



## **EBT USE AT NEW YORK CITY'S GREENMARKETS: INCREASING ACCESS TO FRESH FOOD**



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## INTRODUCTION

Much attention has been paid to the rising rates of obesity and diet related diseases in the country and New York City, and concerned public officials and public health experts have sought to stem the rising tide of chronic disease and its associated costs. It is well documented that a diet rich in fresh fruits and vegetables improves health outcomes and reduces rates of obesity and diet related diseases, yet residents of low-income and minority communities face significant challenges accessing healthy and affordable food.<sup>1</sup>

A 2008 study by the New York City Department of City Planning found that approximately 3 million New Yorkers were living in neighborhoods with high rates of diet related diseases and limited access to fresh food. The areas with the highest need included Central and East Harlem and Washington Heights in Manhattan; Bushwick, Bedford Stuyvesant, East New York and Sunset Park in Brooklyn; Corona, Jamaica and Far Rockaway in Queens; areas of the South Bronx, Williamsbridge/Wakefield and portions of Pelham Parkway in the Bronx; and St. George and Stapleton in Staten Island.<sup>2</sup> In many of these communities, residents are also struggling with food insecurity, and with enrollment in the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) at an all-time high, they are reliant on SNAP benefits to put food on the table.

Over the past decade, the New York City Council and the Bloomberg Administration have made it a priority to address the negative health outcomes associated with reduced healthy food access. The Speaker's FoodWorks agenda, a comprehensive effort to improve New York City's food system, described a number of tools that the City has at its disposal to increase food access in all neighborhoods. Whether developing tax and zoning incentives to bring supermarkets to underserved communities; authorizing Green Carts to sell produce in these neighborhoods; or promoting the expansion of farmers markets, local policy makers are seeking avenues to improve New York City's food environment.

This report focuses on the role farmers markets can play in increasing access to fresh food for those who receive SNAP benefits. Enabling farmers markets to accept Electronic Benefit Transfer (EBT) cards has been one of the Speaker's signature food initiatives, and was one of the initial food systems programs that led to the development of the FoodWorks agenda.

## BACKGROUND ON THE INITIATIVE

In 2000, SNAP benefits switched from paper slips to EBT cards, which are similar to debit cards. Initially, New Yorkers had limited opportunities to use SNAP benefits to purchase locally grown produce at farmers markets, since farmers did not have the technology to accept the cards. As the number of farmers markets multiplied – particularly in less affluent communities – it became increasingly difficult for local residents to purchase fresh and local produce.

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<sup>1</sup> <http://www.policylink.org/atf/cf/%7B97C6D565-BB43-406D-A6D5-ECA3BBF35AF0%7D/FINALGroceryGap.pdf>

<sup>2</sup> [http://www.nyc.gov/html/misc/pdf/going\\_to\\_market.pdf](http://www.nyc.gov/html/misc/pdf/going_to_market.pdf)



## EBT Use at New York City's Greenmarkets: Increasing Access to Fresh Food

Under Speaker Christine Quinn's leadership, the Council began partnering with GrowNYC, which runs the Greenmarket program, in 2006 to address this problem. Since then, the initiative has grown through each budget year and market season, with Council funding used for 25 EBT scanners, signage, multi-lingual community outreach, and staff members who operate the program at Greenmarkets around the city. City Council has provided an average of \$241,000 dollars for the EBT Greenmarket initiative every year since FY07, with a total investment of \$1.69 million between FY07 and FY13.<sup>3</sup>

## INCREASED EBT SALES

As funding for this initiative has continued throughout Speaker Quinn's term, EBT sales at Greenmarkets have skyrocketed, from less than \$1000 redeemed in 2005 to over \$800,000 redeemed this past market season. In 2006, 6 Greenmarkets accepted EBT; in the most recent 2012 season, GrowNYC was operating the EBT program at 51 of its 54 Greenmarkets and all of its 11 Youth Markets. This initiative has helped pave the way for other market operators; in the 2013 season, 123 out of the city's 135 markets will accept EBT. The benefits are twofold: not only are low-income New Yorkers able to purchase increased amounts of fresh fruits and vegetables, but local farmers can now access a substantial revenue stream. GrowNYC has estimated that the Council's investment in EBT access over the years has generated \$4.25 million in regional economic activity.<sup>4</sup>

The following chart shows the overall increase in the amount of SNAP dollars spent at Greenmarkets throughout the market season citywide from 2005 to 2012. Between 2011 and 2012 alone, there was a 30% jump in EBT sales.

