



May 18, 2016
Ms. Vicky T. Robinson
SNAP Retailer Management and Issuance Branch Chief
USDA Food and Nutrition Service (FNS)
3101 Park Center Drive, Room 426
Alexandria, VA 22302

Re: Proposed Rule on Enhancing Retailer Standards in the Supplemental Nutrition Assistance Program (SNAP), Docket RIN 0584-AE27

Dear Ms. Robinson:

On behalf of Single Stop, please accept these comments on the United States Department of Agriculture's (USDA's) Food and Nutrition Service (FNS) Proposed Rule on Enhancing SNAP Retailer Standards.

I. Background

Single Stop is a national nonprofit organization that harnesses America's most effective anti-poverty tools to create economic mobility for low-income families and individuals. Through a unique one-stop shop, Single Stop connects people to the resources they need, including the Supplemental Nutrition Assistance Program (SNAP), to attain higher education, obtain good jobs, and achieve financial self-sufficiency. We partner with community-based organizations and colleges to operate more than 130 sites across the nation, serving more than over 200,000 low-income households annually.

Through our work at college sites (24 nationally), we find that few people associate students with hunger, despite growing evidence of food insecurity on college campuses. For example, a groundbreaking report released in December 2015, *Hungry to Learn*¹ highlights the issue of food insecurity among community college students. Through a survey of more than 4,000 students at 10 community colleges, the study estimates 39% of all community college students had low or very low food insecurity over the past 30 days. Other surveys have shown that food insecurity rates on individual campuses can be nearly 60%. This is striking when compared to the average rate of food insecurity among all U.S. households—14%.

More and more colleges are reporting that their students struggle with balancing their varied obligations, in addition to having enough money to eat three times a day. According to a recent scholarly study, college students are subject to a high number of potential risk factors for food insecurity and hunger, including increased tuition and housing costs, and the need to work at least part-time to make ends meet while receiving low wages that do not cover the actual cost of living.

High rates of food insecurity have far reaching implications for college students in terms of their more immediate academic success and long-term physical and financial health. For example, a study using data from two community colleges in Maryland found that 56 percent of students in the sample were food insecure and food insecure students were more likely than food secure students to report a lower GPA

¹ Wisconsin HOPE Lab (2015). [Hungry to Learn: Addressing Food & Housing Insecurity among Undergraduates](#).



(2.0-2.49) versus a higher GPA (4.5-4.0).² Food insecurity may have adverse effects on student academic performance, class attendance, and class completion, and should therefore be a factor to consider when thinking about persistence towards earning a degree. There also appears to be a connection between food insecurity and mental health conditions.³

II. SNAP Is Vitally Important

A strong and effective SNAP is crucial for ending hunger and improving health in America. Research shows that SNAP plays a critical role in alleviating poverty and food insecurity and in improving dietary intake, weight outcomes, and health, especially among the nation's most vulnerable children. For more background, see "Long-Term Benefits of the Supplemental Nutrition Assistance Program," White House Council of Economic Advisors, December 2015, available at

https://www.whitehouse.gov/sites/whitehouse.gov/files/documents/SNAP_report_final_nonembargo.pdf and White House fact sheet, available at <https://www.whitehouse.gov/the-press-office/2015/12/08/fact-sheet-council-economic-advisers-releases-report-highlighting-new>

One of SNAP's key strengths is the public/private partnership that allows it to operate through normal channels of commerce for redemption of benefits via Electronic Benefit Transfer (EBT) cards at authorized food retailers. The SNAP delivery system is efficient and provides a mainstream way for low-income consumers to obtain their food with dignity.

A growing number of college students are enrolled in SNAP, but few students who receive SNAP benefits can purchase food on college campuses, where they spend the majority of their time, despite their struggle to find affordable and nutritious food.⁴ Because of the complicated rules that schools are required to meet to become SNAP retailers, few institutions have been willing to initiate the process and even fewer have been able to complete it.

Campus stores can apply to be eligible for SNAP purchases if they meet a series of requirements, from technological compatibility of systems to staff training. Just recently, Oregon State University and California's Humboldt State University became two rare institutions that can accept SNAP benefits on campus. The ability to accept SNAP benefits on campus was the result of a nearly decade long effort at Oregon State, and a two-year effort at Humboldt.

