



September 23, 2019

Submitted electronically via regulations.gov

Docket Clerk
U.S. Department of Agriculture
Program Development Division
Food and Nutrition Service
311 Park Center Dr.
Alexandria, VA 22302

**Re: Food Marketing Institute Comments on the Food and Nutrition Service
Proposed Rule, Revision of Categorical Eligibility in the Supplemental
Nutrition Assistance Program (SNAP); Docket No. FNS– 2018–0037; RIN
0584-AE62**

Dear Sir or Madam:

On July 24, 2019 the U.S. Department of Agriculture (USDA) Food and Nutrition Service (FNS) published a proposed rule entitled, Revision of Categorical Eligibility in the Supplemental Nutrition Assistance Program (SNAP). The Food Marketing Institute (FMI) appreciates the opportunity to provide comments on the proposed rule.¹

FMI proudly advocates on behalf of the food retail industry, which employs nearly 5 million workers and represents a combined annual sales volume of almost \$800 billion. FMI member companies operate nearly 33,000 retail food stores and 12,000 pharmacies. FMI membership includes the entire spectrum of food retail venues; single owner grocery stores, large multi-store supermarket chains, pharmacies, online and mixed retail stores. Through programs in public affairs, food safety, research, education, health and wellness and industry relations, FMI offers resources and provides valuable benefits to almost 1,000 food retail and wholesale member companies and serves 85 international retail member companies. In addition, FMI has almost 500 associate member companies that provide products and services to the food retail industry.

As stated above, FMI proudly advocates on behalf of the food retail industry, including authorized retail food stores that serve as the private sector partner with USDA for the distribution of SNAP benefits. Providing access to safe and affordable foods for all SNAP participants is our priority, therefore, the food retail industry we represent has a keen interest in ensuring the program runs efficiently and with the highest level of integrity.

FMI reviewed the Agency's proposed rule to adjust the parameters for qualification for categorical eligibility for SNAP benefits under the Temporary Assistance to Needy Families (TANF) program and appreciates the opportunity to provide comments.

¹ 84 Fed. Reg. 35570 (July 24, 2019).

We were interested to learn 39 states/42 jurisdictions are providing some of their TANF families with little or no monetary benefits. As this rule would require states to provide significant and on-going monetary benefits to a TANF family before they would be categorically SNAP eligible, this proposed rule could have a very significant impact on our members' customers, operations and supply chain. Because of this importance, we have several questions and recommendations we hope to have addressed before the Agency moves forward with a final rule.

In addition to serving as the private partner in SNAP, many of our members also participate in the Special Supplemental Nutrition Assistance Program for Women, Infants and Children (WIC). As we understand the current process, many WIC families receive adjunctive eligibility based on their current SNAP participation. According to the Agency's projections, of the households that would be affected by this proposed rule, 7.4% have children. Of those households, how many with adjunctive WIC eligibility will be affected? And will this change disqualify them for WIC under this current process? Or will they need to re-apply via this process or another process?

FMI also requests additional information regarding the potential economic impact of the final rule. Does the Agency have any specific data by state and jurisdiction of the current monthly monetary benefit levels of the potentially affected households?

FMI also seeks clarity regarding states that commit to the new ongoing monetary contributions for their TANF families. Will families need to receive six months' worth of substantial benefits before categorically qualifying for SNAP benefits? Or will the new requirement be congruent?

Finally, we would ask for information on how these changes will impact families already receiving monetary benefits that are both substantial and on-going? Will they need to take additional steps in order to continue participating in SNAP?

FMI appreciates the opportunity to share our questions and recommendations with the Agency on the proposed rule. We share FNS' interest in maintaining the highest level of program integrity, while ensuring that those families who need assistance continue to be served. While our focus has traditionally remained on retailer requirements and participation, the potential impact of this proposed rule demands that we fully understand the effect it will have on our members customers and the communities they serve every day.

Thank you for your attention to our questions and concerns. FMI stands ready to work with the Agency to ensure SNAP continues to work efficiently and effectively for our neighbors who need food assistance.

Should you have questions about these comments, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jennifer Hatcher".

Jennifer Hatcher
Chief Public Policy Officer
Senior Vice President, Government Relations