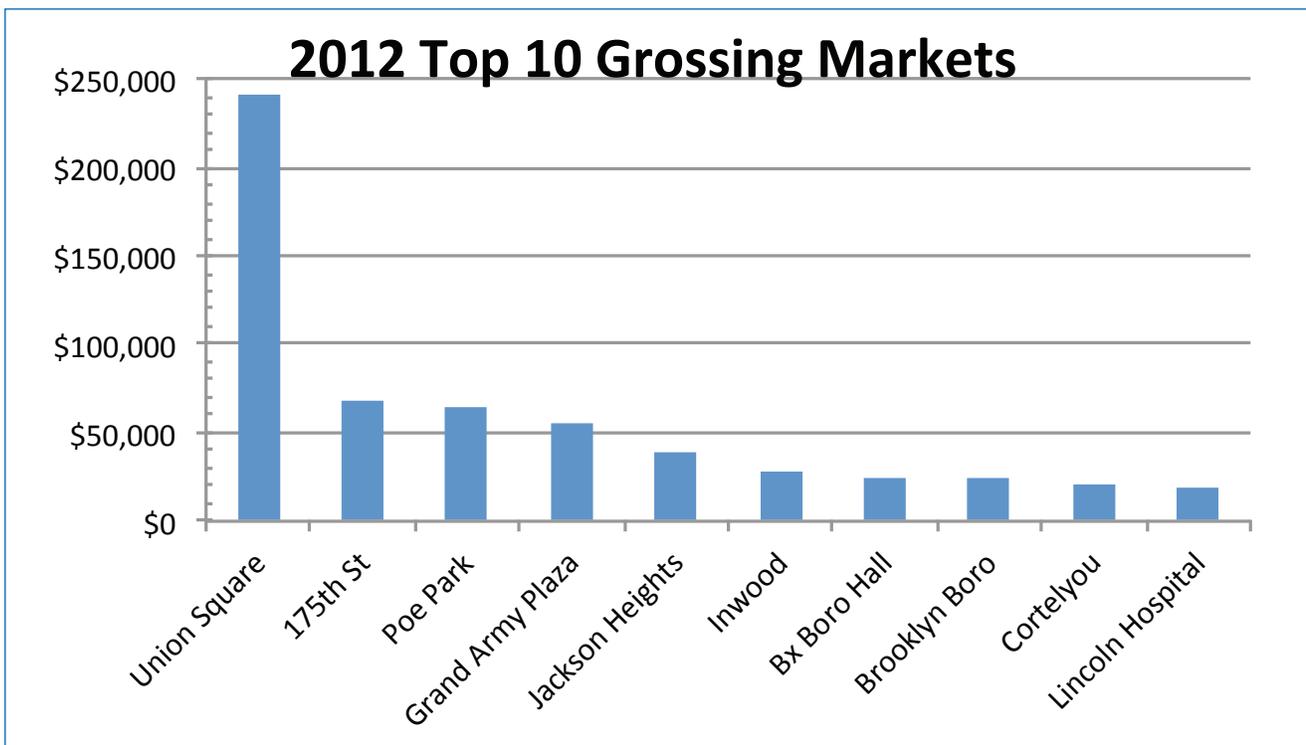
