

United States Department of Agriculture Food and Nutrition Service

SNAP HEALTHY FOOD CHOICE 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 Healthy Food Choice 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 Healthy Food Choice 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 Healthy Choice team is also open to join Regional or State Agency calls to provide technical assistance.

SNAP Healthy Food Choice 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.

Type of Request: SNAP HEALTHY FOOD CHOICE

Date of Request: 6/6/2025

State: OK Region: SWRO

Statutory Citations:

7 USC Ch. 51 §2012 (k)

Regulatory Citations:

7 CFR 271.2

Summary of Healthy Food Choice Demonstration Project Request:

As outlined in 7 CFR 271.1(a), the purpose of SNAP is to promote general welfare and to safeguard the health and well-being of the Nation's population by raising the levels of nutrition among low-income households. To promote this purpose, Oklahoma is requesting a waiver to exclude "candy" and "soft drinks" from the definition of "food" and "eligible food" under the Supplemental Nutrition Assistance Program (SNAP).

Oklahoma is seeking approval of this waiver in hopes that reducing the purchase of nonnutritive food and drink items will enhance public health, reduce long-term healthcare costs, and align the program with its original purpose of improving food security through nutritious food access.

Proposed Alternative Procedures to Operate Project:

Oklahoma Human Services (OKDHS) is requesting to exclude "candy" and "soft drinks" from purchase with Supplemental Nutrition Assistance Program (SNAP) benefits.

Definition of "Candy"

"Candy" means any solid, semi-solid, or molded preparation of sugar, sweeteners (natural or artificial), or chocolate, with or without added ingredients such as flavorings, fruit, nuts, or flour, that is commonly marketed, advertised, or recognized as candy, chocolate bar, chewing gum, or similar confectionery.

For purposes of this section, candy includes but is not limited to chocolate bars (including products containing flour such as Kit Kat, Twix, or similar items), hard candies, gummies, caramels, taffy, licorice, mints, and chewing gum.

'Candy' does NOT include:

- Baked goods, such as cakes, cookies, muffins, brownies, pastries, bread, or similar products that are typically subject to Cottage Food Laws or Food Freedom Laws;
- Items primarily identified and sold as bakery or bread products, regardless of sweetener content.

Definition of "Soft Drinks"

"Soft drink" means any nonalcoholic beverage that contains natural or artificial sweeteners, including soda, pop, cola, energy drinks, sports drinks, and flavored water, but excluding beverages that contain milk or milk substitutes, soy, rice, or similar dairy alternative ingredients, or that contain more than 50 percent, by volume, of fruit or vegetable juice.

In addition, "soft drink" includes any product, regardless of its ingredients or labeling, that is marketed, labeled, or advertised as a soda, pop, cola, energy drink, or energy supplement.

For purposes of this section, "soft drink" includes but is not limited to:

- Carbonated sodas
- Non-carbonated sweetened beverages
- Energy drinks, energy Supplements, and sports drinks (whether or not carbonated)
- Sweetened bottled or canned teas and lemonades
- Flavored waters with added sweeteners

"Soft drink" does NOT include:

- Coffee or unsweetened tea
- 100% fruit or vegetable juice, or beverages containing more than 50% juice by volume
- Milk, milk substitutes, dairy-based drinks, or similar beverages

OKDHS will add these definitions six months before making "candy" and "soft drinks" ineligible.

Oklahoma's proposed alternative procedure makes no changes to the provisions that allow certain populations of SNAP recipients to purchase prepared meals from appropriate facilities like senior centers, domestic violence centers, substance misuse centers, and homeless shelters or to universally banned products.

SNAP-Eligible Household Considerations:

This waiver will affect all households receiving SNAP in Oklahoma.

SNAP-Authorized Retailers Considerations:

This waiver will impact all SNAP retailers in Oklahoma. Upon approval, Oklahoma will begin working with SNAP retailers to provide additional information about the definitions of candy and soda that will need to be excluded, system updates that will need to be made, and communications to ensure consistent information is shared across the state. Retailer Point of Sale machines will be programmed to exclude these ineligible foods from purchase with SNAP benefits. OKDHS proposes to add items that fit the definition of "candy" and "soft drinks" to the ineligible food list. Oklahoma retailers may already make this distinction to comply with Oklahoma tax law. OKDHS will communicate with retailers that these items will need to be restricted from purchase with SNAP benefits and will be given a deadline of January 1, 2026, to have this place.

