



January 26, 2010

Debra Whitford  
Director, Supplemental Food Programs Division  
Food and Nutrition Service  
U. S. Department of Agriculture  
3101 Park Center Drive, Room 528  
Alexandria, VA 22302

RE: Docket ID Number 2006-0037, WIC Food Packages Interim Rule

Dear Ms. Whitford:

As the Department finalizes the WIC Food Package Interim Rule, the Farmers Market Coalition (FMC) respectfully asks that you consider the following recommendations:

**1. Require State WIC Agencies to allow the fruit/vegetable cash value vouchers to be redeemed at Farmers Markets, and provide sufficient administrative resources for WIC agencies to partner with farmers market organizations.**

Requiring State Agencies to allow farmers markets to have the option of accepting the new WIC fruit/vegetable cash value vouchers (CVV) will not only improve fresh produce food access in low-income neighborhoods, but also increase farmers' income through direct sales.

Since its authorization as a national program in 1992, the Farmers Market Nutrition Program (FMNP) has dramatically expanded access to fresh fruits and vegetables in many communities underserved by grocery stores. The successes of the FMNP, including increased participant access to fruits and vegetables, promising state-level data on redemption rates, participant approval, and increased farmer income, all provide justification for including farmers as vendors for the new WIC package CVV.

Currently, the CVV program equates to an estimated \$500 million available for fresh fruit and vegetable purchases nationally through WIC every year. This large pool of money has the potential to make enormous and unprecedented impacts on the viability of farmers markets nationwide, in keeping with the goals of the Department and, in particular, the Know your Farmer, Know your Food Initiative. Even if only 3-4% of all fruits and vegetables purchased with CVV were at farmers markets, this would match the buying power of the Farmers Market Nutrition Program (more than \$20 million in 2008).

Therefore, we strongly recommend that USDA require State WIC Agencies to allow the redemption of fruit/vegetable cash value vouchers at farmers markets, and provide them with the administrative resources to actively collaborate with farmers market organizations to educate farmers and market managers about the program, as per 246.12(i)(2).

**2. Require (and provide tools for) state agencies to collect and report data on farmers market CVV redemption rates and barriers to implementation**

Robust evaluation of program outcomes is critical for a new program like the WIC CVV. Tracking

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differences and trends in redemption rates can help FNS administrators identify barriers, promising practices, and overall impacts to WIC participants and local farmers.

State agencies, too, benefit from staying abreast of trends, innovative practices, and other opportunities for program improvement. Farmers market organizations can allocate limited promotional resources to WIC populations most effectively, too, with the help of up-to-date and accurate data.

Since fewer than 20% of farmers markets are presently equipped to accept EBT, it is critical to invest resources in the training and technical assistance necessary to help farmers markets adapt to the growing number of programs using electronic redemption systems. Tracking trends in state-level practices, in combination with administrative reviews as per 246.18(a)(4) can help ensure that farmers and farmers markets are not left behind as the program grows.

Beginning the collection of baseline redemption rates early in the program, along with qualitative feedback from state agencies and farmers markets, is critical to track growth and identify opportunities for improvement. In addition, USDA should openly communicate this data to the public and encourage inter-agency exchange of best practices. This is particularly important for states using an electronic voucher system, since

Therefore, we urge you to provide state agencies with the tools necessary to appropriately evaluate their success in helping connect WIC families with farmers markets.

### **3. Modify WIC regulations to allow states to align program policies with those of the Farmers Market Nutrition Program (FMNP)**

Currently the procedures for redeeming the new WIC cash value vouchers (CVVs) are very different from the procedures in place for redeeming the Farmers Market Nutrition Program (FMNP) vouchers. Modifying the regulations for redeeming CVVs would address many of the barriers experienced by states concerned about the resources required to develop a new system for incorporating farmers as vendors.

Providing exceptions for farmers markets accepting CVV to match FMNP regulations, such as authorizing markets instead of vendors and removing barriers around CVV vendor authorization, redemption and depositing, would not only improve the capacity for state agencies to integrate the new CVV process into currently functioning FMNP structures, but it would also encourage increased participation of both state agencies and farmers. Providing such exceptions would also address concerns regarding the financial vulnerability for the farmers accepting and depositing CVVs.