With the eventual success of these institutions in being granted permission to accept SNAP benefits through EBT cards on campus, other institutions have expressed an interest in following suit, despite the already complicated process. However, Single Stop believes that the proposed SNAP retail requirements may create enough of an additional barrier to prevent more schools from becoming SNAP retailers.

III. Recommendations for the Final Rule

A. Support for Proposed Rule Provisions Implementing 2014 Farm Bill Mandate

² Maroto, M.E., Snelling, A., & Linck, H. (2015). Food insecurity among community college students: prevalence and association with grade point average. *Community College Journal of Research and Practice*, 39(6).

³ Wisconsin HOPE Lab (2015). [Too Distressed to Learn?: Mental Health Among Community College Students](#).

⁴ See Cady, Clare L. 2014. "Food Insecurity as a Student Issue." *Journal of College & Character* (15(4): 265-271.

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We support the proposed rule provision implementing the 2014 Farm Bill mandate requiring authorized SNAP food retailers to carry a greater variety of foods within the four staple food groups and more perishables within those groups:

- “Offer for sale and normally display in a public area, qualifying staple food items on a continuous basis, evidenced by having, on any given day of operation, no fewer than seven different varieties of food items in each of the four staple food categories” and
- “Offer for sale perishable staple food items in at least three staple food categories.”

These proposed SNAP retail requirements to stock a greater variety of staple foods and to increase the number of staple foods groups that must contain perishable foods are consistent with the improvements mandated by the 2014 Farm Bill. These improvements will support good nutrition and enhance the variety of foods available for SNAP customers by increasing the variety of foods and number of perishable foods that must be available in each of the four staple food groups: dairy products; fruits and vegetables, breads and cereals, and meat, poultry and fish. Increasing the stocking requirements from a minimum of three to a minimum of seven staple food groups, and the number of staple food groups that contain perishable foods from a minimum of two up to a minimum of three staple food groups will have a positive impact.

B. Changes to Other Provisions of the Final Rule, However, Are Needed to Safeguard Low-Income Consumer Food Access

We are concerned, however, by several proposed provisions that exceed the mandate of the relevant 2014 Farm Bill provisions and that could well undercut food access for low-income consumers, including consumers who reside in “food deserts” and those who struggle with lack of transportation or with mobility issues.

The problematic provisions include a redefinition of “staple food” to exclude “commercially processed foods and prepared mixtures with multiple ingredients that do not represent a single staple food category;” sharply heightened criterion excluding “firms that do not have 85 percent or more of their total food sales in items that are not cooked or heated on-site, before or after purchase;” and the exclusion of some businesses because they operate under one roof and share certain commonalities (such as “shared space”) with an entity that would not qualify.

1. Proposed Redefinition of Multiple Ingredient Foods Exceeds Mandate and Is Unwise

Congress did not change the definition of SNAP “staple foods” or SNAP “food” in the 2014 Farm Bill. USDA has exceeded its congressional mandate by changing the definition of a staple food to exclude “commercially processed foods and prepared mixtures with multiple ingredients that do not represent a single staple food category.”

In addition to exceeding the statutory mandate, USDA’s proposal to exclude convenient, multiple ingredient foods from the staple food category is inconsistent with the purchasing practices of American shoppers. Given time constraints, work schedules and family situations, multiple ingredient items – such as canned soup, frozen dinners, or prepared salads – can meet important needs for SNAP participants and

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other shoppers. Research demonstrates the time-constraints facing SNAP participants, especially in terms of the limited time they and other low-income consumers have available for food production.

Students with dependents make up a significant share of the undergraduate population in the U.S. today, accounting for over a quarter (26%) of all undergraduates students in 2012 (4.8 M).⁵ Because low-income student parents have job shifts and/or classes that go into the evening hours, older children in low-income households often take some responsibility for meal preparation. As a result, student parents concerned about safety may prefer that those youngsters prepare convenience items (e.g., heat up a bowl of canned soup in the microwave versus turning on the stove to make soup from scratch).

