15, and in 2003 it will be \$24. Eligibility is based on age and, beginning in 2002, on a self-declared means test to determine economic need. In Maryland's 2001 pilot program, 7,000 seniors received SFMNP coupons.

The Maryland WIC FMNP received \$303,000 in federal funds in 2002 and will receive \$624,000 in 2003. The SFMNP received \$196,000 in federal funds in 2002 and will receive \$135,000 in 2003. State allocations for the programs were \$130,000 for the WIC FMNP and \$30,000 for the SFMNP. The WIC check redemption rate was 52 percent in 2002 (although twice as many coupons were sent out as redeemed; the total redemption covered more than 80 percent of the allocated funds). Program administrators are implementing a few changes to help push the redemption rate to 70-80 percent in 2003, with the coupon value equal to the allocation of funds. Agencies will be encouraged through various mechanisms to distribute the checks for



2003 early in the growing season, beginning in early June, and extending the redemption period through November, rather than October. The early season distribution began in 2002, but external factors (including drought and a sniper incident) may have discouraged the use of the coupons. The coordinator also mentioned that she will be working on enforcing cut-off dates for check distribution, enhancing transportation initiatives such as bus cards and ride shares, and establishing more frequent communication with stakeholders to increase the redemption rate.

In 2003, the Maryland program coordinator entered into an informal agreement with the Washington, DC, coordinators to establish reciprocal redemption of checks. In this "test" year of the agreement, the District has authorized three farmers' markets in Maryland that can accept DC FMNP checks, and Maryland is allowing its authorized farmers who sell at District farmers' market to accept Maryland checks.

According to the MDA program coordinator, both programs have generated favorable reactions. The coupons have supported many farmers' markets and have assisted participating farmers in building customer bases at the markets. Market farmers find that seniors tend to return to the market more often than do WIC FMNP participants. Also, the program coordinator reported that farmers are more supportive of the SFMNP program than the WIC FMNP because the senior participants have more experience using fresh produce, so require less education from the farmers.

One of the major challenges of the Maryland WIC farmers' market program, according to its coordinator, is the lack of produce awareness among participants. Some WIC agencies are employing nutrition education to address this limitation, but the state coordinator noted that it is not required and might be more effective if it was done in collaboration with the markets (e.g., via cooking demonstrations or with a market master who can answer questions). For example, in 2003 Baltimore, Washington, D.C., and Philadelphia will engage in a Tri-City Challenge to fight obesity through nutrition education and cooking demonstrations. Baltimore is pacing out distances around some farmers' markets for the event, to serve people who come to the markets for exercise as well as to purchase food.

Other challenges identified by the program coordinator include increasing the redemption rate of the checks, reimbursing farmers quickly, and working with the farmers and participants to improve the program. For example, farmers need additional education to provide the kinds of produce that coupon recipients prefer. On the other side, there is a need for additional education for recipients to address the importance of fresh produce, buying locally, and buying in season.

Pennsylvania

According to the Pennsylvania Bureau of Food Distribution (BFD), the WIC and SFMN programs have been very successful in the state, as both farmers and coupon recipients have expressed satisfaction with them. The WIC FMNP has been operating in Pennsylvania since 1992 and is a permanent state program. In 2003, the program received \$2.3 million in federal funds and \$3 million in state funds. The SFMNP began as a pilot project in the city of Chester, Delaware County, in

1998. It has grown steadily until expanding statewide in 2002, though it is not yet a permanent state program. In 2003, Pennsylvania received \$1.5 million in federal funds for the SFMNP, and the state provided \$1.4 million.

The BFD contracts with WIC and senior agencies to distribute checks to eligible program participants. Participants receive \$20 in \$5 checks over the course of the growing season from one of 25 WIC agencies or 52 senior agencies around the state. In 2002, about 150,000 WIC recipients and 175,000 seniors participated in the programs.

While the BFD tracks the checks and can identify which agency received them and which farmer cashes them, the agency does not track the market or county where the participant used the checks. The BFD says that over \$4 million in coupons were redeemed in 2002 between the two programs and believes that there is at least one farmer at most markets who is authorized to accept the checks; by the end of 2002 over 625 vendors were authorized.

