MINNESOTA GROCERS ASSOCIATION

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Chair Port and Members of the Senate Subcommittee on the Federal Impacts on Minnesota's and Economic Stability:

The Minnesota Grocers Association (MGA) thanks you for the opportunity to participate in the subcommittee's discussion on the recent federal changes to the Supplemental Nutrition Assistance Program (SNAP) and the negative impacts they may cause to program participants, local retailers, and communities across our state.

Minnesota is home to hundreds of hometown grocers and convenience stores—many of them independent, multi-generational, and deeply rooted in their communities. The MGA has represented this industry for over 125 years and today includes more than 250-member companies with 1,300 locations statewide. Collectively, our industry provides over 150,000 Minnesota jobs and plays a vital role in feeding families.

Hunger is not a partisan issue. More than half of Minnesota's SNAP recipients live outside the metro area. SNAP funding is a crucial tool for assisting families in need while also supporting local retailers. Nationally, **12%** of all grocery store spending comes from SNAP beneficiaries. In 2024, Minnesota SNAP recipients spent over **$857 million** with eligible retailers, directly supporting the state's food industry and the local communities they serve. The United States Department of Agriculture (USDA) estimates that every $1 in SNAP benefits generates $1.50 in economic activity.

Our members are proud to collaborate with regional food banks and local hunger relief partners, providing millions of pounds of food to those in need within their communities. However, we know that even with these efforts, many Minnesotans still struggle to afford basic necessities, including putting food on the table.

The bottom line is, local grocers are under extraordinary pressure. Independent grocery stores operate on razor-thin margins—**about 1.6% in 2024**—while facing rising property taxes, increasing theft and organized retail crime, and costly state mandates. Big-box consolidation continues to squeeze independents out. Adding SNAP cuts to this equation only accelerates store closures. And when a grocery store closes, the damage ripples outward: main street businesses suffer, residents lose access to fresh food, and food deserts expand, especially in low-income communities.

SNAP works. It feeds families, sustains jobs, and strengthens communities. We urge the legislature to work to protect SNAP as a cornerstone of Minnesota's fight against hunger and proven way to promote economic stability.

Sincerely,

Steve Barthel
Director of Government Relations
Minnesota Grocers Association

SNAP Cuts = Job Cuts

The National Grocers Association (NGA) represents 21,000 independent community grocers and wholesalers across the United States. Independent community grocers account for 33 percent of all grocery sales, exceeding $250 billion, and more than 1 million American jobs.

Core Values

NGA members know the following to be true:

- **No American should go hungry.**
- **Healthy food should be accessible.**
- **SNAP has a positive economic impact on communities and improves health.**
- **Federal food policy should never favor Wall Street over Main Street.**

For decades, independent grocers have been dedicated stewards of the Supplemental Nutrition Assistance Program (SNAP). They have fought to prevent fraud, create efficiencies, and create a welcoming experience for families that are going through a difficult time.

By the numbers[1] ...

389K Jobs

SNAP supports nearly **250,000** jobs in community grocery stores and over **139,000** additional jobs in related sectors like agriculture, manufacturing, transportation, and municipal services.

$20B in Wages

Grocery store employees who help implement SNAP in their stores earn about **$10.3 billion** in pay. Workers in supporting industries ring the total over **$20.1 billion**.

$2.6B Federal Taxes

Sales tax isn't applied to SNAP purchases, but SNAP sales generate additional economic activity that brought in over **$2.6 billion** in federal tax revenue in 2020.

$1.9B State and Local Taxes

SNAP associated sales and administration at the grocery store level contributed to more than **$1.9 billion** in state and local tax revenue in 2020.

[1] John Dunham & Associates, The National Grocers Association Economic Impact Study 2021, https://grocers.guerrillaeconomics.net/res/Methodology.pdf.

Asks for Congress

- Ensure SNAP benefits are efficient and sufficient to purchase healthy foods.
- Protect SNAP participants and grocers from skimming and fraud by modernizing EBT cards.
- Direct the USDA to work with law enforcement to remove bad actors from the program.

At the HEART of the community.

National Grocers Association
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