

SNAP Food Restriction Demonstration Waiver Request Template



United States Department of Agriculture Food and Nutrition Service

SNAP FOOD RESTRICTION STATE DEMONSTRATION REQUEST

Section 17(b) of the Food and Nutrition Act of 2008, as amended (the Act), allows FNS to waive statutory requirements of the Act to conduct pilot projects designed to test program changes to increase the efficiency of the Supplemental Nutrition Assistance Program (SNAP) and improve the delivery of SNAP benefits to eligible households. The Act limits the provisions that may be waived. Projects may be approved for a period of 5 years and the Act requires that each project must include an evaluation component that demonstrates the effects of the project.

This template intends to guide and assist States in submitting a SNAP Food Restriction Demonstration Project Request. States should follow the guided prompts and questions and offer any additional detail, if applicable, under each section to ensure a complete understanding of the State's proposed project.

States should review the impermissible projects prohibited by Section 17 (b)(1)(B)(iv) of the Act and additional restrictions on demonstration projects in the appendix below before requesting a SNAP Food Restriction demonstration project. Additionally, to facilitate the demonstration review process, FNS strongly suggests States inform their Regional Office to discuss the project and provide any necessary technical assistance prior to submission of a request. The FNS National Office SNAP Food Restriction demonstration pilot team is also open to join Regional or State Agency calls to provide technical assistance.

SNAP Food Restriction demonstration projects are intended to test innovative ideas that develop and implement modernized programmatic systems, infuse SNAP with new programmatic energy and vision, and strengthen State strategies to encourage healthy choices, healthy outcomes, and healthy families. FNS looks forward to working with States on potential changes to program operations that align with the Secretary's vision for nutrition assistance programs.

FNS reserves the right to withdraw its waiver approval and terminate demonstration projects at any time if FNS determines that the project is inconsistent with SNAP goals to increase the efficiency of the program and to improve the delivery of SNAP benefits to raise levels of nutrition among low-income individuals. If the State is unable to provide the data required as part of the terms and conditions of waiver approval or if FNS determines that the project is associated with significant increases in payment errors or access concerns, **FNS may suspend or terminate the project at any time.**

SNAP Food Restriction Demonstration Waiver Request Template

Type of Request: SNAP FOOD RESTICTION

Date of Request: 6/27/2025

State: TX

Region: SWRO

Statutory Citations:

7 USC Ch. 51 §2012 (k) provides that SNAP recipients may purchase: (1) seeds and plants to produce food at home or (2) any food or food product for home consumption. The provision also bars SNAP recipients from purchasing alcoholic beverages, tobacco, and hot food products ready for immediate consumption.

Regulatory Citations:

7 CFR 271.2 “Eligible foods” defines purchases recipients may make with SNAP benefits aligned with the statutory citation.

Summary of Food Restriction Demonstration Project Request:

SNAP was created to increase access to nutritious food; however, many purchases are for foods that are high in added sugars and artificial sweeteners with little to no nutritional value. To improve the health outcomes, well-being, and quality of life for many low-income Texans, this waiver will prohibit the purchase of sweetened drinks and candy with SNAP benefits.

Proposed Alternative Procedures to Operate Project:

HHSC will help many Texas SNAP participants make good food choices by prohibiting the purchase of sweetened drinks and candy with SNAP benefits. Therefore, the state is requesting to modify the statutory and regulatory definitions of “eligible foods” to prohibit the items below.

SNAP-Eligible Food and Food Products Amended by the Food Restriction Demonstration Waiver

- **Sweetened drinks:** Defined as nonalcoholic beverages made with water that contain five grams or more of added sugar or any amount of artificial sweetener. Excluded from this definition are beverages: (1) containing milk or milk products; (2) containing soy, rice, or similar milk substitutes; ~~or~~ (3) containing more than 50 percent of vegetable or fruit juice by volume; (4) containing natural sweeteners derived from plants (such as Stevia, Stevia Leaf Extract, and Monk Fruit) with less than five grams of added sugar; or (5) considered medical grade electrolyte drinks. Medical grade electrolyte drinks do not include any beverage marketed primarily as a sports drink.
- **Candy:** Defined by Texas Administrative Code, Chapter 34, Section 3.293 (a)(4), as a confection made with natural or artificial sweeteners. Examples include candy bars; gum; drops; taffy; nuts, raisins, and fruits that have been candied, crystalized, glazed, or coated with chocolate, yogurt, or caramel; and nuts roasted with a sweetener. The term does not include products used exclusively for cooking, such as chocolate bits and cake sprinkles and snack items as defined by the Texas Administrative Code, Chapter 34, Section 3.293 (a)(14).