In order to become certified to accept FMNP checks, farmers must own or lease farmland in the state and produce and sell over \$1,000 of agricultural products. Also, 50 percent of the retail value of the produce sold by a farmer must either be grown by the farmer or purchased from a Pennsylvania farmer. Applications for farmers to accept FMNP checks are available at Pennsylvania BFD's website, <http://www.agriculture.state.pa.us/fooddistribution>, or by contacting the BFD representative listed below.



Although no quantitative studies or surveys have been done by the BFD, the state coordinator

reported that farmers are very supportive of the programs and the SFMNP in particular has increased their business. USDA officials visiting the markets have found the participating seniors to be enthusiastic about the program. In fact, some senior agencies have turned market days into social events and provide transportation for seniors to and from the markets.

The BFD says that the main challenge facing the programs is increasing the check redemption rate. Participants often pick up their checks and then forget or misplace them. Through the "Simply Delicious Program" and the "PA Nutrition Network," the state is exploring a number of awareness and education avenues to increase redemption rates. The bureau will also distribute the checks earlier in the 2003 growing season.

Although the state coordinator expressed overall satisfaction with the program, one organization active in developing and supporting farmers' markets in Philadelphia (along with some farmers in southeastern Pennsylvania) have expressed displeasure with PDA policies relating to the definition of "farmers." This organization claims that resale businesses (those reselling produce) capture over 90 percent of voucher value issued to Philadelphia clients, with farmers selling their own products in Philadelphia farmers' markets capturing the remainder. They state that this situation has reduced income to farmers selling their own produce at farmers' markets, made the markets less successful than they could be, and made it difficult to recruit new farmers to Philadelphia markets. The group also claims that non-local produce (including non-U.S. produce) is bought by participants at resale businesses because there is no labeling or other means to allow customers to distinguish local versus non-local produce. They are seeking changes in PDA policy to tighten the definition of farmers and limit reselling (Pierson and Griffin, 2002).

Virginia

Although the Virginia Department for the Aging operates a growing SFMNP, there is no WIC FMNP in the state. The SFMNP began as a pilot project in 2001 in southwestern Virginia and on the Eastern Shore. In 2002 it grew to include southeastern Virginia, and in 2003 will include Arlington County in northern Virginia. The regions were chosen on two criteria: (1) census data showing areas with high numbers of seniors living

in poverty, and (2) the ability to locate farmers in the area who could provide the necessary produce. The growth of Virginia's SFMNP is limited by funding and it is not expected to go statewide anytime soon. In 2003, the program will receive \$407,000 in federal funds, up 34 percent from 2002.

The Virginia Department of Agriculture certifies farmers interested in participating in the program; in 2002, 33 farmers were certified. That number will increase in 2003 in order to accommodate the new region being served. Certification is not limited to farmers at farmers' markets: since the Eastern Shore has no existing farmers' markets, all certification is of roadside stand vendors.

The Department for the Aging distributes the coupons directly to seniors through their local agencies. The state is switching from coupons to checks in 2003, in part to eliminate the reimbursement time to farmers (an average of 14 days with the coupon system). The checks will allow tracking of the region where they were used. Seniors receive \$5 checks totaling \$50 per growing season. This amount is lower than in the past, but the program is now serving more people. Over 2,000 seniors participated in the program in 2002; that number is expected to more than double in 2003. The state claims 100 percent redemption rate of the coupons. This is achieved by using unspent money to buy produce in bulk to make food baskets that are distributed to participating seniors.

According to the program coordinator, farmers, seniors, and market managers are pleased with this program. Some farmers claim that the SFMNP has increased their business by 50-100 percent. The state is planning to conduct a survey of participating farmers in order to quantify the program's impacts. A previous survey of seniors showed that limited income was the biggest impediment to buying fresh produce, and this program is helping to alleviate that obstacle and provide seniors with nutritional benefits. Educational efforts are also proceeding in order to help seniors prepare the foods provided and to discuss ways of cooking and eating that may be easier for older people. The state coordinator said also that market managers have not encountered problems with program implementation, and some have found creative ways to identify produce that can be purchased with the coupons, such as using labels to identify particular items.

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For more information on the Small Farm Success Project, visit <http://www.smallfarmsuccess.info>.



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