



You've Decided to Accept SNAP at Your Market. Now What?

April 15, 2014

Step 1: Determine what type of machine can be used at your farmers market. Farmers markets options are:

- 1) Free **WIRED** point of sale if telephone lines and power are available on site. This machine is provided by all state SNAP database contractors (Xerox, FIS)
- 2) **WIRELESS** point of sale terminal provided by some states, such as California. Check with your state SNAP agency. (Use this link: <http://www.fns.usda.gov/snap/state-informationhotline-numbers>)
- 3) **WIRELESS** point of sale terminal from a third party processor such as TSYS, Merchant Solutions, Dharma Merchant Services, or other merchant services organization.
- 4) **SMARTPHONE** with MobileMarket+ Select Application to accept credit, debit & SNAP.

Step 2: Determine the structure of your Farmers Market Card Service Program. Ask yourself:

- How will I accept SNAP-EBT? (*Scrip, tokens, or paper vouchers. Most markets choose to use a wireless machine and a token system. Some extremely rural areas may not have access to a solid wireless connection.*)
- Do I want to accept debit and credit in addition to SNAP-EBT? (*Do you have an ATM machine onsite? Do many vendors have their own non-SNAP card solution? Debit and credit can be a means to obtain funds for supporting the program. What is the cost to add debit and credit cards?*)
- How many SNAP transactions do I expect to have per market day? How many debit? How many credit? Will I add a fee for use of credit and debit to offset the program costs? (*All transactions come with fees attached, so the number of transactions has an impact on the cost of your program.*)
- If my market is eligible for grant funding, how will my farmers market pay for the card service operating cost over and beyond the grant? Costs include transaction fees, plus interchange fee and a fixed monthly or annual fee.
- Will the farmers market be able to secure a Smartphone data-only plan if it cannot afford a traditional voice data plan?

Step 3: Ask Your Peers for Recommendations - Contact your state farmers market association, and ask fellow market managers which service provider they use, and how they've liked the experience. Some states have negotiated special rates or programs to help markets run market-wide SNAP programs more cost effectively.

Step 4: Apply to become an USDA SNAP Authorized Retailer (obtain your FNS Number):

- You can find information in 2 places on this process:
 1. USDA FNS SNAP Farmers Market webpage:
<http://www.fns.usda.gov/snap/retailers>
 2. MarketLink.org
- If obtaining an FNS number for the market, you will have to provide the Social Security Number and identification documents for at least one responsible party – you may not use an organizational number such as a tax ID number (TIN).

Step 5: Once a farmers market has secured a permit, the designated point of contact submitted through the online SNAP application may receive a letter from their state's SNAP contractor asking for you to accept a WIRED Point of Sale device. DO NOT SIGN THIS AGREEMENT IF YOU NEED A WIRELESS point of sale terminal. The market point of contact will also receive information from MarketLink about the Smartphone solution.

Questions to Ask the Service Providers:

1. Do they provide services to farmers markets? Ask for references.
2. Can the farmers market rent the equipment, or do they have to purchase it? If rental is an option, what is the cost?
 1. What are the transaction fees for SNAP, debit and credit cards?
 2. What are the fixed monthly or annual fees?
 3. Can I pay the fixed monthly fees just for the months the market is open?
 4. Do I have to pay extra to turn it on or off seasonally?
 5. Are there other fees that will apply to my market?
 6. What is the duration of the contract?
 7. What are the penalties/fees for ending service before the contract period is over?
 8. Is there an exclusivity clause?



A Few Card Service Providers:

Merchant Source: Kim Lyons / (239) 985-0776 /

KimL@merchantsource.com

TSYS: Chris Shanahan / (402) 602-4275 / cshanahan@tsys.com

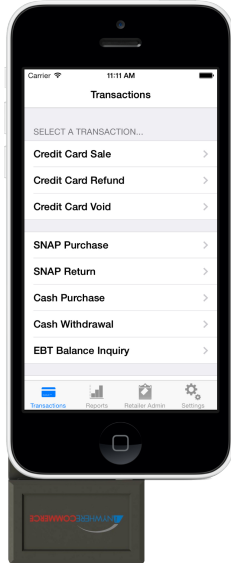
World Pay: Steve Eyring / (801) 302-9924 / steve.eyring@worldpay.us

Dharma Merchant Services: (415-632-1920) / nick@dharmams.com

Marketlink.org

If you're interested in having an iPhone-based SNAP-EBT system, MarketLink is the only group offering this technology. Additionally, MarketLink is administering the \$4 million allocated by the USDA in FY13 to cover EBT equipment & some service fees. If you are eligible to receive these funds, you can receive the following for free:

- **New iPhone**, card reader, and printer with one-year warranty to process **ALL** SNAP, debit, and credit card Transactions.
- **Unlimited Mobile Market+™** data services for 2 years.
- **No** annual fee for Merchant processing account with WorldPay™ the first year.



	Year 1	Year 2	Year 3
iPhone with card reader	\$0	\$0	\$0
Wireless data service (2 years)	\$0	\$0	From \$30/month*
Annual fee for payment processing (1 year)	\$0	\$120	\$120
License Fee for <u>MobileMarket+</u> application	\$0	\$0	\$100
Transaction fees	SNAP: 15 cents per transaction Credit & debit: 1.79% of sale plus 15 cents		
Total	\$0	\$120	\$220

Markets that did not accept SNAP in 2013 may be eligible for a free MarketLink system, and individual farmers who sell at a market that is not currently offering SNAP are eligible as well. In order to determine whether or not you are eligible, take the Eligibility Assessment at

MarketLink.org (<http://marketlink.org/eligibility-assessment/> - <http://marketlink.org/eligibility-assessment/>).

If you are not eligible for the USDA funded equipment, you can purchase the same equipment and plan from MarketLink, depending on your equipment needs. The cost of the various equipment options are approximately \$500 - \$1963 depending on what you need.

For more info, visit MarketLink.org

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