

U.S. HUNGER SOLUTIONS

Best Practices for Staggered Issuance of SNAP Benefits

SCOPE State

PROGRAM Supplemental Nutrition Assistance Program (SNAP)

PRACTICE

States can elect to stagger issuance of Supplemental Nutrition Assistance Program (SNAP) benefits throughout the month, instead of issuing SNAP benefits for all SNAP households on the same day or couple of days of the month. Benefits are still issued once a month for each household, but not all households receive their benefits on the first day or couple of days of the month.

WHY

The primary reason states stagger SNAP issuance dates throughout the month is to reduce congestion at local grocery stores and SNAP offices during peak times. SNAP issuance refers to when a household's SNAP benefits are uploaded onto their electronic benefits transfer (EBT) card each month and are available for use at authorized food retail locations. A staggered issuance schedule can lead to the following benefits:

- Appropriately stocked and staffed grocery stores;
- More consistent access to a variety of healthy food for shoppers;
- More predictable and steady schedules for grocery store employees;

- Attracting food retailers to communities where SNAP benefits constitute a high percentage of food retail dollars; and
- Less traffic at SNAP offices at the time of issuance

BACKGROUND

In the past, many states issued SNAP benefits to all participants on the first day of the month, leading to a surge in demand at local retailers and an increase in calls and visits to SNAP agencies. Grocers had trouble stocking and staffing their stores to accommodate the spike in demand, and customers were frustrated by long lines at the beginning of the month, empty grocery store shelves, and inconsistent stocking of produce and other healthy food items. These problems were especially true in grocery stores that served high-poverty neighborhoods and relied on a high percentage of SNAP sales.

States that issue all SNAP benefits at the beginning of the month also face significant operational challenges. For instance, if SNAP recipients experience an unexpected disruption in benefits, they are likely to call or visit the local SNAP office to resolve the problem on the date their benefits were expected to be issued. If SNAP recipients all anticipate receiving their benefits on the same day, this influx in customer service

activity can quickly overwhelm staff resources and phone lines at the beginning of each month.

To mitigate these issues, the U.S. Department of Agriculture's Food and Nutrition Service (USDA-FNS) has encouraged states to stagger SNAP benefits issuance throughout the month, stating that limited distribution "puts an unnecessary strain on SNAP clients and on participating retailers by causing surges in customer traffic at SNAP-authorized stores."i As a result, more states are staggering benefits to ease this congestion. USDA provides information on each state's monthly issuance schedule for distribution of SNAP benefits. Advocates also can draw useful lessons from a Houston SNAP Task Force report that highlights the need to broaden the monthly SNAP benefit issuance cvcle.iii

SPOTLIGHT

In 2014, Ohio decided to stagger SNAP distribution between the 2nd and 20th days of each month, based on the last digit of the client's SNAP case number. Members of the Ohio Grocers Association requested the change, noting that their stores were "swamped at the beginning of each month, creating long lines, shortages of produce and other items, and the need for additional staff." iv Ohio transitioned to the new distribution schedule by only including new applicants, those with breaks in enrollment, or SNAP recipients moving between counties.

TIP

To ensure current SNAP recipients are not negatively affected by the transition, states can phase in the staggered payment schedule by including only new applicants as Ohio did. States also can engage their community partners in a comprehensive communication plan to ensure SNAP recipients, caseworkers, retailers, and other SNAP stakeholders are well-prepared for the change.

KEY STEPS

States interested in a staggered SNAP issuance schedule will need to consider the necessary changes to computer systems, mailing schedules, staffing, and client communications to ensure a successful transition. Most states plan a 4–6 month phase-in period to facilitate the new schedule, as federal law requires that SNAP recipients receive their benefits no more than 40 days from their last issuance. Some states, such as Ohio, only apply the new distribution schedule to new applicants and those with breaks in enrollment to avoid disrupting benefits for current beneficiaries.

States also must decide how to assign new SNAP issuance dates, such as by the last two digits of the case number, first letter of the last name, or another method. USDA-FNS provides a detailed <u>description</u> of each state's SNAP issuance practice.

CHALLENGES

Because many states still rely on legacy computer systems to manage SNAP, changing issuance dates could be difficult or costly for some agencies. States also may be concerned about ripple effects that a change in the issuance date could have on other business processes, including changes in reporting requirements and processing co-administered benefits, such as the Temporary Assistance for Needy Families (TANF) program. As with other systemic changes, states should develop a comprehensive implementation plan, with

guidance from USDA-FNS, to address these concerns.

Another set of challenges is addressing impacts on clients and community organizations during the transition phase to a new issuance schedule. Implementing staggered issuance can mean that some households may experience a brief gap in receiving benefits between the old and new schedule months. Even though the household does receive the full amounts to which it is entitled for those months, a gap in benefit receipt can exacerbate food hardship and increase the need for emergency food assistance.

LESSONS

States that have successfully transitioned to a staggered issuance schedule have mitigated these concerns through careful planning and effective communication with SNAP participants, retailers, anti-hunger groups, and other community stakeholders. Key lessons learned include the following:

- States should avoid implementation during the summer months, when children are out of school and family food budgets are especially tight.
- Grocery retailers play a critical role in customer education. Grocers can advertise changes through signage, bag inserts, and customer receipts; retail clerks can be trained to help customers understand the new issuance schedule.

MORE RESOURCES

- To find the SNAP issuance schedule that is used in your state, check out the <u>SNAP</u> <u>Monthly Benefit Issuance Schedule</u>.
- The Food Marketing Institute gave testimony, including support for staggered

issuance, in May 2016 to the House Agriculture Committee Hearing on "The Past, Present, and Future of SNAP: The Retailer Perspective."

■ In 2015, the <u>Baltimore Food Policy</u>
<u>Initiative</u> supported Maryland's effort to extend SNAP issuance from a 10-day schedule to 20 days as a means of keeping and attracting grocers in urban food deserts.

For technical assistance, contact: Food Research & Action Center (FRAC)

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202.986.2200 http://frac.org/

For more on ending hunger, read FRAC's <u>A</u> Plan of Action to End Hunger in America.

ENDNOTES

ⁱ Shahin, J. (2012). Letter from USDA-FNS to West Virginia's Department of Health and Human Resources.

U.S. Department of Agriculture, Food and Nutrition Service. (2017). SNAP Monthly Benefit Issuance Schedule. Available at: https://www.fns.usda.gov/snap/snap-monthly-benefit-issuance-schedule. Accessed on August 19, 2019.
 Houston SNAP Task Force. (2018). Closing the SNAP

iii Houston SNAP Task Force. (2018). Closing the SNAP Gap. Available at: http://www.houstonfoodbank.org/wp-content/uploads/2018/10/Advocacy HoustonSNAPReport10182018.pdf. Accessed on August 19, 2019.

iv Candisky, C. (2014). Ohio to begin staggering release of food stamps. *The Columbus Dispatch*. Available at: https://www.dispatch.com/content/stories/local/2014/03/09/staggered-release-for-food-stamps.html. Accessed on August 19, 2019.

Y See 7 C.F.R. § 274.2(d) at: https://www.law.cornell.edu/cfr/text/7/274.2.