



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	H. 4061	Introduced on February 19, 2025
Subject:	SNAP	
Requestor:	House Ways and Means	
RFA Analyst(s):	Boggs	
Impact Date:	March 10, 2026	

Fiscal Impact Summary

This bill requires the Department of Social Services (DSS), which oversees the Supplemental Nutrition Assistance Program (SNAP), to submit a request for a federal waiver to the U.S. Department of Agriculture (USDA) to authorize the agency to prohibit the use of SNAP benefits for the purchase of candy and soft drinks. Additionally, if the waiver is approved, DSS must implement the SNAP benefits restrictions within six months of approval. If the waiver is denied, DSS must resubmit the waiver request no later than three months from the date of denial and continue resubmitting the request annually until approval is granted. Further, DSS must work with SNAP-authorized retailers to ensure compliance by updating point-of-sale systems to prevent the purchase of restricted items using SNAP benefits. Additionally, on or before November first of each year, DSS must submit a written report to the General Assembly including the status of the waiver request, data on the state SNAP spending trends, identification of challenges in implementing the restriction, and recommendations for further policy action related to SNAP nutrition standards.

Based on previous information from DSS and information published by the USDA, South Carolina has been granted approval by the Food and Nutrition Service (FNS) for a waiver, which would prohibit certain candy, energy drinks, soft drinks, and sweetened beverages to be purchased with USDA food coupons. The waiver is effective for two years beginning August 31, 2026.¹ However, the expenditure impact to DSS to work with SNAP-authorized retailers to ensure compliance and for reporting requirements is pending, contingent upon a response from DSS.

Explanation of Fiscal Impact

Introduced on February 19, 2025

State Expenditure

This bill requires DSS, which oversees SNAP, to submit a request for a federal waiver to USDA to authorize the agency to prohibit the use of SNAP benefits for the purchase of candy and soft drinks. Additionally, if the waiver is approved, DSS must implement the SNAP benefits

¹ U.S. Department of Agriculture Food and Nutrition Service. *South Carolina SNAP Food Restriction Waiver*. Retrieved March 2, 2026. <https://www.fns.usda.gov/snap/waivers/foodrestriction/southcarolina>.

restrictions within six months of approval. If the waiver is denied, DSS must resubmit the waiver request no later than three months from the date of denial and continue resubmitting the request annually until approval is granted. Further, DSS must work with SNAP-authorized retailers to ensure compliance by updating point-of-sale systems to prevent the purchase of restricted items using SNAP benefits. Additionally, on or before November first of each year, DSS must submit a written report to the General Assembly including the status of the waiver request, data on the state SNAP spending trends, identification of challenges in implementing the restriction, and recommendations for further policy action related to SNAP nutrition standards.

Based on previous information from DSS and information published by the USDA, South Carolina has been granted approval by the FNS for a waiver, which would prohibit certain candy, energy drinks, soft drinks, and sweetened beverages to be purchased with USDA food coupons. The waiver is effective for two years beginning August 31, 2026. However, any expenditure impact to DSS to work with SNAP-authorized retailers to ensure compliance and for reporting requirements is pending, contingent upon a response from DSS.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director