Currently, HHSC also encourages households to make good food choices through ongoing SNAP Nutrition Education (SNAP-Ed) programming, as available. This programming teaches

SNAP Food Restriction Demonstration Waiver Request Template

meal planning and smart shopping skills to stretch food dollars, promotes MyPlate guidelines for balanced nutrition, encourages consumption of fresh fruits and vegetables, provides nutrition education and cooking demonstrations, supports families in making healthier choices at grocery

SNAP Food Restriction Demonstration Waiver Request Template

stores, offers guidance on reading nutrition labels and understanding portion sizes, and connects households with farmers' markets that accept SNAP benefits.

During HHSC's Annual Healthy Texan Week, regular SNAP-Ed efforts intensify through organizing additional outreach events in underserved communities, providing extra resources and materials to SNAP recipients, expanding programming by coordinating with community organizations and local health departments, highlighting success stories from families who have improved their eating habits, and offering Nutrition Education Reinforcement Items. By maintaining the existing comprehensive approach to encourage nutrition, which combines year-round SNAP-Ed programming with the focused efforts of Healthy Texan Week, this demonstration project will complement HHSC's existing efforts to promote and support healthier food choices and lifestyles among Texas families.

SNAP-Eligible Household Considerations:

This demonstration waiver will apply to 100 percent of the Texas SNAP caseload, representing approximately 3.5 million people who comprise 1.6 million households.

SNAP-Authorized Retailers Considerations:

This demonstration project does not require retailer-level system changes. Retailers will only be required to restrict the purchase of prohibited items as is currently done for other ineligible items, like alcohol or tobacco. As there are no requirements for retailers to update or enhance their systems technology, all SNAP-authorized retailers in Texas will participate in the Food Restrictions Waiver by April of 2026.

SNAP-Authorized Retailers Participating in the Food Restriction Demonstration Waiver

- All retailers authorized to accept SNAP benefits STATEWIDE will participate in this demonstration waiver.

Consideration of retailer size

- Regardless of size there will be a 9-month implementation period in which all Texas retailers will be required to come into compliance.

Retailer-Level System Changes

- Texas retailers will update the ineligible items in their system to include the prohibited items.

Impacts to the State Agency:

Due to the state's limited ability to enforce the requirements of this demonstration project without FNS assistance: (1) existing staff resources will be used to implement the demonstration; and (2) changes to systems are not needed for HHSC to operate the demonstration project. Therefore, this demonstration project will impact resources needed to evaluate the waiver's effectiveness. This is of minimal impact to the state agency which can be absorbed with existing resources.

State-Level System Changes

SNAP Food Restriction Demonstration Waiver Request Template

No state level case management information system changes will be made. Although Texas does not currently operate a Summer EBT Program, restrictions will apply to Summer EBT purchases if the program is implemented in the state.

Food Restriction Pilot Compliance Plans

Currently, HHSC in conjunction with the Texas Office of Inspector General (OIG), refers complaints and reports of prohibited purchases to the Food and Nutrition Service (FNS) who is responsible for providing penalties and disqualifications to retailers. Furthermore, there is no current federal mandate that FNS implement enforcing action or penalties on retailers who do not comply with prohibited purchase requirements mandated at the state-level.

Staff Capacity and Training

The project will be implemented by the department at HHSC which is responsible for monitoring and ensuring vendor and EBT system compliance. As such, this team already has existing relationships with SNAP authorized retailers and processes in place to refer retailer complaints to the FNS through the Texas OIG. They also have the infrastructure in place to communicate immediately and directly with retailers through a centralized mailbox. Furthermore, the team will lead implementation of this effort; communicating across departments to ensure necessary communication and training occur. They will also use implementation feedback to make continual improvements, as well as ensuring restrictions are clearly communicated and well-known by retailers, clients, and agency staff.

Communication Plan:

HHSC plans to raise awareness and educate clients, the public, retailers, and staff about changes to allowable SNAP purchases centered around the below key messaging elements.

- The purpose, goal, and effective date of the demonstration project.
- Allowable and unallowable SNAP purchases.
- SNAP basics, including who the program is for and how it works.
- Details necessary for retailer implementation.

Communication efforts are already underway as HHSC has started to engage retailers and ambassadors to help identify the requisite outreach, information needs, and training essential to this demonstration project. Additionally, all retailers will be able to outreach the agency with questions by contacting an actively monitored centralized mailbox. Furthermore, all stakeholders will be notified of any changes to policy through our current Gov Delivery System, which allows HHSC to deliver messages to subscribers.

Timeline:

In the three months prior to implementation (December 2025-February 2026), HHSC will:

- Make a stakeholder toolkit available, including FAQs, signage, and a power point outlining the changes which will occur;
- Partner with retailers to develop flyers, posters and other media for use in local stores;

SNAP Food Restriction Demonstration Waiver Request Template

- Begin staff messaging and training which will make FAQ and talking points available via the agency's intranet; and
- Educate the public and clients about the changes using social media posting, YourTexasBenefits.com banner messaging, creating or updating a webpage about healthy food, and updating scripts for Lone Star Help Desk and 2-1-1 call center staff.

