

Proposed Rule for SNAP Retailer Stocking Requirements

November 18, 2025

Mr. James C. Miller SNAP Retailer Policy Division Food and Nutrition Service, USDA 1320 Braddock Place Alexandria, VA 22314

Re: Updated Staple Food Stocking Standards for Retailers in the Supplemental Nutrition Assistance Program (RIN 0584-AF12)

Dear Mr. Miller:

The Arizona Food Bank Network (AzFBN) appreciates the opportunity to comment on the proposed rule Supplemental Nutrition Assistance Program: Retailer Eligibility—Enhancing Food Access and Nutrition (FR 092525), issued by the U.S. Department of Agriculture's Food and Nutrition Service (USDA FNS).

AzFBN is a statewide coalition of food banks that work with nearly 1,000 partner agencies to provide emergency food assistance to Arizonans in need across all 15 counties. In 2025, the network collectively served an average of 700,000 people per month. With a mission to end hunger in Arizona, AzFBN also seeks long-term solutions through public policy, innovative programs, and awareness-raising for the 1 in 7 people in our state struggling with food insecurity. This includes ensuring that SNAP participants in Arizona—855,000 people in September 2025, 70 percent of whom are children, older adults, and people living with disabilitiesⁱ—have access to affordable, nutritious food.

Research shows that low-income households face many challenges and barriers in meeting their food and dietary needs, including inadequate SNAP benefits, time constraints, limited food access, transportation limitations, and more. While AzFBN supports the proposed rule's goal of improving access to healthy foods for households that participate in SNAP, we believe the practical application of the rule will actually result in reduced access to food for thousands of Arizonans. We identified two primary reasons for these unintended consequences, detailed below.

First, the proposed rule will make it harder for small retailers to continue participating in SNAP and will ultimately leave many SNAP participants with fewer places to use their benefits. This is particularly concerning because approximately 71 percent of SNAP-authorized retailers are smaller stores, namely convenience stores, small grocery stores, and combination stores. Smaller retailers typically have convenient locations and extended hours that provide the access and flexibility that customers need for food purchases. If these stores are no longer eligible SNAP retailers, it would especially harm communities in rural, tribal, and low-income parts of Arizona, where there may be no full-service grocery stores nearby.

These options are also critical for SNAP customers who may not have reliable transportation or the ability to travel long distances for groceries. In the Phoenix metro area alone, for example, there are more than 43 food deserts, and many more in Arizona's rural and tribal communities. Ultimately, this will lead more people to rely on emergency food assistance from food banks, at a time when our network is already seeing record-setting demand of more than 700,000 people per month.

Second, while the proposed rule's stated goal of increasing the variety of healthy food options for SNAP shoppers is understandable, it does not reflect the realities faced by many small stores that participate in SNAP, especially those in rural areas. There are currently around 4,700 authorized SNAP retailers across Arizona, including large supermarkets as well as small independent grocers and convenience stores. According to the proposed rule's own analysis, only 52 percent of these small retailers currently meet the expanded stocking requirements for dairy and only 63 percent meet the requirements for protein. Despite this acknowledgement, the rule offers no clear plan or support to help these small retailers comply. As a result, many retailers will likely be forced to stop accepting SNAP rather than risk penalties or lose money trying to meet the new requirements.

If small retailers withdraw from the program, both communities and the state economy will lose the economic impact of SNAP benefits, estimated at \$1.54 for every \$1 of SNAP spent. In addition, many of these small stores operate on narrow profit margins that have already been hurt by rising inflation and food prices. These new requirements would place additional strain on stores that already operate with limited storage capacity and few affordable suppliers, turning an already difficult situation into one that is simply untenable.

Providing adequate time for retailers to transition their operations to comply with any new requirements is critical to avoid food access disruptions. Additionally, technical assistance will be needed to ensure a smooth transition for retailers and consumers. We urge FNS to clarify the timeframe for implementation as well as outline a clear plan for monitoring, technical assistance, training, and enforcement of any new stocking requirements.

AzFBN believes that the SNAP Retailer Eligibility Rule, in its current form, would reduce food access and harm both low-income families and small businesses across Arizona. We urge FNS to reconsider the rule and to work collaboratively with community stakeholders to create a plan that truly expands healthy food access without driving small retailers out of the SNAP program and forcing more food-insecure families to visit food banks that are already struggling to meet high demand.

Thank you for your consideration of these comments. Please feel free to contact me with any questions.

Sincerely,

April Bradham

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President & CEO

Arizona Department of Economic Security. (2025, October 15). *Documents Center* | *Statistical Bulletin September 2025*. Des.az.gov. https://des.az.gov/sites/default/files/dl/dbme-statistical_bulletin-09-2025.pdf?time=1763670957835

- "US Department of Agriculture. (2025). SNAP Retailer Management Year End Summary FY 2023. Available at: https://www.fns.usda.gov/data-research/data-visualization/snap-retailer-management-dashboard-fy23 *The 71 percent figure was calculated by aggregating data on combination grocery/other (24 percent), convenience store (44 percent), and small grocery store (3 percent) for consistency with the language in the Regulatory Impact Analysis.
- iv City of Phoenix. (2025). 2050 Local Food Goals. Phoenix.gov. https://www.phoenix.gov/administration/departments/sustainability/2050-sustainability-goals/2050-local-food-goals.html
- VUSDA. (2025). USDA SNAP Retailers. Arcgis.com. https://usda-snap-retailers-usda-fns.hub.arcgis.com/datasets/8b260f9a10b0459aa441ad8588c2251c/explore?filters=eyJTdGF0ZSI6WyJBWiJdfQ%3D%3D&location=34.431625%2C-110.393142%2C7.28
- vi USDA. (2025b, September 25). *Proposed Rule Updated Staple Food Stocking Standards for Retailers in SNAP | Food and Nutrition Service*. Usda.gov. https://www.fns.usda.gov/snap/fr-092525
- vii USDA Economic Research Service. (2019, July). *USDA ERS Quantifying the Impact of SNAP Benefits on the U.S. Economy and Jobs*. Www.ers.usda.gov. https://www.ers.usda.gov/amber-waves/2019/july/quantifying-the-impact-of-snap-benefits-on-the-u-s-economy-and-jobs

[&]quot;Hartline-Grafton, H., Weill, J., & Vollinger, E. (2019). Supplemental Nutrition Assistance Program: Initiatives to Make SNAP Benefits More Adequate Significantly Improve Food Security, Nutrition, and Health.

Washington, DC: Food Research & Action Center. Available at: <a href="https://frac.org/research/resource-library/supplemental-nutrition-assistance-program-initiatives-to-make-snap-benefits-more-adequate-significantly-improve-food-security-nutrition-and-health; Hartline-Grafton, H. & Weill, J. (2012). Replacing the Thrifty Food Plan in Order to Provide Adequate Allotments for SNAP Beneficiaries. Washington, DC: Food Research & Action Center. Available at: https://frac.org/research/resource-library/replacing-thrifty-food-plan-order-provide-adequate-allotments-snap-beneficiaries