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United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive

Alexandria, VA
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SUBJECT: SNAP – Equal Treatment of SNAP Clients and the Requirement to Submit FINI Retail Partner Information in USDA's FINI Program

TO: All 2015 and 2016 FINI Grantees

DATE: 06/20/2016

This memorandum provides guidance to Food Insecurity Nutrition Incentive (FINI) grantees and FINI grant applicants regarding the application of the Supplemental Nutrition Assistance Program (SNAP) equal treatment provision and the requirement to submit FINI retail partner information. This memorandum serves to amend and supersede the memorandum issued by the USDA's Food and Nutrition Service (FNS) on August 12, 2015.

As you know, the Agricultural Act of 2014 (the 2014 Farm Bill) amended the Food, Conservation, and Energy Act of 2008 (the 2008 Farm Bill), to authorize FINI grants. The first round of grants was awarded in April 2015 and the second round was awarded in June 2016. Under the 2014 Farm Bill, one of the primary objectives of FINI grants is to increase the purchase of fruits and vegetables by low-income consumers participating in SNAP by providing incentives at the point of purchase. These grants are being jointly administered by the National Institute for Food and Agriculture (NIFA) and FNS.

SNAP regulations at 7 CFR §278.2(b) and 7 CFR §274.7(f) require that SNAP clients receive treatment equal to that received by other customers at all retail stores authorized to participate in SNAP with the exception that sales tax may not be charged on eligible foods purchased with SNAP benefits. This equal treatment provision prohibits both negative treatment (such as discriminatory practices) as well as preferential treatment (such as incentive programs). Because the statutory language of the 2014 Farm Bill requires FINI grantees to provide incentives specifically to SNAP households, the SNAP equal treatment provision does not apply to FINI grantees for the purpose of providing incentives through a FINI grant project. Aside from the provision regarding incentives to SNAP clients, the remainder of 7 CFR 278.2(b) and 7 CFR §274.7(f) regarding equal treatment is applicable to FINI grantees and their partners. A FINI grantee who proposes to treat SNAP customers differently beyond the allowed disbursement of incentives must apply to FNS for a waiver of SNAP regulations.

In order to enable FNS to safeguard the integrity of SNAP, evaluate the success of FINI grant projects, and ensure compliance with the terms and conditions of the FINI grants, all FINI grantees are required to submit to FNS a complete list of the retailer partner outlets, including farmers markets and direct marketing farmers, partnering with and participating in the implementation of their FINI grant project. This requirement is separate from any reporting requirement for the evaluation component or under the FINI grant provisions.

This requirement is listed in Section (g) of the 2016 FINI RFA on Page 24. This list of retail partner outlets must be submitted with the initial proposal or within 30 days of grant approval. 2016 FINI grant awards were announced on June 8, 2016 and, therefore, 2016 FINI grantees must submit the initial report regarding this required information to FNS by July 8, 2016. This list of retailer partner outlets must include the store name, store address, and FNS number. If one or more retailer partner outlets scheduled to participate in your FINI grant project have not yet applied for or received SNAP authorization, this fact should be noted as well. Information regarding retail partner outlets that are subsequently added to or removed from this list must be sent to FNS on a quarterly basis throughout the government fiscal year, beginning on the first of October. Updates should be provided within 30 days of the end of the quarter (e.g., updates covering the period of October 1, 2016 to December 31, 2016 should be submitted to FNS by January 30, 2017). Any updates should make clear which retailer partner outlets that have been added or removed as well as any changes in any retailer partner outlets' store names, store addresses, or SNAP authorization statuses. This information should be reported to FNS in the following format:

FNS No. (7)	Store Name	Street Address	City	State	ZIP 1 (5)	ZIP 2 (4)

Please be aware that the FNS number is considered a sensitive piece of information that should be safeguarded by the FINI grantees and not distributed outside of the grantee's organization except when reporting to FNS, NIFA, or the independent evaluation contractor Westat. Access to FNS numbers should be limited to those within the grantee's organization with a need to know.

As this information was initially requested of 2015 FINI grantees on August 12, 2015, all 2015 FINI grantees should have submitted their first quarterly list of retail partners (including store name, store address, and FNS number) to FNS by October 31, 2015 (covering the period from FINI grant disbursement through to the end of the fourth quarter on September 31, 2015) and updates were expected on January 30, 2016 for the first quarter (October 1, 2015 to December 31, 2015) and, most recently, on April 30, 2016 for the second quarter (January 1, 2016 to March 31, 2016). Please note that, if your FINI grant project has no changes to its roster of retailer partner outlets, this fact should be reported to FNS.

All retail partner outlets must be SNAP authorized in order to accept and disburse FINI incentive funds and an application for SNAP authorization must be submitted for every retailer partner outlet not yet authorized at the time of FINI grant approval.

Upon SNAP authorization, every participating retailer partner outlet must have its own unique FNS number as well as its own Electronic Benefit Transfer (EBT) point-of-sale (POS) device. In order to preserve Program integrity and to ensure that the effectiveness of the FINI grant program can be accurately evaluated, retailer partner outlets may not share, borrow, or otherwise use the FNS number or EBT POS device of another SNAP authorized firm.

Retail food store owners and farmers' market managers may apply online to get their firm authorized at <http://www.fns.usda.gov/snap/retailers-0>. Questions about the requirements and process for SNAP authorization should be directed to the SNAP Retailer Service Center at 1-877-823-4369.

Please submit retailer partner outlet information by email to Daniel Cline at FNS. Questions regarding these requirements, general SNAP policy, or Electronic Benefit Transfer (EBT) systems may also be directed to Daniel Cline. He can be reached at Daniel.Cline@fns.usda.gov or (703)-605-4388.

Sincerely,

/s/

Andrea Gold
Director
Retailer Policy & Management Division
Supplemental Nutrition Assistance Program