

117TH CONGRESS  
1ST SESSION

# H. R. 1413

To amend the Food and Nutrition Act of 2008 to expand online benefit redemption options under the supplemental nutrition assistance program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 26, 2021

Ms. KELLY of Illinois (for herself, Mr. RODNEY DAVIS of Illinois, and Ms. LOIS FRANKEL of Florida) introduced the following bill; which was referred to the Committee on Agriculture

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## A BILL

To amend the Food and Nutrition Act of 2008 to expand online benefit redemption options under the supplemental nutrition assistance program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Expanding SNAP Op-  
5 tions Act of 2021”.

6 **SEC. 2. ONLINE PORTAL FOR SNAP BENEFIT REDEMPTION.**

7 Section 7(h)(14) of the Food and Nutrition Act of  
8 2008 (7 U.S.C. 2016(h)(14)) is amended—

1 (1) in subparagraph (A), by striking “Subject  
2 to subparagraph (B), the” and inserting “The”; and

3 (2) by striking subparagraph (B) and inserting  
4 the following:

5 “(B) EBT ONLINE REDEMPTION POR-  
6 TAL.—

7 “(i) PURPOSE.—The purpose of this  
8 subparagraph is to expand options for and  
9 access to food for eligible households by  
10 making the online redemption of program  
11 benefits, including the acceptance of EBT  
12 cards, more widely available to grocery  
13 stores, small retailers, and farmers who  
14 face barriers in implementing their own  
15 online payment portals.

16 “(ii) CONTRACTS.—Not later than  
17 180 days after the date of enactment of  
18 the Expanding SNAP Options Act of  
19 2021, the Secretary shall award on a com-  
20 petitive basis 1 or more contracts to 1 or  
21 more eligible entities described in clause  
22 (iii) to develop an online portal, to be  
23 known as the ‘EBT Online Redemption  
24 Portal’—

1 “(I) to allow program partici-  
2 pants to use online or mobile elec-  
3 tronic benefits transactions, including  
4 through the acceptance of EBT cards,  
5 to purchase program foods from, and  
6 make online payments to, authorized  
7 program retailers under the supple-  
8 mental nutrition assistance program;  
9 and

10 “(II) to facilitate food purchase  
11 delivery for program participants  
12 using the transactions described in  
13 subclause (I).

14 “(iii) ELIGIBLE ENTITY.—An eligible  
15 entity referred to in clause (ii) is any for-  
16 profit or nonprofit entity with demon-  
17 strable expertise in the development, oper-  
18 ation, or maintenance of electronic pay-  
19 ment systems (including systems with ad-  
20 vanced security protocols), which may in-  
21 clude expertise in benefits management or  
22 administration of State systems, as deter-  
23 mined by the Secretary.

24 “(iv) APPLICATION; PORTAL FEA-  
25 TURES.—

1 “(I) APPLICATION.—An eligible  
2 entity shall submit to the Secretary  
3 an application at such time, in such  
4 manner, and containing such informa-  
5 tion as the Secretary may require, in-  
6 cluding—

7 “(aa) a description of how  
8 the eligible entity plans to imple-  
9 ment the requirements described  
10 in clause (v); and

11 “(bb) a beta plan that has  
12 been user-tested.

13 “(II) PORTAL FEATURES.—In  
14 awarding a contract to an eligible en-  
15 tity under clause (ii), the Secretary  
16 shall give preference to an eligible en-  
17 tity that demonstrates an ability to  
18 implement the following features of an  
19 EBT Online Redemption Portal:

20 “(aa) Client-facing tech-  
21 nology with a primary preference  
22 for mobile device or smartphone  
23 application.

1           “(bb) Fail-safe systems to  
2 maintain privacy and online secu-  
3 rity of data.

4           “(cc) Ability to redirect a  
5 consumer to an existing online  
6 platform of a vendor, if applica-  
7 ble.

8           “(dd) Ability to update as  
9 technologies evolve.

10          “(ee) Ease of operation for  
11 program participants, including  
12 multilingual functionality.

13          “(ff) Interoperability with  
14 delivery technologies and inter-  
15 faces.

16          “(gg) Identification of par-  
17 ticipating retailers within geo-  
18 graphic proximity to the user.

19          “(hh) Ability to perform sin-  
20 gle transactions using mixed ten-  
21 der, including a single trans-  
22 action for eligible food items  
23 using an EBT card and non-  
24 eligible items using another form  
25 of payment.

“(ii) Adherence to a comprehensive business continuity and disaster recovery plan—

“(AA) to allow the portal to recover from any interruption of service; and

“(BB) that includes sufficient back-up systems, equipment, facilities, and trained personnel to implement the plan.

“(v) REQUIREMENTS.—

“(I) IN GENERAL.—The Online EBT Redemption Portal developed by the eligible entity awarded the contract under clause (ii) shall—

“(aa) enable the integrated processing of an online EBT transaction by providing a platform and facilitating the purchasing interaction between the consumer, retailer, third-party processors (for EBT card processing and the secure online entry of a personal identification

1 number), and delivery vendor, as  
2 applicable;

3 “(bb) to deter fraud, have in  
4 place for program participants  
5 privacy and security protections,  
6 similar to protections provided  
7 under existing electronic benefit  
8 transfer methods, including entry  
9 of a personal identification num-  
10 ber in a manner that complies  
11 with the guidelines of leading na-  
12 tional consensus standards orga-  
13 nizations, as determined by the  
14 Secretary, for encrypting per-  
15 sonal identification number  
16 entry;

17 “(cc) be secure and operate  
18 in a manner that maintains pro-  
19 gram integrity, including food  
20 item eligibility;