USDA has recognized before how essential convenient, multiple ingredient foods are to food purchasing and preparation among SNAP participants. The Thrifty Food Plan is the government market basket upon which SNAP benefit amounts are based. In an effort to be more realistic about the time available for food preparation in the home, USDA incorporated more convenience foods in the 2006 revision of the Thrifty Food Plan. See “Thrifty Food Plan, 2006” USDA Center for Nutrition Policy and Promotion, April 2007, available at

http://www.cnpp.usda.gov/sites/default/files/usda_food_plans_cost_of_food/TFP2006Report.pdf. That report explained that “efforts were made to consider ease of food preparation and convenience in the development of the Thrifty Food Plan market baskets. Foods such as boxed macaroni and cheese, frozen vegetables, ready-to-serve breads and cereals, canned soups, chicken parts, canned dry beans, and boxed mashed potatoes are included in the Thrifty Food Plan market baskets.” Therefore, it is especially odd that many of the foods specifically added to Thrifty Food Plan market baskets in 2006 would be excluded as staple foods under the proposed rule.

So long as retail food stores are meeting the increased amounts, variety of staple items and perishable items called by the statute, there is no compelling purpose to exclude multiple ingredient items from counting (as they do under current regulations) under one of the SNAP staple food categories. In addition, we believe the proposed complex two-tiered classification system for multiple ingredient foods is impractical and will create more confusion than the current system. Instead, we recommend USDA work within the current regulations to determine the best way to allocate multiple ingredient foods to a single staple food category based on the main ingredient, rather than excluding them. The final rule and guidance should assure SNAP vendors appropriately classify multiple ingredient foods into the one staple food category that best represents the product.

2. Additional Provisions Risk Loss of Needed Food Retailer Access

The current SNAP regulations at [7 C.F.R. 278.1\(b\)\(1\)\(iv\)](#) provide that ineligible SNAP food retail firms include “firms that are considered to be restaurants, that is, firms that have more than 50 percent of their total gross retail sales in hot and/or cold prepared foods not intended for home preparation and consumption.” The proposed rule instead would provide: “Firms that do not have 85 percent or more of their total food sales in items that are not cooked or heated on-site, before or after purchase, are ineligible.” The preamble explains, “This proposed threshold is based on a review of the data submitted

⁵ Institute for Women’s Policy Research (2014). [4.8 Million College Students are Raising Children](#).



by SNAP authorized restaurants currently operating outside of the intent of the Program. FNS requests comments regarding this threshold and the benefits and costs of alternative levels.”

We appreciate the Department’s specifically seeking additional comments on this threshold level. We urge the Department to take into account additional information it receives about the inability of small stores to qualify under the new threshold. We remain concerned about access for low-income consumers, particularly low-income students that are working hard to invest in their futures, all while balancing demanding schedules and varied responsibilities. These very students need access to EBT-accepting on-campus food stores to provide immediate relief from food insecurity during the day and increase the chances of their college completion.

The rule will also decrease access to food for low-income consumers in food desert areas, and for all shoppers with mobility issues, such as those who are elderly, have disabilities, and/or lack affordable transportation. We caution the Department against setting a threshold that would cause stores to drop out of SNAP or discourage new retailers, such as those on college campuses, from becoming EBT-accepting stores, and lessen food access, particularly for these particular SNAP consumers. Moreover, we caution that in setting any new threshold, the Department take into account potential trends for grocery retailers to meet increased consumer demand for prepared foods and set a threshold that will continue to be appropriate in coming years.

Similarly, we are concerned about any unintended consequences on food access from the proposal to consider businesses that operate under one roof and share certain commonalities (such as “shared space”) as “a single establishment when determining eligibility to participate in SNAP as retail food stores.” We understand that this may undercut SNAP authorization for otherwise eligible retailers located in certain locations such as shopping plazas (“strip malls”). We urge the Department to consider information it receives about any undue negative impact of the proposed rule on retailers operating under one roof and to revise the language to avoid any negative impacts on food access for SNAP consumers.

