

Proposed USDA rule: Enhancing Retailer Standards in the Supplemental Nutrition Assistance Program (SNAP)

The Durham County Board of Health and the Durham County Department of Public Health applauds the USDA's efforts to improve access to healthy foods for SNAP recipients. Hundreds of North Carolina residents and thousands of SNAP recipients nationwide can now access healthy foods due to the USDA's Food Insecurity Nutrition Incentive Program. We are excited that the USDA continues to expand its food access work and is now looking at how small grocery and convenience stores can improve access with the rule to Enhance Retailer Eligibility Standards in SNAP.

The Durham County Department of Public Health has been partnering with small grocery and convenience stores for three years to increase access to healthy foods for our residents. Therefore the rule to Enhance Retailer Eligibility Standards in SNAP is of great interest to us. We embarked on this project because residents responding to our community health assessment surveys and focus groups continually rank improving access to healthy foods in their neighborhoods as a high priority.

In the last three years, we have learned of a number of barriers that small store owners have in stocking of healthier foods. First, it takes time and targeted marketing to change shopping behavior. To run a successful program, store owners need technical support and training to determine appropriate items to stock and to assist with marketing, product placement, and proper storage and handling of fresh product. This requires staffing and financial resources that small store owners typically cannot provide. Store owners also often need extra equipment to display and store the food. When stores add too many items too quickly without targeted marketing, the store owners tend to lose profits. We strongly suggest a staged roll out that includes financial and technical assistance for the stores be included as part of the proposed rule.

Furthermore, in order for healthy store initiatives to be successful, store owners need to have a source from which to purchase low cost healthy items so they can sell the items at a price patrons are willing to pay. Distribution and purchasing infrastructure does not yet exist throughout most of the country to support this effort. The stores we work with do not have storage space and thus cannot purchase food in bulk quantities, making it difficult to purchase items at a low enough cost. Again, a staged roll out that includes time to build the supply infrastructure is necessary.

Finally, the lack of storage space at many small stores makes it nearly impossible for them to stay fully stocked all week long. Requiring stores to keep at least six of each required item stocked at all times will be a great burden on the stores with which we work. We suggest that the number and amount of healthy foods required be variable based on the capacity of the store. We also strongly suggest that only stores above a square footage threshold be required to abide by the rule; stores smaller than the square footage threshold should instead be incentivized if they abide by the guidelines. This would greatly reduce the burden on the store owners while likely still increasing access to healthy food. The Food Trust defines a corner store as having

less than 2,000 square feet, four aisles or less and one cash register and we support this definition as a small store.

The store owners we partner with are already working hard to increase access of healthy foods in our community. These same owners have expressed strong concern that the proposed ruling would create a financial burden for their stores. We fear this burden may be a disincentive for small grocery stores and convenience stores to accept SNAP, thus reducing the very access the ruling is trying to increase. The Durham County Board of Health and the Durham County Department of Public Health do not support the rule to Enhance Retailer Eligibility Standards in SNAP as it is written. However we support a revision of the rule to include a staged roll out, financial and technical assistance for the stores, and exemptions for stores under a certain square footage threshold. This will ensure a more successful implementation of the proposed rule and more positive outcomes for the retailers and communities affected.