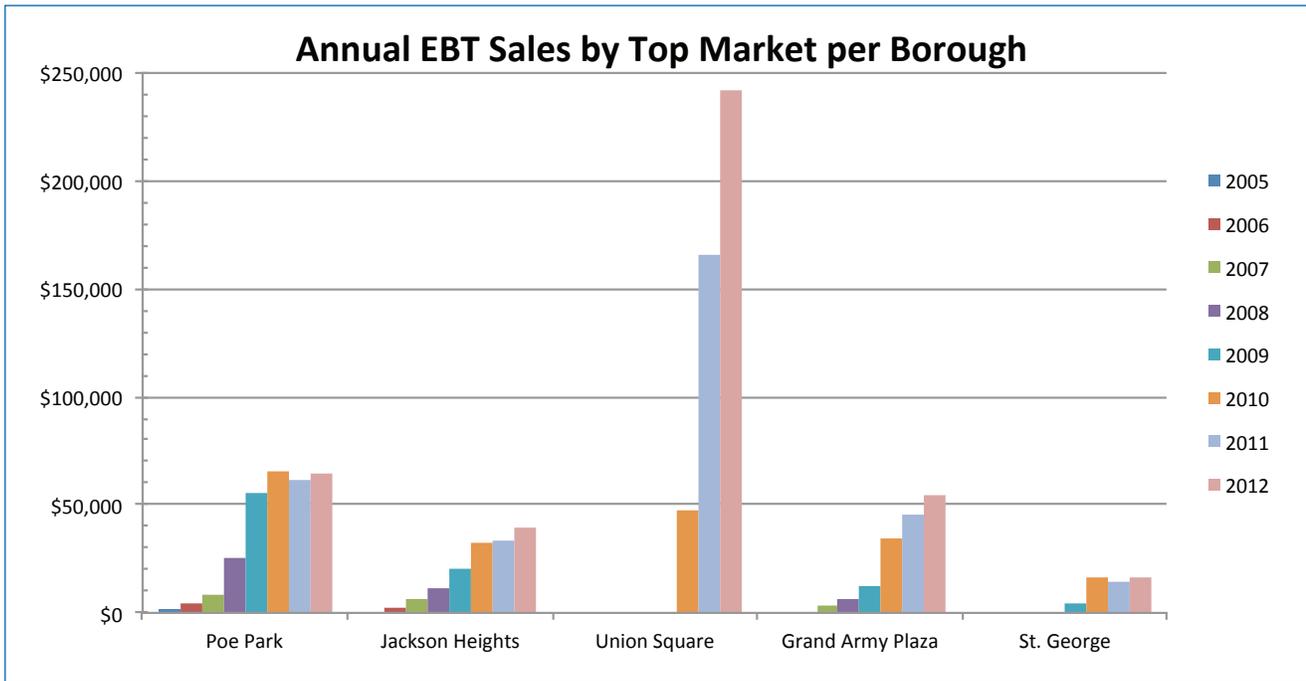


