

DATE: December 30, 2025

SUBJECT: Supplemental Nutrition Assistance Program – Clarifications on Food Restriction Waivers and Retailer Compliance

TO: All SNAP State Agencies Approved to Implement Food Restriction Waivers
All Regions

The primary purpose of the Supplemental Nutrition Assistance Program (SNAP) is “to safeguard the health and well-being of the Nation’s population by raising levels of nutrition among low-income households” [7 U.S.C. § 2011]. SNAP Food Restriction Waivers further that purpose, as part of broader State and Federal Government efforts to fight the obesity epidemic and Make America Healthy Again. The U.S. Department of Agriculture Food and Nutrition Service (FNS) has approved waivers for an initial 2-year period under the authority of Section 17(b) of the Food and Nutrition Act of 2008, which allows SNAP State agencies to test changes designed to improve the effectiveness and efficiency of the program.

As of December 30, 2025, FNS has approved 18 State agency requests to implement a SNAP Food Restriction Waiver and is poised to approve more in the future. These State agencies will prohibit purchasing foods such as candy and sugar-sweetened beverages with SNAP benefits. Several State agencies will implement waivers beginning January 1, 2026, with others following in Spring and Summer 2026. FNS posts each waiver approval on its [public website](https://www.fns.usda.gov/snap/waivers/foodrestriction) (<https://www.fns.usda.gov/snap/waivers/foodrestriction>). State agency definitions of restricted items and implementation dates vary, requiring close coordination between State agencies and affected retailers. Implementing State agencies have been engaging directly with retailers to prepare them to comply with their SNAP Food Restriction Waivers, as required by FNS. To implement waivers successfully, SNAP retailers must update Point of Sale (POS) equipment, train employees, and make other preparations.

This memorandum clarifies FNS policies and plans for SNAP-retailer compliance with these SNAP waivers, including guidance on which SNAP retailers must comply, online orders and deliveries, and the consequences for non-compliance.

The success of these projects will hinge on the collaborative efforts of SNAP State agencies, retailers, and FNS. FNS applauds the many State agencies and thousands of retailers that have been engaged in preparing for these bold projects thus far, and we are excited to continue this important work.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Patrick A. Penn', with a stylized, cursive flourish at the end.

Patrick A. Penn
Acting Administrator, Food and Nutrition Service
Deputy Under Secretary, Food, Nutrition, and Consumer Services
U.S. Department of Agriculture

Enclosure

CLARIFICATIONS ON SNAP FOOD RESTRICTION WAIVERS AND RETAILER COMPLIANCE

SNAP Retailers Required to Comply

All walk-in SNAP retailer stores physically located within a State implementing a SNAP Food Restriction Waiver must comply with the State's waiver for all SNAP transactions, consistent with 7 CFR 278.2. This refers to all SNAP retailers with a physical store location for in-person shopping in a waiver implementing State. These stores may also offer online ordering for pick-up or delivery, potentially through a third party.

- Example:
 - Iowa has an approved SNAP Food Restriction Waiver.
 - All walk-in SNAP-authorized retailers located in Iowa must comply with Iowa's SNAP Food Restriction Waiver.

Certain other retailers are also required to comply when fulfilling online orders from a warehouse (fulfillment center), regardless of their location. When a SNAP participant from an implementing State places an online order using SNAP benefits and the retailer fulfills any part of the order from a warehouse, the retailer must comply with the restrictions of that participant's State, consistent with 7 CFR 278.2. This applies to all transactions in which the order is fulfilled from a warehouse not open to customers, whether shipped directly to the customer's address or to a designated pick-up location. Some retailers will therefore be required to comply with multiple States' waivers. Retailers fulfilling orders from warehouses can use the State-issued SNAP EBT card's Bank Identification Number (BIN) to determine SNAP participants' States.

- Example:
 - Iowa, Nebraska, and Colorado each have an approved SNAP Food Restriction Waiver.
 - When fulfilling an online order from a warehouse, a SNAP retailer must comply with:
 - Iowa's waiver for purchases made with an Iowa EBT card;
 - Nebraska's waiver for purchases made with a Nebraska EBT card; and
 - Colorado's waiver for purchases made with a Colorado EBT card.

SNAP Online Transactions and Food Restriction Waivers Policy Summary		
Fulfilled from:	Order made available to the customer by:	Restrict the purchase based on:
Walk-in store	In-person pick-up or delivery*	Store address
Warehouse	In-person pick-up or delivery*	EBT card State, based on BIN

**Includes online orders that are purchased online and delivered through the store's own staff or via a third-party.*

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FNS will continuously review this policy to make certain it adheres to States' goals of restricting certain items from purchase with SNAP benefits.

FNS Retailer Monitoring and Compliance Policy

The FNS Office of Retailer Operations and Compliance (ROC) is responsible for administering oversight of retailer participation in SNAP. This includes the authorization of stores to accept SNAP benefits, the monitoring of SNAP retailers for compliance, and the sanctioning of stores that violate program laws and regulations.