C. Proposed Rule Provisions for Exceptions Are Inadequate to Accommodate Low-Income Consumer Food Access

The 2014 Farm Bill amended Section 9(a) of the Act to allow USDA to consider whether an applicant retailer is located in an area with significantly limited access to food when determining the qualifications of that applicant. Especially given the significant concerns that we have expressed in the above comments about how certain aspects of the proposed rule changes could adversely impact access to affordable food for SNAP consumers, we believe this section is especially important.

FNS proposes to amend 278.1(b) by adding a new subparagraph (6) as follows: “FNS will consider whether the applicant is located in an area with significantly limited access to food. In determining whether an applicant is located in such an area, FNS will consider factors such as distance from the nearest SNAP authorized retailer, transportation options to other SNAP authorized retailer locations, the gap between a store’s stock and SNAP required stock for authorized eligibility, and whether the store furthers the purpose of the Program.”

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We appreciate that FNS is interested in comments and suggestions regarding this proposed change but are concerned that the factors that the proposed rule lays out to define an area of significantly limited access to food are too narrow to cover the myriad individual and community circumstances that are likely to arise.

Research shows that there are many factors driving store and food choice in addition to store proximity and availability, including the resources of customers; price of products; availability, selection, and quality of food; personal preferences; taste; convenience; store safety and cleanliness; customer service; transportation; and food marketing. Convenience also is a matter of time and money, not simply geography. Therefore, having a multiplicity of SNAP retailer options is important to low-income consumers in various settings, including on college campuses. For student SNAP participants who are stretching their resources, having to spend an extra transit fare to travel off-campus for a meal may be problematic. Additionally, having to travel for meals throughout the day is difficult while juggling class schedules, work schedules, child care, and other responsibilities.

The proposed rule also lacks detail about the process for retailers to seek and gain approval of any such exemption, including the time frame for approvals and the status of SNAP retailer authorizations pending the resolution of the exemption process and any appeals process and review. Avoiding undue delay in retailer authorizations for nutrition benefit redemptions can be important to the ability of retailers to succeed in low-income communities, a factor that matters for decreasing the number of food deserts in the U.S. For smaller retailers, an application and/or appeal process on an exemption for meeting the new requirements could be burdensome and costly. Moreover, we believe that any such process should take into account the views of the public, especially SNAP consumers and other national and local community stakeholders. The final rule should better ensure a waiver/exemption process that will garner necessary input in a meaningful and timely way before a SNAP retailer authorization is denied.

D. The Final Rule Should Provide More Adequate Time and Support for Retailers to Comply with the New Requirements

We urge the Department to provide adequate time for retailers to transition their operations to comply with the new requirements. The Agency proposes to make the requirements detailed under “Staple Food” and “Determination of Authorization” effective for all new applicants within 120 days of the effective date of a final rule, and for existing SNAP authorized retailers within 365 days of the effective date of a final rule.

The proposed implementation timeframe seems inadequate, particularly if the changes in multiple ingredient items, the 85 percent rule, and the businesses operating under one roof remain as proposed. Research and anecdotes from healthy corner store initiatives, for example, indicate that stores often struggle to make improvements to their food offerings, and often under far less demanding standards than proposed in this rule. It’s also worth noting that these are voluntary initiatives and more able stores self-select into the programs. Implementation of the proposed regulations will require significant administrative changes. Given the diverse backgrounds of small retailers, USDA’s materials should be available in multiple languages, not only English and Spanish. Stores will need to evaluate their current stock and operations and determine how to increase stock and make other necessary changes to comply. More adequate time for transition can help avoid disruption of food access for consumers.

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Successful implementation will require clarity for SNAP retailers regarding the stocking requirements, effective strategies for marketing and storing healthy foods, and the eligibility of food for purchase with SNAP benefits. The rule preamble explains clearly that, whether categorized as “staple” or “accessory,” food will remain eligible for purchase with SNAP benefits. The proposed rule, however, drops the explicit language in the current regulations that accessory foods are still eligible for purchase with SNAP benefits. That current rule language should be restored in the final rule.

We appreciate your consideration of these views.

Sincerely,

A handwritten signature in blue ink, appearing to read "Hope Haiman", with a long horizontal flourish extending to the right.

Hope Haiman
Executive Vice President
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