



2018 Farm Bill Implementation: SNAP Online Grocery Store Pilot

USDA launched its first SNAP Online Purchasing Pilot in parts of New York State on April 18, 2019. Piloting online SNAP redemptions is aimed at testing the viability of additional secure EBT transaction options for SNAP shoppers to purchase groceries.

During the two-year test pilot, some SNAP households with New York-issued EBT cards will be able to use their benefits to purchase food from select online retailers. Delivery fees and other associated charges may not be paid for with SNAP benefits. EBT cash benefits (such as TANF cash benefits) may be used in conjunction with the transactions with some, but not all, SNAP online pilot retailers. As with traditional SNAP EBT transactions, EBT card use online will require input of one's personal-identification-number (PIN). Pilot retailers will be using the same company that currently has the only secure method of PIN entry that USDA deems necessary for online SNAP transactions.

New York SNAP customers can determine if online SNAP transactions are available for their locations by checking the participating retailer websites. Initially, ShopRite (as of April 28) will offer the service through one Staten Island store (#109); 27 other ShopRite stores are expected to come into the pilot later. Amazon also will serve online SNAP EBT shoppers only in certain New York City metro area zip codes that USDA has authorized. Walmart will accommodate SNAP online transactions in two upstate New York locations (Rome for pickup and Glenville for both pickup and delivery options).

Similar pilots in additional states are in the planning stages. Participating states must modify their SNAP EBT processing systems to accommodate online purchasing. At least five online retailers in at least three states are expected to participate once they have demonstrated implementation readiness. Retailers and states that are expected to participate in pilots are:

- Alabama
- Iowa (Hy-Vee, Inc.)
- Maryland (Amazon, Safeway, ShopRite, Wright's Market)
- Nebraska
- New Jersey (Amazon, ShopRite)
- New York (Amazon, FreshDirect, Shoprite, Wal-Mart, Dash's Market)
- Oregon (Safeway)
- Washington (Safeway)

The 2014 Farm Bill directed USDA to pilot online SNAP purchases. Section 4001 of the 2018 Farm Bill requires nationwide implementation of online acceptance of SNAP benefits following completion of the pilots. That provision also removes the requirement for USDA to report to Congress on the pilot results. USDA's Food and Nutrition Service (FNS) is undertaking an evaluation of the pilots, which it expects will inform a formal rulemaking process to set parameters for online SNAP purchases outside of the pilots. In addition to evaluating the pilots regarding the security of the transactions, the [FNS request for volunteers](#) for the pilot explained that the "evaluation contractor will document the impact of the pilot on SNAP participants as far as ease of use, participant access, and customer satisfaction, both overall and as they may vary by household characteristics, among different retailer business models, and between online and in-store purchasing."

For questions and feedback about the pilot, including any anecdotal information about SNAP customer experiences with the pilot, contact evollinger@frac.org and rrodriguez@frac.org

Resources

SNAP Online Purchasing Pilot Web Page

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

USDA Press Releases

<https://www.fns.usda.gov/pressrelease/2019/fns-000319>

<https://www.usda.gov/media/press-releases/2017/01/05/usda-announces-retailer-volunteers-snap-online-purchasing-pilot>

USDA Memoranda

<https://fns-prod.azureedge.net/sites/default/files/Farm-Bill-Information-Memo.pdf>

State Agency Documents

<http://otda.ny.gov/policy/gis/2019/19DC028.pdf>

Retailer Websites

www.amazon.com/snap

<https://shop.shoprite.com/>

<https://www.walmart.com/>