

SNAP Update

Rural Grocery Summit 2024

Montgomery, AL – June 24 - 25

USDA, Food and Nutrition Service

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Assistance Center (SEMTAC)*

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SNAP Participants (as of April 2024)

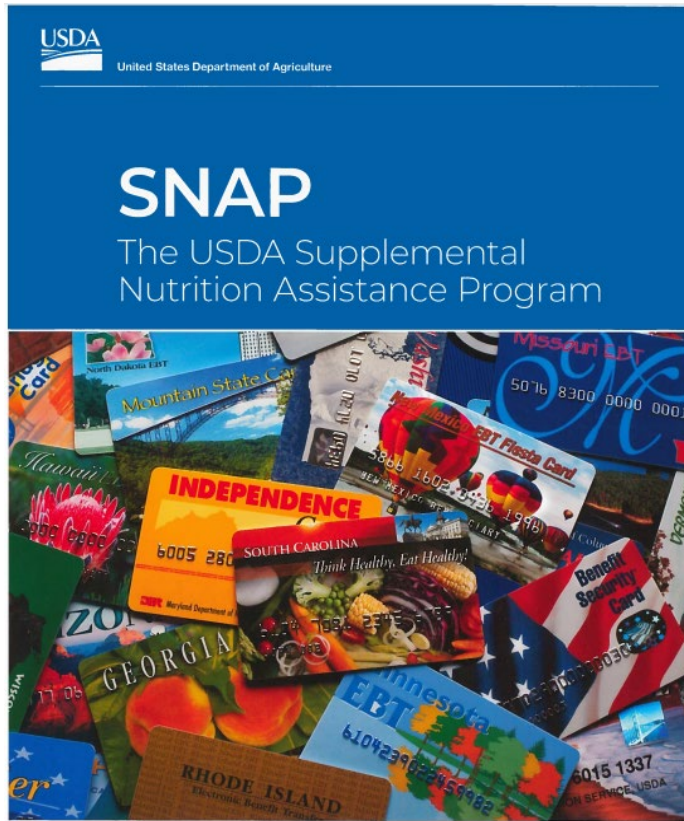
- 22.2M households
- 42.2M people

SNAP Retailers (Fiscal Year 2023)

- 262K SNAP authorized stores
- \$124B in SNAP redemptions



Retailers are SNAP Partners



TRAINING GUIDE FOR RETAILERS



SNAP Healthy Eating Incentives

GusNIP

Incentives to increase fruit and vegetable consumption.



HFMI

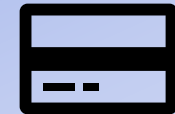
Incentives to increase low fat/no fat milk consumption.



Retailer -Initiated

Incentives to increase consumption of foods that meet dietary guidelines (dairy, whole grain, fruit and vegetables).

eHIP



Electronic delivery of incentives using State's EBT systems, aka/ EBT integration



SNAP Benefit Theft + Card Skimming

- Devices attach to POS machines to copy EBT card information/steal SNAP participant benefits
- New law allows States to replace stolen SNAP benefits with Federal funds through Sept. 30, 2024.
- What can retailers and SNAP participants do to protect SNAP benefits?
- [SNAP EBT Chip Card Payment is coming!](#)