<sup>3</sup> <http://www.council.nyc.gov>

<sup>4</sup> This figure is based on an economic multiplier determined by USDA's Economic Research Service <http://www.ers.usda.gov/publications/err-economic-research-report/err103.aspx#.UYvOQaJJOLF>



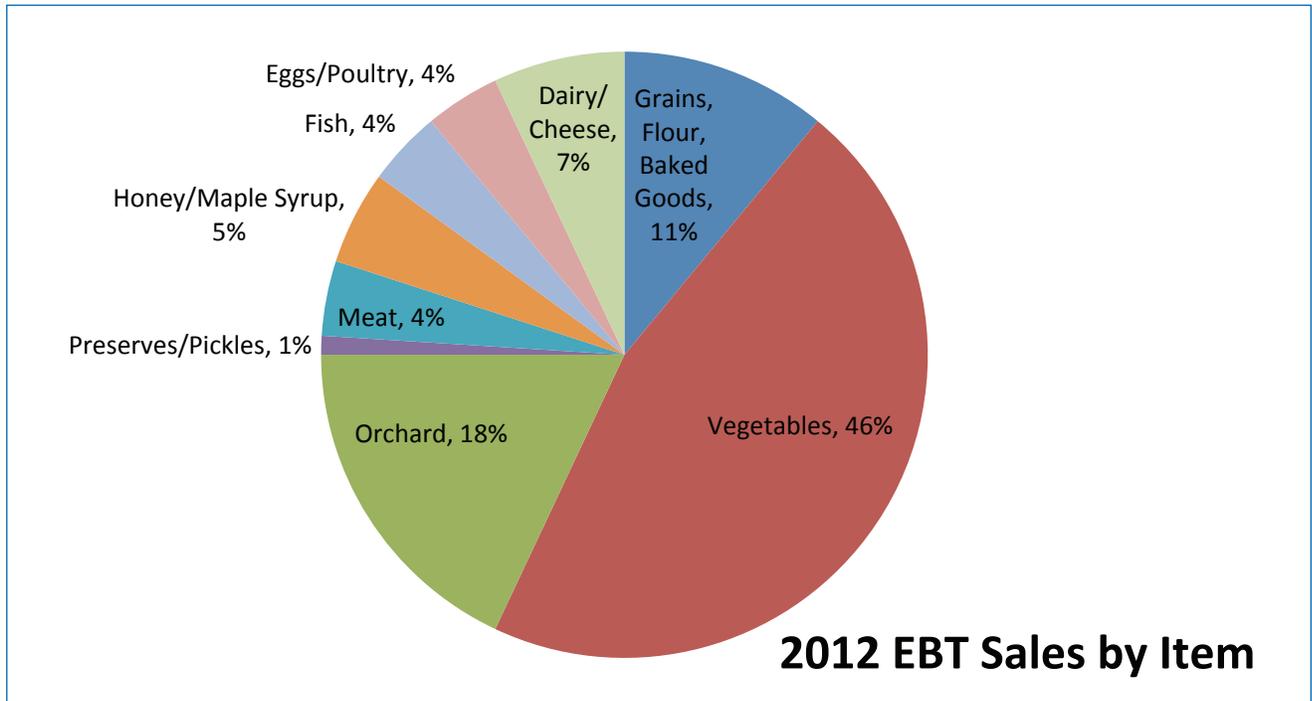
The charts below demonstrate the high levels of EBT redemption. The first graph shows the growth in EBT redemption at the top grossing market in every borough over a span of several years. The next graph shows EBT sales in 2012 at the top 10 grossing markets in New York City. As these graphs show, markets in all corners of the city have had high levels of EBT redemption. In fact, some markets – like Sunset Park, Poe Park, 175th Street, Corona and Astoria – receive over 65% of their income from low-income shoppers using EBT, Health Bucks and the WIC Farmers Market Nutrition Program coupon.





## EBT Use at New York City's Greenmarkets: Increasing Access to Fresh Food

The following chart shows the typical product type breakdown for EBT purchases at Greenmarkets. The data has been consistent over the life of the initiative: shoppers are using their SNAP benefits to purchase healthy food. As farmers' offerings become more diverse, shoppers are increasingly able to purchase a variety of items at their local market in order to make and eat a balanced diet.



In addition to funding from the City Council, the program has greatly benefitted from the City's Health Bucks incentive program. Funded by the New York City Department of Health and Mental Hygiene and the New York City Human Resources Administration, the program provides EBT users with a \$2 Health Bucks coupon for fruits and vegetables for every \$5 in SNAP benefits spent. This past season, the program was doubled and expanded citywide, with Health Bucks now accepted at all 135 operating markets. This incentive program is viewed as a model of public health programming, and by increasing consumers' buying power, it has helped spur the EBT redemption rate over the past several market seasons.

## CONCLUSION

The partnership between the City Council and GrowNYC has been extremely successful and critical in advancing two of the Speaker's major FoodWorks goals. Not only has this program enabled all New Yorkers to purchase healthy food at affordable prices in communities through the city, but it has also used the local food system to stimulate local and regional economic activity.

New York City's successful expansion of EBT at farmers markets has become a national model. Just this past year, the U.S. Department of Agriculture authorized \$4 million to expand the availability of wireless technology in markets, allowing communities and farmers across the nation to benefit from expanded access to healthy, local food.

By investing in a program that makes it possible for low-income New Yorkers to buy healthy fresh food at farmers markets, the City Council has helped to create a new market for fresh food that will make this project sustainable in the years to come. As a larger portion of farmers' income stems from EBT redemption, market operators and farmers alike recognize that the demand for fresh and healthy food exists across all incomes, and is here to stay.