

October 16, 2018

Nicole Budzius Chief, Retailer Administration Branch Supplemental Nutrition Assistance Program Retailer Policy and Management Division Food and Nutrition Service U.S. Department of Agriculture 3101 Park Center Drive, Room 422 Alexandria, VA 22302

RE: Agency Information Collection Activities: Proposed Collection; Comment Request-Supplemental Nutrition Assistance Program (SNAP), Store Applications, Forms FNS-252, FNS-252-E, FNS-252-FE, FNS-252-R, FNS-252-2 and FNS-252-C

Dear Chief Budzius:

I am the Treasurer of Wawa, Inc. ("Wawa"), a convenience store chain with over 800 locations. Wawa offers these comments on the U.S. Department of Agriculture's ("USDA") Food and Nutrition Service's ("FNS" or the "Agency") proposed information collection on the application forms used by stores wishing to participate in the Supplemental Nutrition Assistance Program ("SNAP" or the "Program").

Wawa is incorporated in the State of New Jersey and maintains corporate headquarters and a beverage manufacturing facility in Wawa, Delaware County, Pennsylvania. Wawa operates as its primary business over 800 convenience food stores. Wawa's geographic footprint is varied, operating in both rural and urban communities in Pennsylvania, New Jersey, Delaware, Maryland, Virginia, Florida and Washington D.C. Wawa serves over 625 million customers per year, offering a wide range of convenience and fresh food products for sale in a manner that is convenient for consumers in terms of both location and hours of service. The majority of Wawa's stores operate 24 hours a day and all stores are open 7 days a week, 365 days a year. All of Wawa's stores participate in SNAP.

Wawa is an important participant in SNAP, as our stores are often the only convenient source of food in communities with limited access to grocery stores. With our broad selection of both fresh and packaged food products, our customers have access to nutritious food at any time of the day. Thus, Wawa appreciates the Agency's willingness to revise the current application forms for SNAP participation.

¹ Department of Agriculture, Food and Nutrition Service; Agency Information Collection Activities: Proposed Collection; *Comment Request—Supplemental Nutrition Assistance Program (SNAP), Store Applications, Forms FNS-252, FNS-252-E, FNS-252-FE, FNS-252-R, FNS-252-2 and FNS-252-C;* 83 Fed. Reg. 160 (Aug. 17, 2018), *available at* https://www.gpo.gov/fdsys/pkg/FR-2018-08-17/pdf/2018-17722.pdf (hereinafter "Proposed SNAP Retailer Application").

² Food and Nutrition Service, Form FNS-252 (07-18) Supplemental Nutrition Assistance Program Application for Stores (hereinafter "Proposed SNAP Retailer Application").

To participate in SNAP, Wawa must comply with a variety of regulations and absorb the associated costs of implementing and maintaining compliance with those regulations. Even with these added costs, participation in SNAP is important and critical to our business; so we believe that since our stores meet the regulatory requirements of the Program, we should not be erroneously prohibited from participating in the Program. We believe that the risk that some or all of our stores could be excluded from the Program could occur if the SNAP retailer application that was released by FNS in January 2018 remains the standard.³ For this reason, while Wawa appreciates and supports many of the Agency's proposed changes to the 2018 SNAP Retailer Application, we still have concerns with the Proposed SNAP Retailer Application. Wawa's comments are discussed in further detail below.

I. COMMENTS ON THE PROPOSAL

Wawa supports the removal of Question No. 18 (regarding restaurant licenses) from the 2018 SNAP Retailer Application. Even so, several other questions in the Proposed SNAP Retailer Application, however, are still problematic and are addressed below.

A. Question No. 18 – Variety

Question No. 18 asks retailers to list the number of staple food varieties that they have currently and on a continuous basis in their store(s). Once the SNAP regulations are finalized, retailers will be required to stock seven varieties in each of the four staple foods groups. We believe that Question No. 18 should be structured like Questions Nos. 19 and 20, which simply requires the retailer to answer yes or no if they meet the Program's requirements. Structuring Question No. 18 as currently proposed is confusing and could mislead applicants to believe they must stock 10 varieties in each category in order to participate in SNAP, which is not correct.

Wawa should <u>not</u> be required to list the number of varieties we maintain in our stores; rather, we should only be obligated to certify that we have the requisite number required by law. We believe that it would be clearer and more appropriate if the application noted what the current law requires and then allowed retailers to certify that they meet those requirements.

B. Question No. 21 – Total Retail Sales

Wawa is also concerned with Question No. 21. This question asks applicants to provide their total retail sales, as well as specific sales data for categories that are not relevant to the determination of eligibility. We understand that FNS needs information regarding the percentage of foods heated on site. Yet, many cold foods prepared on site are eligible for purchase with SNAP because they are sold for home consumption or preparation. Wawa, for example, sells sandwiches that have been prepared in the store and are intended for consumption at home. Such foods are eligible for purchase with SNAP so separating out a "cold foods prepared on site" category creates confusion regarding whether a particular item is eligible for purchase with SNAP. We maintain that it should not matter whether a cold food is prepared on site or in a central kitchen in terms of determining whether or not that item may be purchased with SNAP, and that the inclusion of this data may lead to the Agency erroneously denying a SNAP license to a store. Instead, as defined by Program regulations, the more important question is where that food is intended to be consumed.

³ Food and Nutrition Service, Form FNS-252 (10-17) Supplemental Nutrition Assistance Program Application for Stores (hereinafter "2018 SNAP Retailer Application").

⁴ Agricultural Act of 2014, Pub. L. 113-79, enacted Feb. 7, 2014.

Wawa is also concerned by the collection of separate sales percentage information for only a few types of ineligible items and calls on FNS to remove those categories. Specifically, Wawa is concerned regarding the inclusion of the gasoline category, a major source of revenues throughout the convenience store channel, as opposed to other retail channels where it is less significant. Retailers sell many items that are ineligible for purchase with SNAP, such as Tylenol and paper towels, so we believe that there is no reason to include some ineligible items in the application and not others. It is unnecessary and inappropriate to include reporting of this sales data, which is irrelevant to whether or not a store should participate in SNAP. Asking for the percentage of gasoline sales, and highlighting items that tend to be sold by convenience stores as opposed to other retailers, seems contrary to the very purpose of providing certain information: to guarantee that qualified applicants are admitted into SNAP.

Wawa encourages FNS to revise Question No. 21 so that it only requests a sales percentage for the combined total of ineligible items. Such a change will make the application less burdensome, particularly for a company like Wawa that must provide application information for many stores. It also ensures that no specific type of retailer is discouraged from applying to participate in the Program. In fact, it may be less confusing to only ask for data regarding the percentage of staple foods sold and the percentage of foods heated on site.

II. CONCLUSION

Wawa appreciates the opportunity to comment on the Agency's proposed application. Wawa is a proud partner in SNAP and is hopeful that FNS will adjust the application in light of the concerns expressed above. Should FNS need further information, Wawa would be happy to provide assistance to the Agency as it considers these issues.

Sincerely,

Jared G. Culotta Treasurer