

6-10-16

Paul Brauer
EVP/COO
Brown's Super Stores Inc. (ShopRite)

Testimony for Senate Majority Policy Committee Hearing on ways to improve the distribution of funds under the Supplemental Nutrition Assistance Program (SNAP)

Dear Chairman Argall and members of the Committee,

Below are some highlights regarding the SNAP disbursement issue and the reasoning for making the change.

Average monthly sales for #419 on average are:

1st week - \$1,150,000
2nd week - \$1,100,000
3rd week - \$925,000
4th week - \$800,000 or lower
5th week(if applicable) - \$725,000

- Hard to manage labor with such a wide swing in sales
- Hard to manage inventory levels, CGO can't comprehend the shifts in volume to properly order. Need a lot of manual adjustments to keep store in stock beginning of month, a lot to cut inventory at end of month.
- Hours for employees are a roller coaster ride, maxed out beginning of month, cut dramatically the last 2 weeks of the month, which affects their morale and happiness.
- By the end of the month people are generally 'tapped out', which leads to a lot of customers asking for food donations, or even stealing food.
- seeing the way people shop, getting one lump sum of EBT at the beginning of the month gives them the ability to 'splurge', therefore they buy a lot of unnecessary junk, and by the end of the month their money is gone. If you could break the disbursement into 2 shots, maybe from the 1st to the 10th, then the 15th to the 24th, it would allow them to budget better and make wiser shopping decisions knowing they need enough to last for 2 weeks, instead of a whole month.

Thank you for your time and consideration of our views. I would be happy to take questions.

Sincerely,
Paul