In the two months prior through implementation (January 2026 – February 2026), HHSC will:

- Issue a news release about the changes;
- Use automated messaging through robocalls, text messages, and/or e-mails to communicate the changes to clients;
- Update client materials, existing HHS webpages, and applications, forms, and notices (specifically documents that accompany the mailing of EBT cards); and
- Notify newly certified retailers of the state restrictions electronically via e-mail and/or direct mail.

In the month prior to implementation (February 2026), HHSC will:

- Conduct participant and retailer surveys.

On a quarterly basis after implementation, HHSC will:

- Review overall transaction costs and customer data collected.

In the mid-way point after implementation (March 2027), HHSC will

- Conduct participant and retailer survey.

In the month after waiver expiration (March 2028), HHSC will

- Conduct participant and retailer surveys.

Justification for Request:

To better align with SNAP's goal to help "low-income households to obtain a more nutritious diet," HHSC has a responsibility to assist households purchase food with nutritional value. Currently, the rise in the number of residents, both children and adults, who are overweight, and struggle with obesity, is a major concern for Texas. According to the American Heart Association, obesity in Texas is an epidemic that without intervention is projected to increase from 34 percent of Texas adults to 53 percent by 2030.¹ More importantly, obesity challenges can make a person more susceptible to heart disease, stroke, high blood pressure, type 2 diabetes, and certain cancers; causing long-term economic consequences to Texas' health care system.²

¹ National Institute of Diabetes and Digestive and Kidney Diseases, Centers for Disease Control and Prevention, Z. Ward, B. Stierman, GlobalData PLC, I. Telesford, and American Diabetes Association Professional Practice Committee. 2023. Help Prevent Diabetes. Treat Obesity. Health. National Institute of Diabetes and Digestive and Kidney Diseases. <https://diabetes.org/sites/default/files/2025-05/the-burden-of-obesity-texas-05-08-25.pdf>

² "Obesity in Texas." n.d. Texas Department of State Health Services. Accessed June 6, 2025. <https://www.dshs.texas.gov/obesity-texas>.

SNAP Food Restriction Demonstration Waiver Request Template

The United States Department of Agriculture's (USDA's) dietary guide states, "When added sugars in foods and beverages exceed 10 percent of calories, a healthy dietary pattern within calorie limits is very difficult to achieve."³ Furthermore, the USDA states, "sugar contains calories and only calories; it provides no other nutrients - no protein, no vitamins and no minerals."⁴ As there is a known link between sugar consumption and obesity, HHSC is ensuring the taxpayer funded benefit subsidizes food items which provide real nutritional value, rather than empty calories which primarily lead to chronic health issues.

Proposed Evaluation Procedures:

The evaluation will consist of a holistic analysis focused on gathering feedback from retailers, participants, and key stakeholders. HHSC will also analyze complaint data from both participants and retailers. HHSC will leverage existing resources through our SNAP-Ed program and partnerships, as available, and may modify the current evaluator agreement to supplement procedures to implement this waiver.

Participant Surveys

To analyze changes to SNAP participant behavior, HHSC will conduct three surveys: (1) prior to the project's implementation, (2) mid-way through the project's implementation, and (3) following the project's initial expiration date. These surveys will gather feedback to determine whether there are changes in the amount of unhealthy foods family's purchase, changes in the number of meals eaten outside the home or not purchased with SNAP benefits, increases in the amount of non-SNAP dollars spent on the purchase of restricted food items, project awareness, and whether households can identify which food items are prohibited. Furthermore, the project will collect statements from households on the overall impact of the program to gather any unexpected impacts.

Participant Data

HHSC will collect and analyze client complaints about this demonstration, as well as review out-of-state transaction data to determine whether there are any changes in cross-border shopping transactions.

Retailer Surveys

Three retailer surveys will be conducted at the same time as the participant surveys. These surveys will assess whether retailers feel aware of and knowledgeable about allowable purchases, collect practices used to inform clients of unallowable purchases, measure retailer satisfaction, and analyze any changes to operations retailers believe resulted from this project.

³ U.S. Department of Agriculture and U.S. Department of Health and Human Services. 2020.

"Dietary Guidelines for Americans 2020-2025." Dietaryguidelines.Gov. Accessed June 6, 2025.
https://www.dietaryguidelines.gov/sites/default/files/2020-12/Dietary_Guidelines_for_Americans_2020-2025.pdf.

⁴ Susan, Raatz. 2012. "The Question of Sugar." USDA ARS. 2012. Accessed June 6, 2025.

