

Illinois Agriculture

Food assistance spending at Illinois farmers' markets soars

By **TIMOTHY EGGERT**
FarmWeek

More access to locally grown produce means more food sold.

That was DeKalb Farmers Market manager Virginia Filicetti's reasoning when she opted to allow people to buy vendors' fruits and vegetables with federal food assistance. The market received authorization to do so under LINK — Illinois' version of the Supplemental Nutrition Assistance Program (SNAP).

"The bulk of our customers at the market are LINK users, which is a huge incentive for the market and our vendors," Filicetti told FarmWeek in a recent interview. "Vendors get LINK customers and customers get fresh vegetables and fruit from local farmers."

The every-Thursday market is the only one in DeKalb County that accepts LINK dollars and matches those dollars through LINK Up Illinois. The matching program allows LINK cardholders who spend \$25 at farmers' markets to receive a matching \$25 that can be spent on market fruits and vegetables.

The program has become so popular that on the first day of the 2022 season, the market ran out of vouchers for the extra benefits. It's also popular with vendors.

"It's an incentive for vendors to come back each year — a big chunk of their revenue from the market comes from LINK spending," Filicetti said, noting average LINK dollars spent each week at the market totals around \$400.

The experience in DeKalb largely aligns with a statewide trend.

A FarmWeek analysis of USDA Food and Nutrition Service (FNS) data found both the number of Illinois direct marketing farmers and farmers' markets accepting LINK have soared since the policy was first established nearly 15 years ago. So have the amount of LINK benefits spent on food sold directly by those farmers and at those markets.

In fiscal year 2010 — the first full market season when vendors could accept LINK dollars — just over \$41,000 in benefits were redeemed at 22 markets across Illinois, accounting for 0.14% of the \$2.78 million in total benefits redeemed.

By fiscal year 2020, more than

\$371,000 in benefits were spent at 94 farmers' markets across Illinois, representing 1.1% of the \$3.37 million in total benefits redeemed.

The same progression has played out at the national level.

In FY 2010, around 1.2% of the total \$64.70 million in U.S. SNAP benefits were redeemed in direct sales at 1,611 different farmers' markets.

In FY 2020, about 4.5% of the total \$74.11 million in U.S. SNAP benefits were spent at 4,656 farmers' markets.

"Quite frankly, it has huge economic and health benefits to the community," Janie Maxwell, executive director of the Illinois Farmers Market Association, told FarmWeek.

"(Using LINK at farmers markets) means a regular stream of income to a farmer at the market, increased sales and a larger customer base that can utilize the farmers market and bring them more profits," Maxwell said.

For every \$1 of LINK benefits redeemed at a farmers market, about \$1.71 is reinvested back into the community hosting the market, according to Maxwell.

"That's huge," Maxwell added. "If you're a LINK user, you could go to a local big-box store, but that's still supporting a large corporation. Here you're supporting a local producer and their products."

How farmers' markets administer LINK

The rules for using LINK dollars at farmers' markets or in a direct sale with a farmer, like at a roadside produce stand, are simple: The money can be used for most any fresh food product, except hot ready-to-go meals.

The policy gets more complicated, however, for the individual vendor or the market itself, which must use electronic benefits transfer (EBT) equipment for LINK transactions.



Many farmers markets across Illinois offer food assistance programs to shoppers through LINK Up Illinois and other programs. (Photo by Illinois Farm Bureau photographer Catrina Rawson)

Maxwell said buying EBT equipment has been a minor barrier preventing some markets or farmers from participating in the program, but grants are available to offset some of the cost.

In DeKalb, market organizers attempted to ease the equipment burden by implementing an EBT token system, wherein LINK customers charge their LINK card in exchange for dollar-equivalent tokens. Customers give vendors the tokens, which are returned to market officials, who reimburse the vendors.

"It really streamlines the process and there's no confusion between vendors and customers," Filicetti said.

The larger hurdle is faced by volunteer-run markets, which often don't have the staff or the capital to administer the LINK program at their market, Maxwell said.

That was the case at the twice-a-week Macomb Farmers Market, where specialty grower and market manager John Greenwood in 2021 first applied as an individual direct marketing farmer because the larger market didn't have the resources to implement LINK acceptance for every vendor.

"We're all volunteer managers and members. You know, we rarely have the time to get everything else done let alone the administrative work to run SNAP marketwide," Greenwood said.