Card Skimming Devices



SNAP EBT moves to Chip Cards

Mobile Payment Pilots

- What are we doing?
- Why are we doing it?
- Current status



SNAP EBT Host Processors

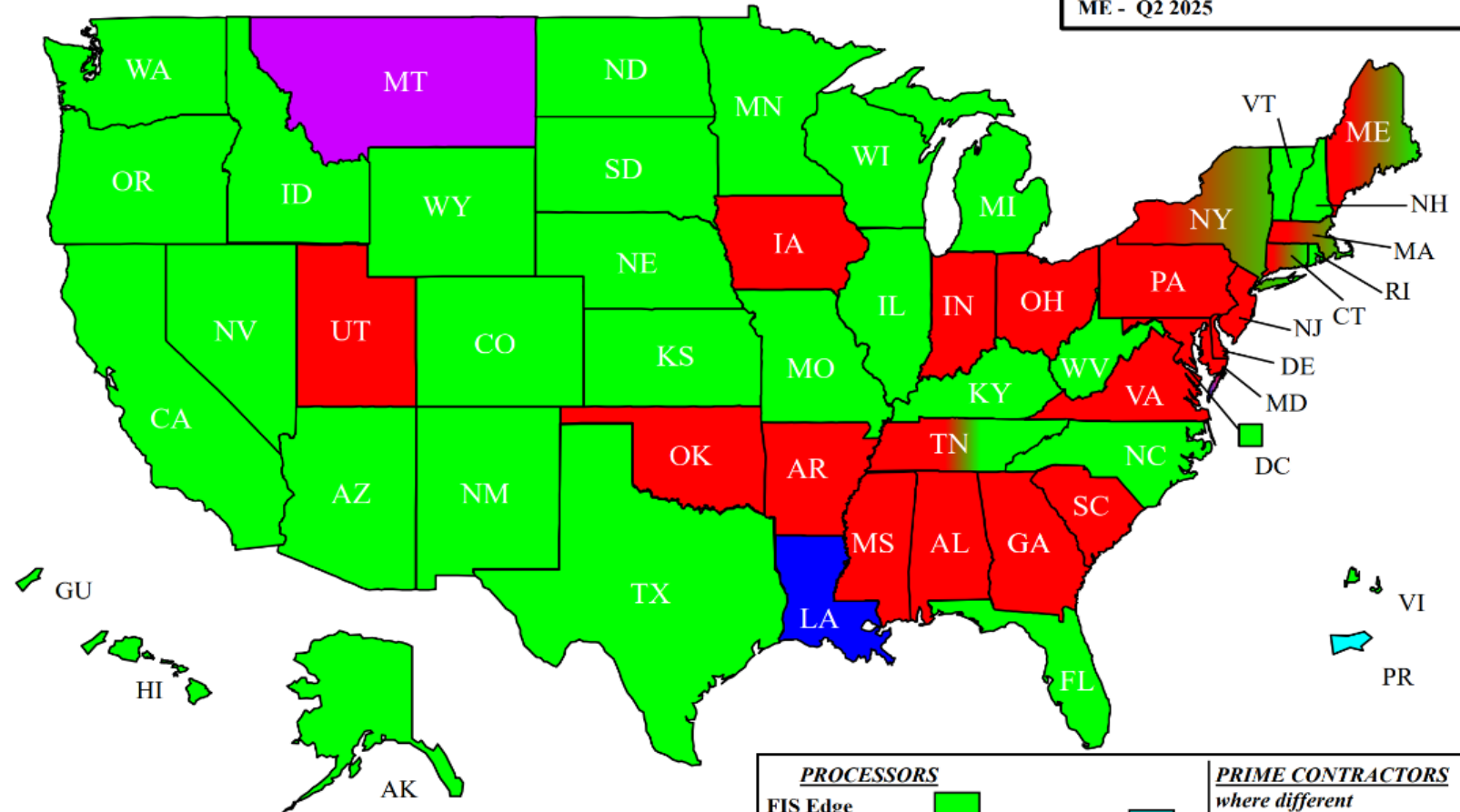
As of September 18, 2023

Conversion Implementation

(based on calendar year)

TN – Q1 2024
 NY – Q2 2024
 MA – Q3 2024
 CT – Q1 2025
 ME – Q2 2025

- Who are EBT Host Processors?
- What and when are State EBT Conversions?



Note: States with gradient color will convert from current host processor (color left) to a new host processor (color right) under latest contract.



