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Open Letter to the White House

Re: USDA “Food Stamp” Program

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PROBLEM:

There are two urgent problems with the current state of the USDA Supplemental Nutrition Assistance Program: 1) standards are too low and 2) many retailers are not in compliance with even those low standards.

My firm conducted a block-level study in the five counties including Detroit and found that the presence of USDA retailers has a statistically significant link to more diet-related death. The “first line of defense against malnutrition” is making people sicker. By contrast, we found no link between fast food access and health outcomes. The study revealed discrepancies within the SNAP database. The address and name of the store were usually accurate but the reported store type was often misleading. For example, we found liquor stores coded by the USDA as medium-size grocers or supermarkets. We also found restaurants and specialty shops authorized by SNAP that claim to sell food raw as groceries but then fry it for free or for a surcharge and serve it as prepared food, which is against USDA regulations.

We developed two categories for food retailers: mainstream and fringe. A mainstream retailer sells food that would support a healthy diet on a regular basis. A fringe food establishment specializes in “food alternatives” high in salt, fat, and added sugar and in non-food items such as soda, candy, donuts, canned soup, packaged bologna, lottery tickets, tobacco, and alcohol.

We found that 92% of Detroit SNAP stores are fringe. Most are liquor stores. While this problem might be most severe in Detroit, we found similar SNAP stores across the U.S.

ACTION:

The upcoming Farm Bill offers an opportunity to raise and enforce SNAP standards. This will meet with some opposition.

First, retailers have powerful lobbyists that guard against increased regulation. However, industry leaders are warming to this inevitable change.

Second, there are concerns about “big brother” dictating local purchasing. Yet all federal programs -- including the current SNAP program -- come with restrictions. The beverage industry will oppose new measures, but what is hopeful is that it is now developing or acquiring healthier products in response to public pressure and the threat of losing major vendor contracts with large institutions such as schools and universities. It also recognizes growing market demand.

Third, some communities have so few food options that there might be concern about eliminating even the worst stores from SNAP. Here, carrots and sticks can encourage compliance and competition for SNAP dollars. This will improve public health and support the revitalization of neighborhood markets.

Last, ensuring that SNAP stores are and remain in compliance can be costly. One solution might be to channel compliance through local health departments that regularly inspect, fine, and license food stores. Perhaps these local authorities can set some aspect of compliance parameters, tempering concerns about federal control of local purchasing.

The White House should appoint a task leader to begin working immediately with industry, community, and other leaders on new SNAP standards and compliance measures that support public health and will be accepted by Congress.