He estimated it would take 12 hours a week plus other costs to facili-

tate the program for each vendor.

Markets find more success than direct marketing farmers

Despite other markets' and individual farmers' success with LINK customers, Greenwood himself doesn't plan to renew his own authorization to accept the benefits.

"I thought it would kind of take off for our market," Greenwood said. "Unfortunately, I did not get the response I was hoping for. It did not work out as planned."

Greenwood estimated no more than 10 customers with LINK benefits bought his tomatoes, lettuce and other fresh produce during the 2021 market season.

"Another vendor that does take LINK, she sells meat, she has gotten a better response," Greenwood said.

"I don't know if I'm typical or not, but down here in west-central Illinois, that (low response) is the case."

Greenwood said he isn't sure what's behind the low response — it could be a lack of education or other factors like the COVID-19 pandemic and inflation.

Filicetti said she attributes part of the DeKalb Farmers Market's success to word of mouth and relationship building between customers and vendors, who "see a lot of the same faces each week."

"We even have non-LINK customers asking about the program," Filicetti said. "And a lot of vendors are totally supportive of the program, they communicate that and those who can't accept LINK are bummed out they can't accept those dollars."

Greenwood, who this market season won't be able to accept LINK benefits, said he still supports the program. And he's working with a local organization to apply for a grant to cover the market's costs of implementing it.

"Hopefully, in the future, we'll have the popularity or the funds to be able to fund it across the whole market," Greenwood said. "It's like any government program — use it or lose it."

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Freight costs contributing to higher food prices

By **DANIEL GRANT**
FarmWeek

U.S. consumers are paying for record fuel prices in more ways than each time they fill up their personal vehicles or machinery.

Freight and distribution costs have skyrocketed due in part to higher fuel prices, which are putting more pressure on the price of everything from meat to home goods.

The index for general freight trucking increased 39 percent from January through April this year and by 52 percent compared to January 2021, according to a recent CME Group Daily Livestock Report.

A key driver — fuel prices — soared to record levels of \$4.95 per gallon for gasoline and \$5.72 for diesel fuel nationwide as of June 8, AAA reported.

Labor costs are also compounding the situation.

"While retail gasoline prices are at all-time record levels, diesel prices have increased even more," authors of the

Daily Livestock Report noted. "These (fuel and labor) costs are passed on to the customers, be it processors, distributors or retailers, and ultimately to the consumer in the form of higher prices."

Consumers have generally remained steadfast so far in dealing with inflation. But consumption and income projections imply the smallest savings rate this year since 2009, according to Scott Brown, University of Missouri livestock economist.

"Expenditures have stayed strong. How do you do that? You don't save as much as you were," Brown said at the Illinois Beef Association's summer conference held in conjunction with the Illinois Forage and Grassland Council's Forage Expo in Macomb. "I think low-income earners in this country are getting ready for tough times."

U.S. food prices are projected to increase 7 to 8 percent at home and 6 to 7 percent away from home this year. That includes a possible 6 to 7 percent increase for pork, a 9 to 10 percent

increase for other meats, and a 19.5 to 20.5 percent spike in egg prices, due in part to the loss of about 38 million layers resulting from the outbreak of highly pathogenic avian influenza.

Brown looks for some consumers to start "buying down" in response to inflation, although he looks for pork and beef demand to remain strong.

U.S. consumers eat an average of about 5.8 ounces of meat per day, up slightly from USDA dietary guidelines that recommend 5.5 ounces per day, according to Frank Mitloehner, air quality specialist at the University of California — Davis.

"Many people think we eat way too much meat in his country," Mitloehner said at the World Pork Expo in Des Moines. "That's not what the data shows."

A key way to improve food availability and drive down costs is to reduce waste. About 40 percent of food produced in the U.S. is wasted annually, he noted.

Nick Giordano, vice president and counsel for global government af-

fairs at the National Pork Producers Council (NPPC), believes efficiencies in food production could also help lower the staggering costs.

"With the high price of food, one thing we can do is expand capacity," he told FarmWeek at World Pork Expo. "We need more labor on farms and in plants. We've got a severe deficit."

NPPC also supports a pilot program USDA implemented to restore line speeds at pork processing plants to previous levels after a slowdown at some locations last year.

"Line speeds are part of the solution (to food price inflation)," Giordano added. "Food safety and worker safety are not mutually exclusive. A lot of these plants have a long history of operating at faster line speeds without a problem."

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