

Costco plans to accept food stamps nationally

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Costco Wholesale plans to accept [food stamps](#) at its warehouse stores nationwide, a major shift for a company that earlier this year said it doubted there would be enough demand among customers to warrant accepting food stamps in even one market, New York City.

"The rules are different today," CEO Jim Sinegal said. "People who were in good shape financially all of the sudden are needing some assistance."

He expects Costco to accept food stamps in at least half its roughly 410 U.S. stores by Thanksgiving, including its 28 locations in Washington state.

The decision comes several months after the country's third-largest retailer began a food-stamp test at stores in Queens and Brooklyn, in response to pressure from politicians who asked the company to accept food stamps at an East Harlem store scheduled to open next month.

At first, the Issaquah company balked at the idea, saying it doubted its customers, who pay an annual fee of at least \$50 would use food stamps.

Since launching the test in New York this summer, it changed its mind.

Customers have contacted Costco to say they are using food stamps, Sinegal said.

And once the software was in place to accept them in New York, it became relatively easy to roll out the program nationally, he said.

Costco currently accepts food stamps at nine stores, mostly on the East Coast and in El Centro, Calif.

About 420,000 families receive food stamps in Washington, up 30 percent from a year ago, according to Leo Ribas, director of community services at the state Department of Social and Health Services. On average, they receive \$248 a month.

"We were aware that Costco was piloting an effort on the East Coast and are very excited to know it's expanding," Ribas said.

"From a dollar and cents perspective, it's money that gets spent in their stores and, with the way the caseload is growing, it's pretty smart on their part."

Costco must identify which products qualify for food-stamp purchases. They cannot be used to buy nonfood items, including diapers and toilet paper or ready-to-eat hot food.

The company is working with food-stamp administrators, beginning in hard-hit areas like Michigan and the central valley of California, Sinegal said.

"It will be moving quickly, assuming we have no glitches with what we've been setting up," he said.

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