<https://www.ars.usda.gov/plains-area/gfnd/gfhnrc/docs/news-articles/2012/the-question-of-sugar/#:~:text=Sugar%20contains%20calories%20and%20only,like%20sweetness%20for%20a%20reason>

SNAP Food Restriction Demonstration Waiver Request Template

Retailer Compliance

Complaints received about the sale of prohibited items will be collected and analyzed on a quarterly basis. Non-compliance will be documented, and HHSC will work to provide additional training and support to non-compliant retailers.

Anticipated Implementation Date:

HHSC plans to implement this effort on April 1, 2026.

Anticipated Program Costs:

There is no anticipated impact on SNAP program costs for the state. There may be additional costs to the state for the evaluation component. When this demonstration project is implemented, the agency will respond to complaints of noncompliance using current processes and procedures. Therefore, additional resources will not be necessary for compliance.

Anticipated Expiration Date:

Five years from the date of FNS approval.



Signature of Requesting Official:

Molly Regan

Deputy Executive Commissioner, Access and Eligibility Services

State Contact:

Name: Molly Regan

Email: molly.regan@hhs.texas.gov

Telephone: (737) 704-5486

Regional Office Contact:

Name:

Email:

Telephone:

SNAP Food Restriction Demonstration Waiver Request Template

Appendix

Impermissible Projects

Section 17(b)(1)(B)(iv) of the Act explicitly prohibits waivers of certain provisions of the Act. FNS is unable to approve projects that involve a waiver of these provisions.

Impermissible eligibility criteria waivers

Food Restriction demonstration projects may not:

- Change the definition of household for those living in Federally subsidized housing for older adults, group living arrangements, domestic violence shelters, homeless shelters, and drug and alcohol treatment centers), institutions, or boarding houses (Sec. 3(m)(4) and (5));
- Change the gross income standards of eligibility for households that do not have an elderly or disabled member to a level other than 130 percent of the Federal Poverty Level (Sec. 5(c)(2));
- Change the work requirements exemption for parents or household members caring for with dependent children under the age of 6 or caring for an incapacitated person (Sec. 6(d)(2)(B));
- Increase the shelter deduction for households with low or no out-of-pocket housing costs; or
- Deny benefits to an otherwise eligible individual or household (last sentence of Sec. 5(a)).

Impermissible State operations waivers

Food Restriction demonstration projects may not:

- Waive the requirements (Sec. 11(e)(2)(B)) for States to:
 - Provide timely, accurate and fair service to SNAP applicants and participants;
 - Develop a SNAP application; and if the State has a website, make the application available on their website in every language a printed application is available;
 - Allow a household to apply on the same day they first contact a SNAP office during office hours;
 - Consider an application with only name, address, and signature to be filed on the date of application;
 - Require an adult representative to certify that the information on the application is true and that all members are citizens or eligible aliens;
 - Provide a method of certifying and issuing benefits to homeless households; or
 - Determine applicant eligibility within 30 days of the date of the filing of an application (time standard in Sec. 11(e)(3)).
- Change the provisions outlining which parts of the Act are not allowed to be waived;
- Absolve a State from acting with reasonable promptness on substantial reported changes in income or household size;

SNAP Food Restriction Demonstration Waiver Request Template

- Prohibit States from operating a Workfare Program or change the 50/50 matching provisions for workfare activities, including reimbursements for participants in workfare activities;
- Waive provisions of the Simplified SNAP (an optional program for TANF households);
- Waive the State Option to issue benefits to individuals who are not compliant with the work requirements established by welfare reform. If the State issues benefits to these individuals, they must pay the Federal Government back and will not receive Federal match for those recipients.
- Change the 50/50 Federal reimbursement provisions;
- Change QC system requirements, payment error rate, and associated liability process for payment error rates; or
- Change 50/50 Federal reimbursement provisions for eligibility systems.

FNS is available to answer questions and provide technical assistance to States requesting demonstration projects. If you are unsure whether your State's request would require an impermissible waiver, please contact FNS.

Additional Restrictions on Demonstration Projects

- Demonstration projects may be approved for up to five years with extensions possible thereafter.
- If a demonstration project reduces benefits by more than 20 percent for more than 5 percent of households in the project area (excluding households whose benefits are reduced for failure to comply with work requirements), the demonstration project:
 - cannot affect more than 15% of households in the State AND
 - may not continue for more than 5 years unless the Secretary approves an extension request.
- Demonstration projects **may not**:
 - Provide benefits in the form of cash or a manner otherwise non-restricted to food (except for a project approved before August 22, 1996);
 - Allow SNAP funds to be used to fund other public assistance programs, or use the funds for any purpose other than the purchase of food, program administration, or employment and training activities; or
 - Count SNAP benefits as income or resources for tax purposes, welfare, public assistance programs or any other Federal, State, or local assistance program (Sec. 8(b)).