SNAP interoperability will continue, knowing that participants coming to Oklahoma will have their purchases restricted, while participants traveling to other states may be allowed to purchase the restricted items outside of Oklahoma. In addition, working with retailers to ensure that information is available in stores, so out-of-state travelers are aware of Oklahoma's restrictions and what other healthy and nutritious options are available for purchase. Oklahoma will work with FNS to ensure retailer compliance is maintained. Additionally, efforts have been made to ensure that proposed definitions in other states align with Oklahoma's definitions. Oklahoma will continue conversations to ensure that interoperability continues as implementation planning is finalized.

Impacts to the State Agency:

Upon federal approval of the waiver request, the Oklahoma Department of Human Services shall:

- 1. Develop and issue guidance to retailers authorized by the Supplemental Nutrition Assistance Program (SNAP) regarding the exclusion of candy and soft drinks from purchases.
- 2. OKDHS will continue to use SNAP Ed to promote healthy eating and nutritious food choices.
- 3. Monitor and enforce compliance with the waiver requirements among participating retailers.

OKDHS does not anticipate any state-level system changes in the operation of this demonstration project.

OKDHS will communicate with retailers about the items that will need to be restricted from purchase with SNAP benefits. When notified of a violation of these restrictions from a cardholder, concerned citizen, or others, OKDHS will investigate and, if true, will notify the merchant to correct it or request FNS to take action.

Communication Plan:

OKDHS will inform retailers of the new restrictions and new eligible foods included within the waiver and ensure they know the definitions that will now be in effect. This will allow time for the retailers to update their systems before the implementation date.

In addition, information and education will be necessary for SNAP participants to inform them of the new restrictions and new eligible options on SNAP purchases. OKDHS would ensure that all participants are informed of the changes and the impacts they may have when making purchases with their SNAP cards. SNAP participant households will be notified of these changes through media releases, texts, and social media as well as collaboration with community partners. OKDHS will continue to use SNAP Ed and Outreach programs to promote healthy eating and nutritious food choices.

Timeline:

Oklahoma plans on implementing these changes effective January 1, 2026.

Justification for Request:

Oklahoma finds that a portion of SNAP funds are currently spent on non-nutritive items, such as soft drinks and candy, which contribute to obesity, diabetes, and other chronic diseases, disproportionately affecting low-income communities.

In <u>"Foods Typically Purchased by Supplemental Nutrition Assistance Program (SNAP)</u>
<u>Households,"</u> the United States Department of Agriculture (USDA) found SNAP households spent 9.25 percent on sweetened beverages and 2.10 percent on candy. Though these purchasing patterns correspond to the population at large, SNAP is devoted to improving the health of low-income Oklahomans. If a similar pattern exists in Oklahoma, these purchases undermine the program's goal of promoting the health of low-income Oklahomans.

Oklahoma hopes that by reducing the purchase of nonnutritive food items with SNAP benefits will enhance public health, reduce long-term healthcare costs, and align the program with its original purpose of improving food security through nutritious food access.

Proposed Evaluation Procedures:

The State will implement a comprehensive evaluation strategy to assess the impact of these restrictions. This will include participant and retailer feedback through targeted surveys, as well as monitoring relevant health and nutrition outcomes using state and federal data sources. Additional evaluation methods and specific measures will be further developed in collaboration with USDA and other stakeholders as implementation progresses.

Anticipated Implementation Date:

January 1, 2026

Anticipated Program Costs:

OKDHS will work to maintain cost neutrality. The project will not affect household eligibility for SNAP or the overall benefit allotments. Any increased costs associated with the waiver would be due to information being shared with the retailers or the SNAP participants about the waiver, which can be absorbed within the current costs of the program administration.

Anticipated Expiration Date:

Five years from the date of FNS approval.

►	Signatur	 u u c s c	111 <u>2</u> V	



Jeffrey Cartmell, Director of Oklahoma Human Services, jeffrey.cartmell@okdhs.org

State Contact:

Name: Susan Baker

Email: susan.baker@okdhs.org Telephone: 405-213-8121

Regional Office Contact:

Name: Email: Telephone:

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

Healthy Food Choice 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

Healthy Food Choice demonstration projects may not:

- Waive the requirements (Sec. 11(e)(2)(B)) for States to:
 - o Provide timely, accurate and fair service to SNAP applicants and participants;
 - O 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;

- o Provide a method of certifying and issuing benefits to homeless households; or
- O 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;
- 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:
 - o cannot affect more than 15% of households in the State AND
 - o 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)).