



Food and  
Nutrition  
Service

Retailer Policy and Management Division, SNAP  
RPMD Policy Memorandum 2020-08

1320  
Braddock  
Place  
Alexandria  
VA 22314

**Subject:** **Retailer Eligibility- Firms Colocated with a Restaurant**

**Legislation:** Food and Nutrition Act of 2008, Section 3 and 9

**Regulations:** 7 CFR 271.2 (definition of “retail food store”)

**Rule:** *Enhancing Retailer Standards in the Supplemental Nutrition Assistance Program (SNAP)*  
Proposed - [81 FR 8015](#) (17 February 2016)  
Final - [81 FR 90675](#) (15 December 2016)

**Supersedes:** Policy Memorandum 2018-01, “Retailer Eligibility -Treatment of Applicant or Authorized Firm(s) Colocated with a Restaurant”

**Implementation:** Upon Publication

**OVERVIEW:** This memorandum clarifies policy related to implementation of the final rule, "Enhancing Retailer Standards in the Supplemental Nutrition Assistance Program (SNAP)," which amended the definition of "retail food store," in SNAP regulations, at 7 CFR § 271.2, to say that, when multiple firms operating at the same location meet certain elements, FNS will consider them a single firm when determining eligibility for SNAP authorization.

**CLARIFICATION:** If FNS determines that multiple firms meet all four elements of colocation in the definition of "retail food store," as provided in 7 CFR § 271.2, FNS must treat these firms as a single firm when determining eligibility for SNAP authorization. The four elements are met when the firms: (1) operate under one roof, (2) share ownership, (3) sell similar foods, and (4) share inventory.

Any questions regarding this policy should be directed to: [SM.FN.RPMDHQ-WEB@usda.gov](mailto:SM.FN.RPMDHQ-WEB@usda.gov).

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