- FNS' first new entitlement program since the 1970s
- Who is eligible?
 - What do SUN Bucks participants receive?
 - How does it work?
- States choose to participate each year
 - As of June 1, 2024: 28 States (including Alabama!), 3 Tribes, and 6 Territories
 - Covering 21.1M kids and distributing \$2.5B+ in benefits
- Benefits issued pre-summer**



*There is some extra nuance here. See [SUN Bucks \(Summer EBT\) | Food and Nutrition Service \(usda.gov\)](#) for full eligibility rules

**Because this is year 1, benefits are actively being rolled out to cards ASAP

What does SNAP Online do?

- Provide new means of equitable food access
- Advances nutrition security

By The Numbers (January 2024)

- 11.1% of SNAP Redemptions happen online
- 300+ Retailer chains offer SNAP Online
- 3.9M SNAP households (increase from 35K SNAP households in March 2020)
- All 50 states and Washington DC



SNAP Online Retailer Resources:

- How to Apply
- How to Get Technical Assistance
- MarketLink/GrownBy
- SEMTAC





Creation of the SNAP EBT Modernization Technical Assistance Center



Online Grocery Sales

Monthly U.S. Online Grocery Sales: March 2020-2024



Sources: Brick Meets Click/Mercatus Grocery Shopping Survey, March 2020 - 2024.



- ◆ \$8 billion in monthly online grocery sales in US (holding steady from prior year)
- ◆ Grocery pickup is the most prevalent method
- ◆ Pickup and delivery account for 83% of all online grocery
- ◆ Online grocery isn't going away



Online Grocery Sales

- ◆ Online grocery sales predicted to increase at a compound annual growth rate of 4.5% over the next five years
 - ◆ More than 3x faster than the rate forecasted for in-store grocery sales
- ◆ Total online grocery sales projected to reach ~\$120 billion annually by the end of 2028
 - ◆ 12.7% of total grocery sales
- ◆ SNAP (food assistance) customers are part of this market!
 - ◆ One retailer piloting SNAP Online saw a 6.5% increase in monthly total online sales compared to one year prior



Sources:

U.S. eGrocery Market Forecast 2024 ([Brick Meets Click 5-Year Projection 2024-2028](#))

ECRS "Success Stories" [March 2024](#)



The Need:

- ◆ USDA-FNS shared that retailers need extensive support through the SNAP Online onboarding process
- ◆ USDA-FNS needs support as the pilot expands into non-traditional business structures

THE SOLUTION

Cooperative 4-year grant between USDA and NGA to offer free*, customized, technical assistance

*Free to anyone – not just NGA members

THE HOW

- **FNS-approved resources**
- **SNAP EBT experts**
- **Daily communication with FNS to share information and feedback**
- **SEMTAC is the first to know about any onboarding updates**

THE RESULTS

More retailers are approved for SNAP Online, faster



SEMTAC can ...

Provide FREE one-on-one technical support during every step of SNAP Online onboarding

Help retailers understand federal requirements for SNAP Online

Provide guidance for navigating eCommerce technology & SNAP Online integrations

Assist with the preparation of application materials

Assist with other SNAP EBT modernization projects (chip integration; mobile payments)



SNAP Online Onboarding Considerations

Technology Solutions



Must use an eCommerce provider and TPP that has been approved by USDA either previously, or as part of the application process.

Payment Requirements



Weighted products, no sales tax/fees, split tender payments, order confirmation & receipt info, returns, check balances