21 “(dd) be available in an ini-  
22 tial or beta version not later than  
23 120 days after the date on which  
24 the eligible entity is awarded the  
25 contract;

“(ee) be ready to be fully deployed in all States not later than 180 days after the date described in item (dd);

“(ff) be available for use by any retail food store or wholesale food concern authorized under section 9 to accept and redeem benefits under the supplemental nutrition assistance program—

“(AA) at no charge beyond a nominal fee that is not more than reasonably necessary to support maintenance of the portal and subject to the approval of the Secretary; and

“(BB) on an application-based and browser-based platform for smartphones and a browser-based online platform for tablets and computers;

“(gg) adhere to commercial standards for service level avail-



1 ability to ensure the viability of  
2 the portal and the use of the por-  
3 tal by retail food stores and  
4 wholesale food concerns author-  
5 ized under section 9 to accept  
6 and redeem benefits under the  
7 supplemental nutrition assistance  
8 program; and

9 “(hh) perform ongoing  
10 maintenance services and retailer  
11 enrollment and termination of  
12 enrollment activities to ensure  
13 continuous operability of the por-  
14 tal.

15 “(II) EVALUATION OF BETA  
16 VERSION.—The Secretary shall con-  
17 duct a review of the initial or beta  
18 version of the Online EBT Redemp-  
19 tion Portal under subclause (I)(dd),  
20 including by soliciting feedback from  
21 program participants.

22 “(vi) REPORT TO CONGRESS.—Not  
23 later than 240 days after the date of en-  
24 actment of the Expanding SNAP Options  
25 Act of 2021, the Secretary shall submit to

1 Congress a report on the status of activi-  
 2 ties carried out under this subparagraph.

3 “(vii) AUTHORIZATION OF APPROPRIA-  
 4 TIONS.—There is appropriated to the Sec-  
 5 retary, out of funds of the Treasury not  
 6 otherwise appropriated, \$25,000,000 to  
 7 provide under the contract described in  
 8 clause (ii).”.

9 **SEC. 3. BROAD ACCEPTANCE OF SNAP BENEFITS THROUGH**  
 10 **ONLINE TRANSACTIONS.**

11 Section 7(k) of the Food and Nutrition Act of 2008  
 12 (7 U.S.C. 2016(k)) is amended—

13 (1) by striking “on-line” each place it appears  
 14 and inserting “online”;

15 (2) in paragraph (1)—

16 (A) by striking “Subject to paragraph (4),  
 17 the” and inserting “The”; and

18 (B) by inserting “in any State” after  
 19 “stores”; and

20 (3) by striking paragraph (4) and inserting the  
 21 following:

22 “(4) TECHNICAL ASSISTANCE.—

23 “(A) DEFINITIONS.—In this paragraph:

1 “(i) COVERED ENTITY.—The term  
2 ‘covered entity’ means a public or private  
3 nonprofit entity.

4 “(ii) ELIGIBLE ENTITY.—The term  
5 ‘eligible entity’ means a retail food store or  
6 wholesale food concern authorized under  
7 section 9 to accept and redeem benefits  
8 under the supplemental nutrition assist-  
9 ance program.

10 “(B) TECHNICAL ASSISTANCE CENTER.—  
11 The Secretary, acting through the Adminis-  
12 trator of the Food and Nutrition Service, shall,  
13 on a competitive basis, award 1 or more grants  
14 to, or enter into 1 or more cooperative agree-  
15 ments with, 1 or more covered entities to estab-  
16 lish a technical assistance center, to be known  
17 as the ‘SNAP Online Purchasing Technical As-  
18 sistance Center’, to provide—

19 “(i) to State agencies, eligible entities,  
20 and program participants information on  
21 and technical assistance with, as applica-  
22 ble—

23 “(I) accepting program benefits  
24 through online transactions;

1 “(II) using the EBT Online Re-  
2 demption Portal described in sub-  
3 section (h)(14)(B);

4 “(III) in the case of State agen-  
5 cies, conducting outreach to eligible  
6 entities to ensure that those eligible  
7 entities are informed of the technical  
8 assistance provided by the center;

9 “(IV) research, training, and best  
10 practices relating to redeeming pro-  
11 gram benefits through online trans-  
12 actions; and

13 “(V) facilitating communication  
14 between eligible entities, applicable  
15 State agencies, and the Department  
16 of Agriculture; and

17 “(ii) to eligible entities direct grants  
18 to defray the technological costs of car-  
19 rying out the activities described in sub-  
20 clauses (I) and (II) of clause (i).

21 “(C) QUALIFICATIONS.—At least 1 covered  
22 entity that receives a grant or enters into a co-  
23 operative agreement under subparagraph (B)  
24 shall have expertise in providing technical as-

1           sistance to food retailers operating under a  
2           Federal nutrition program.

3           “(D) TECHNICAL ASSISTANCE PRIORITY.—  
4           In providing technical assistance to eligible enti-  
5           ties, the SNAP Online Purchasing Technical  
6           Assistance Center shall give priority to eligible  
7           entities that are small and limited-resource re-  
8           tailers.

9           “(E) FUNDING.—There is appropriated to  
10          the Secretary, out of funds of the Treasury not  
11          otherwise appropriated, \$75,000,000 to carry  
12          out this paragraph, to remain available until ex-  
13          pended, of which not more than 3 percent may  
14          be used by the Secretary for administrative ex-  
15          penses.

16          “(5) PUBLICATION OF ONLINE VENDORS.—The  
17          Secretary shall maintain on the website of the De-  
18          partment of Agriculture a publicly available listing,  
19          organized and searchable by region, locality, and  
20          State, of all approved retail food stores accepting  
21          benefits from recipients of supplemental nutrition  
22          assistance, including through online transactions.”.

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