

Key Success Factors for SNAP Online in Arizona

Spotlight on Technical Assistance

Access to quality technical assistance when applying for and operating SNAP retail, both online and in-person, is a key success factor for the equitable expansion of SNAP online purchasing in Arizona. Qualifying SNAP Internet Retailers must meet complex requirements including the integration of USDA certified PIN-entry payment technology to eCommerce platforms. The additional regulatory complexity and the need for a profitable eCommerce business model that meets USDA requirements pose barriers to entry for many small retailers, especially innovative pre-order food box or farm bag enterprises.

All interested retailers have access to **quality technical assistance**

The SNAP application process is onerous and confusing. Technical support for some SNAP retailers is becoming more readily available. The National Association of Farmers' Market Nutrition Programs (NAFMNP) is expected to launch a MarketLink SNAP Online Project for direct marketing farmers in Spring of 2022. MarketLink plans to walk farmers and markets through the entire process of SNAP authorization, Internet Retailer authorization, eCommerce site setup and online SNAP sales processing. MarketLink will also provide access to one of four SNAP online equipped eCommerce platforms for one year at no charge for retailers with direct market farmer SNAP permits. The National Grocers Association has developed a SNAP Online Toolkit for its members and plans to expand available resources in 2022 through their Foundation Technical Assistance Center. Still, there are critical gaps in technical support for less common SNAP retailers like delivery routes and non-profit food buying cooperatives, as well as emerging internet grocers that operate exclusively online or otherwise do not easily fit current USDA retailer definitions.

Mobile markets, food hubs, and cooperative CSAs are developing online models that allow retailers to share marketing and distribution



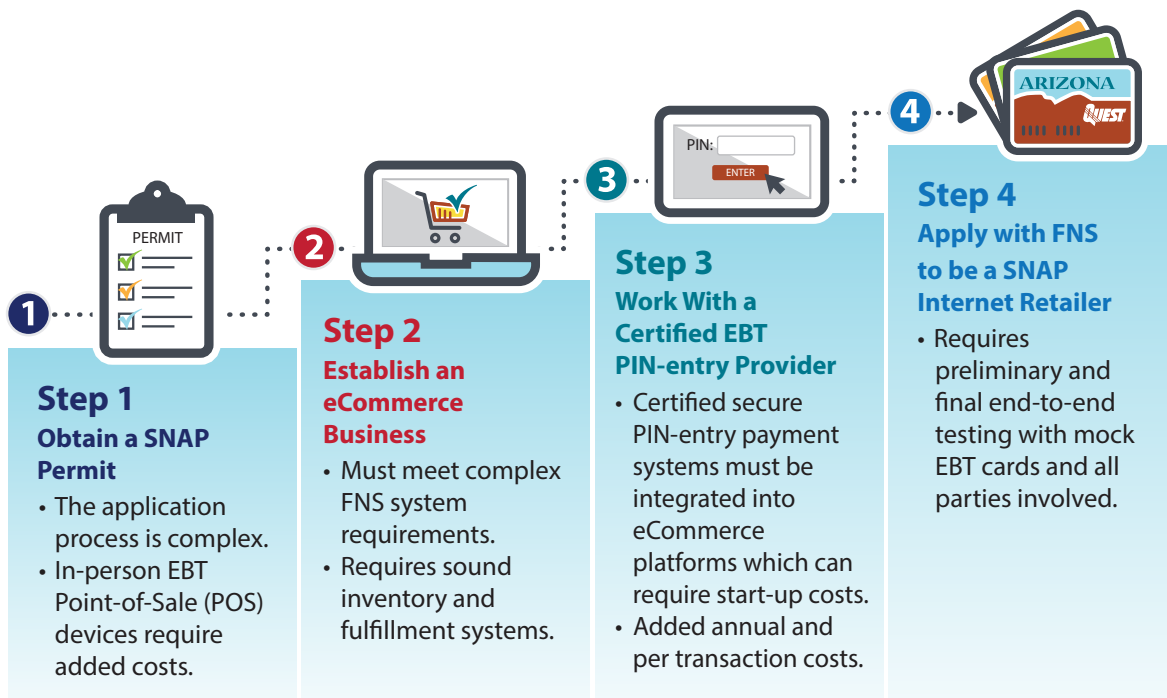
“Many online exclusive retailers are running into the same roadblock where the USDA’s classifications of either Retailer or Farmers Market don’t make sense for their operation”

—Erik Stanford, Pivot Produce

resources while maximizing customer choice through pre-order online sales. Unfortunately, there are many cases of these types of retailers being denied SNAP permits or receiving inconsistent information from the USDA on how to qualify. There may be a need to develop regional or state specific technical assistance to ensure that innovative online retailers are able to serve SNAP customers. The American Rescue Plan allocates \$25 million for USDA to establish new or expanded technical assistance for SNAP online purchasing. Plans for how these funds will be implemented are currently being developed by the USDA and could provide an opportunity for Arizona to fill important technical assistance gaps to ensure the equitable expansion of SNAP online purchasing. Or these gaps may need to be addressed through state and federal advocacy to ensure that national technical assistance providers and Regional FNS implementation is inclusive of all types of online grocery retailers.

Online Community Supported Agriculture (CSA) and other subscription or pre-order food box and farm bag models represent an important subset of retailers that would benefit from customized SNAP online technical

assistance and advocacy. Many of these retailers have missions to make healthy food more accessible and affordable, however traditional CSA and subscription models do not easily align with USDA SNAP online requirements. Based on current USDA requirements, qualifying eCommerce models must be designed to allow SNAP customers to purchase pre-assembled food boxes no more than 7 days before delivery.¹ SNAP customers can sign-up to participate in seasonal share programs, but with no guarantee to customers that shares will be available for purchase on a weekly or bi-weekly basis, and with no guarantee to the retailer that shares will be purchased by SNAP customers, these small retailers often need financial assistance to plan for, and set aside SNAP boxes. There are unique cases where states have waived certain USDA requirements to allow a trusted third-party, like the fruit and vegetable incentive implementing agency, to sign SNAP customers up for seasonal programs and bill SNAP on their behalf. Such a waiver would require significant evidence that SNAP customers want access to such a program, along with coordination among retailers, support organizations and eCommerce technology providers.



Steps to become a SNAP Internet Retailer

¹The 2014 Farm Bill gives USDA the authority to “establish a reasonable timeframe for advance payment” for online purchasing. Traditional in-person SNAP CSAs maintain the ability to receive SNAP payment up to 14 days in advance of delivery, but it is unknown yet if USDA will extend that 14 day pre-order window to online CSAs.