Multi-phase Onboarding



Different USDA teams at each phase & administrative paperwork

Queue for Approval



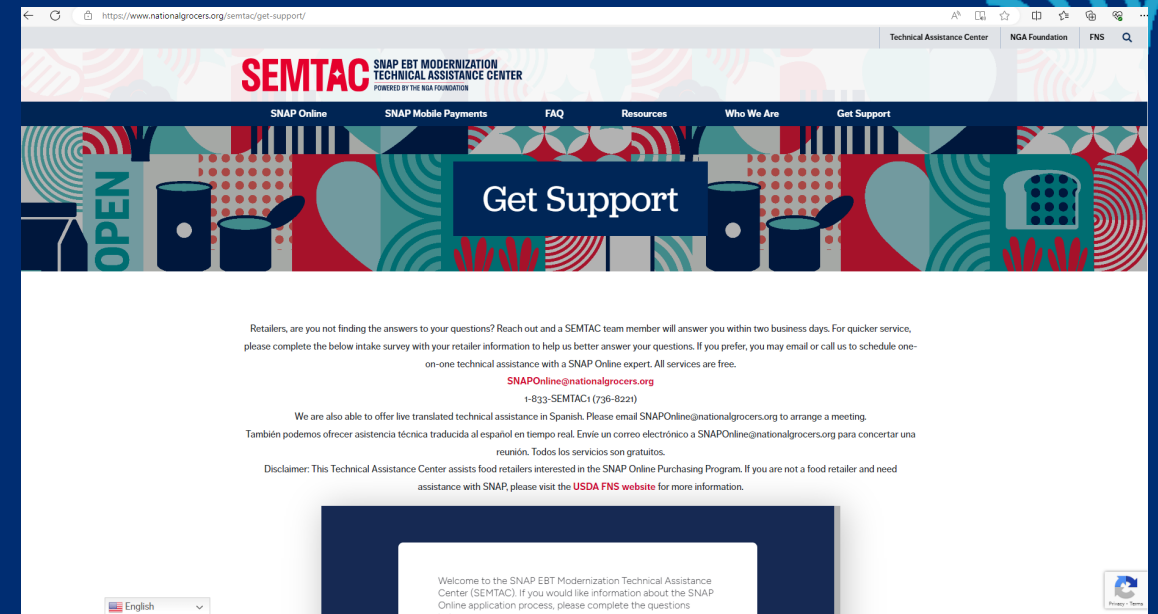
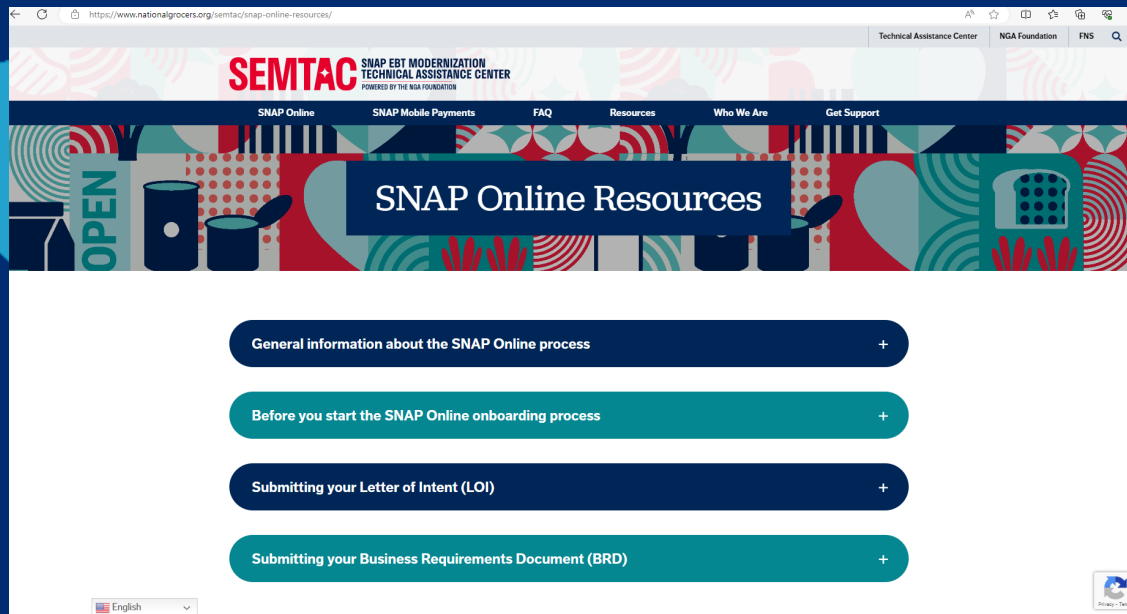
Pandemic increased popularity of online shopping & there are variations in the types of business seeking approval (ex. Online Only)