The application process for individual farmers is cumbersome, as they are required to follow procedures comparable to full WIC retailers such as grocery stores. It would be appropriate to allow all farmers that are participating in the WIC FMNP to be included as WIC CVV vendors as well, since they are a known farmer, they are given required training and are tracked by state agency for adherence to procedures.

In the small handful of states authorizing WIC CVV in 2009, FMC has heard reports that the regulations are too cumbersome and penalties are too severe, much more so than for the WIC FMNP. While farmers can be trained to accommodate such regulations, and to decide if the opportunities outweigh the drawbacks in additional care and handling, the penalties for noncompliance (even

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inadvertent) can be catastrophic. Participation in and acceptance of WIC CVV on the part of farmers is threatened by the prospect of financial loss, expulsion from the program, and actual jail time.

Therefore, we strongly recommend that USDA modify WIC regulations to allow states to use the same market-centric structures as the Farmers Market Nutrition Program, and streamline the authorization, training, redemption, and reimbursement for participating farmers.

#### **4. Require State WIC Agencies to allow split tender to enable WIC families to maximize the full benefit of their fruit/vegetable vouchers.**

Split tender provides WIC families with the ability and option to add cash to their fruit/vegetable voucher purchases at check out so they can fully maximize their benefits, as per 246.12(h)(3)(vi).

Currently, 12 State WIC Agencies including: Colorado, Delaware, Illinois, Maine, Massachusetts, Mississippi, Missouri, Montana, New Hampshire, Texas, Utah, and Wyoming disallow split tender. The result is that WIC families in these states have to put a fruit/vegetable item back so they do not go over the cash value of their fruit/vegetable voucher. The ultimate result is that the nearly \$2 million WIC participants in these states are never able to realize the full value of their benefits, negatively impacting public health.

In the interim rule USDA's Food and Nutrition Service encouraged State WIC Agencies to allow split tender. Thirty-eight State WIC Agencies followed this recommendation and allow split tender. States report no problems from retail vendors with implementation. There also appears to be no problem with small vendors in these 38 states. FMC strongly encourages the USDA to promote best practices and provide technical assistance to resolve the disparity.

Therefore, we strongly recommend that USDA require State WIC Agencies to allow split tender so that WIC families can realize the full value of their fruit and vegetable vouchers.

#### **5. Increase the cash-value of the fruit/vegetable voucher for WIC children to \$8/month as originally recommended by the Institute of Medicine**

We applaud Congress's decision in the FY2010 Agriculture Appropriations Act to increase the cash-value of the WIC fruit/vegetable vouchers for women to \$10/month and the interim rule published on December 31, 2009 that instructs State WIC Agencies that they can implement this change immediately or by April 30, 2010.

Now is the time to increase the cash-value of the fruit and vegetable voucher for WIC's 4.7 million children to \$8/month as originally recommended by the Institute of Medicine (IOM)'s Report: *WIC Food Packages: Time for a Change*.

Because of the importance of doubling fruit and vegetable consumption for all children in the United States to meet the 2005 Dietary Guidelines for Americans, the vulnerable WIC population should not be short changed. An important objective of the IOM was to ensure that the new WIC Food Packages would provide at least one additional serving of fruit or vegetable each day. It is not possible for a WIC participant to add one additional daily serving of fruits and vegetables for \$6/month.



Therefore, we strongly recommend that the cash-value of the children's fruit/vegetable voucher be increased to \$8/month as recommended by the IOM.

Thank you for the opportunity to offer suggestions on how to strengthen the WIC Food Packages final rule, and ensure that farmers markets can increasingly serve as viable access points for WIC participants. Please don't hesitate to follow up with any additional questions regarding our recommendations.

Sincerely,

A handwritten signature in black ink that reads "Stacy M. Miller".

Stacy Miller, Executive Director

*and the Farmers Market Coalition Policy Committee*

Bernadine Prince (FreshFarm Markets, Washington, DC)

Jim Bingen (Michigan State University, East Lansing, MI)

Michael Hurwitz (NYC Greenmarkets, New York, NY)

Diane Eggert (Farmers Market Federation of New York, Fayetteville, NY)