Federal law explains that the primary purpose of SNAP is “to safeguard the health and well-being of the Nation’s population by raising levels of nutrition among low-income households” [7 U.S.C. § 2011] and specifically requires that FNS only authorize those retailers that “will effectuate the purposes” of SNAP [7 U.S.C. § 2018]. Considering these laws, FNS has determined that SNAP-authorized retailers must comply with SNAP Food Restriction Waivers.

FNS has developed plans for monitoring SNAP retailers’ compliance with these waivers and the consequences for non-compliance. FNS seeks to fulfill its statutory responsibility to ensure that retailers’ participation is consistent with applicable laws while also taking into consideration the significant technical challenges associated with these bold, innovative waivers.

FNS Notifications to SNAP Retailers Required to Comply

In advance of each State agency’s Food Restriction Waiver implementation date, FNS will issue electronic notifications to SNAP authorized retailers required to comply with the waiver. The notifications will explain that compliance with these waiver restrictions is required to effectuate the purpose of SNAP and maintain authorization as a SNAP retailer. The notifications will also explain that retailers found to be non-compliant will be subject to Involuntary Withdrawal for failure to effectuate the purpose of SNAP.

FNS will also add a hard copy letter to its retailer training and informational materials and make them publicly available on its retailer training page. In addition, FNS plans to update the retailer application to make clear that compliance with these waivers is a mandatory condition of SNAP authorization.

These activities will supplement the ongoing project implementation collaboration and planning between implementing State agencies and retailers.

FNS Monitoring of SNAP Retailers Required to Comply

ROC authorizes and administers federal oversight of SNAP retailers. Through existing fraud detection practices, ROC initiates and conducts undercover investigations to determine if a retailer is complying with program requirements. Following the implementation of a SNAP Food Restriction Waiver, ROC investigators will incorporate attempts to purchase restricted items according to the State’s SNAP Food Restriction policy, beginning 90 days after the

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implementation date. In the event ROC obtains evidence of non-compliance with applicable, waiver-based food restrictions, findings will be addressed through administrative actions.

Though not required by FNS, State agencies may also employ resources to monitor SNAP retailer compliance after implementation in close coordination with FNS. State EBT coordinators may provide designated State personnel with SNAP EBT cards for the purpose of performing transactions to determine retailer compliance with its SNAP Food Restriction Waiver. State agencies will be required to send results of compliance monitoring to FNS. In the event evidence of non-compliance with applicable, waiver-based food restrictions is found, FNS will take administrative action.

FNS has sole authority for administrative actions against retailers that commit SNAP violations. State agencies are not permitted to administer penalties to retailers that would adversely impact their ability to participate in SNAP for failing to comply. States agencies interested in pursuing criminal investigations associated with SNAP EBT violations must have a signed State Law Enforcement Bureau (SLEB) Memorandum of Understanding (MOU) with FNS. Per the SLEB standard operating procedures, each individual investigation requires clearance from FNS ROC prior to commencement. If interested, contact SM.FNS.ROC.SLEB.correspondence@usda.gov.

Consequences for Retailers that Fail to Comply

SNAP retailers found to be non-compliant with a SNAP Food Restriction Waiver are subject to the following framework of administrative actions and consequences:

90-Day Grace Period

Following implementation of each State agency's SNAP Food Restriction Waiver, existing SNAP authorized retailers that are required to comply with that State's waiver will have a 90-day grace period. Each waiver will have its own 90-day grace period tied to the implementation date. This grace period recognizes the significant challenges associated with implementation of these projects and allows a reasonable period in which retailers can identify and address issues that may arise, prior to being subject to investigation. The grace period will only be in effect for 90 days following implementation and will not be applied to new stores authorized to accept SNAP after that time-period. For example, if a State agency's implementation of a SNAP Food Restriction Waiver begins on January 1, 2026, the one-time grace period begins on this date and ends April 1, 2026.

First Offense – Warning Letter

After the 90-day grace period, SNAP authorized retailers will be subject to investigation to determine compliance with the applicable SNAP Food Restriction Waiver(s). If evidence of non-compliance is found, following the first offense, ROC will issue the retailer a Warning Letter, consistent with 7 CFR 278.6(e). This letter will serve as an official warning for the infraction and will advise the retailer to take corrective action to avoid possible future consequences.

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Second Offense – Involuntary Withdrawal

Following the issuance of the Warning Letter, after a period of 30 days, the retailer will be subject to future investigations to determine compliance with applicable SNAP Food Restriction Waiver(s). If evidence of non-compliance is found a second time, the retailer will be subject to an Involuntary Withdrawal for failure to effectuate the purpose of SNAP, consistent with 7 CFR 278.1(l)(1)(i).

Following an Involuntary Withdrawal, the retailer may reapply to become authorized to accept SNAP. As a prerequisite to their reinstatement, the owner(s) will be required to sign an attestation acknowledging the expectation of adherence to applicable SNAP Food Restriction Waiver(s).

Administrative Review

Following the notification of an Involuntary Withdrawal action, the retailer may request Administrative Review, consistent with 7 CFR 279.1. FNS has existing procedures in place for Administrative Review processes. An Involuntary Withdrawal action will be held in abeyance pending the outcome of Administrative Review.