How SEMTAC Can Help

- ◆ Guidance on how to select technology solutions, contact information & feasibility tool for understanding cost
- ◆ Explanation of order confirmation and receipt requirements, guidance on how to complete a BRD & support during testing
- ◆ SEMTAC can serve as singular point of contact to help retailers through each phase
- ◆ Explanation of onboarding as new processes are rolled out & SEMTAC offers pretesting to retailers



www.SEMTAC.org



What does intake look like?

Email
SNAPOnline@
NationalGrocers.org

Phone
1-833-SEMTAC1

Website Form
“Get Support”

- ◆ **Identify business needs & next steps**
- ◆ **Assign appropriate support and schedule meeting**
- ◆ **SNAP Online Advisors provide continuous in-depth TA**

Who does SEMTAC offer technical assistance to?

- ◆ **Brick & Mortar Grocery Stores**
- ◆ **eCommerce Providers**



Rural Grocers & Ecommerce Programs



Mobilized a travel trailer and thanks to HFFI funding is investing in secure, refrigerated food lockers for use by community members in South Dakota's tribal communities. [Offers SNAP Online.](#)



Delivery route in his community in Opelika, AL.

[Participated in the SNAP Online Purchasing Pilot in 2019.](#)



Offers Mobile Grocery Market and launching Online Grocery in June to Stark County, OH residents.

[Plans to offer SNAP Online.](#)



SNAP Participation Rates:

<https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>

SNAP Mobile Payment Pilot

<https://www.fns.usda.gov/snap/mobile-payment-pilot>

SNAP State-by-State Issuance Schedules:

<https://www.fns.usda.gov/snap/recipient/eligibility/benefit-availability>

SNAP EBT Modernization Technical Assistance Center (SEMTAC)

<https://www.nationalgrocers.org/semnac/>

Addressing Stolen SNAP Benefits

<https://www.fns.usda.gov/snap/stolen-benefits>

Enhancing SNAP Retailer Eligibility Criteria

<https://www.fns.usda.gov/snap/retailer/eligible>

Summer EBT

<https://www.fns.usda.gov/summer/sunbucks>

<https://www.fns.usda.gov/sebt/implementation>

SNAP Retailer Management FY 2023 Year-End Summary:

<https://www.fns.usda.gov/snap/retailer/data>

SNAP EBT Information:

<https://www.fns.usda.gov/snap/ebt>

SNAP Online Shopping

<https://www.fns.usda.gov/snap/online-purchasing-pilot>

Gus Schumacher Nutrition Incentive (GusNIP) Grants

<https://nifa.usda.gov/funding-opportunity/food-insecurity-nutrition-incentive-fini-grant-program>

Healthy Fluid Milk Incentive Program

[Healthy Fluid Milk Incentive Projects | Food and Nutrition Service \(usda.gov\)](#)

FNS Disaster Information

<https://www.fns.usda.gov/disaster/disaster-assistance>

SNAP Retailer Locator:

<http://www.fns.usda.gov/snap/retailerlocator>

MarketLink, Including SNAP Online Assistance for Farmers

<https://nafmnp.org/marketlink/>



SNAP Retailer Policy Questions
RPMDHQ-Web@fns.usda.gov

SNAP Online Inbox
SM.FN.snaponline@usda.gov

SNAP Mobile Inbox
SM.FN.snapmobile@usda.gov

EBT Chip Modernization Information
ebtchip@nationalgrocers.org

SEMTAC Technical Assistance for SNAP Online
SNAPOnline@nationalgrocers.org

1-833-SEMTAC1
[Get Support - National Grocers Association](#)



Would You Like Pictures of Pets?

Of course you would
(Also questions)

