

## **Executive Summary**

As part of President Donald Trump's *Make America Healthy Again* agenda, the United States Department of Agriculture (USDA) has granted waivers allowing states to restrict the purchase of junk food with Supplemental Nutrition Assistance Program (SNAP) benefits (commonly called "food stamps" or EBT cards). SNAP is designed to provide low-income individuals and families with money to purchase nutritious food, but data show this taxpayer money is often spent on sugary drinks and other junk food associated with chronic diseases. The waivers granted by the Trump administration allow states to ensure taxpayer dollars support healthy lifestyles for SNAP recipients instead of chronic diseases often linked to consuming junk food.

Many of Mississippi's leading causes of death and disability—obesity, heart disease, diabetes, cancer, kidney disease, and stroke—are chronic diseases linked to poor nutrition.<sup>2</sup> Because many SNAP recipients also qualify for Medicaid (a taxpayer-funded health insurance program for low-income people), taxpayers often fund both the cause and treatment of diet-related illnesses.

Nearly 1 in 8 Mississippians—about 357,000 people—receive SNAP benefits to buy groceries.<sup>3</sup> In the most recent year of data, the program cost taxpayers over \$840 million in Mississippi alone.<sup>4</sup> Nationwide, approximately 23% of SNAP spending is on junk food like sugary drinks, prepared desserts, salty snacks, and candy.<sup>5</sup> In Mississippi, that means taxpayers spend \$190 million each year providing junk food to people through a "nutrition assistance" program.

**Recommendation:** The Mississippi Office of the State Auditor recommends our state request a waiver from the federal government to prohibit SNAP recipients from using taxpayer money to purchase sugary drinks and candy. The Mississippi Department of Human Services (MDHS) already has the authority to request this waiver, but lawmakers could also pass a law requiring MDHS to act. This recommendation would make Mississippians healthier and save taxpayers money. **Mississippi's Medicaid program alone could save over \$22 million annually by reducing diet-related chronic disease prevalence rates.** 

<sup>&</sup>lt;sup>1</sup> See report.

<sup>&</sup>lt;sup>2</sup> See <u>resource</u>.

<sup>&</sup>lt;sup>3</sup> See USDA <u>data</u> for Mississippi's April 2025 SNAP population.

<sup>&</sup>lt;sup>4</sup> See resource.

<sup>&</sup>lt;sup>5</sup> See note. <sup>1</sup> Junk food includes sweetened beverages, prepared desserts, salty snacks, sugar, and candy. "Sugary drink" and "sweetened beverage" are used interchangeably.

## **Background**

SNAP is designed to help low-income families afford nutritious food, but data show SNAP is often used to purchase junk food. Despite health risks, SNAP households buy 30% more sugary drinks than non-SNAP households.<sup>6</sup> Figure 1 compares food spending patterns between SNAP and non-SNAP households.<sup>7</sup>

Figure 1						
Household Expenditures	SNAP		Non-SNAP			
Category	Rank	% of total	Rank	% of total		
Meat, Poultry, and Seafood	1	19.2%	1	15.9%		
Sugary Drinks	2	9.3%	5	7.1%		
Vegetables	3	7.2%	2	9.1%		
Frozen Prepared Foods	4	6.9%	8	5.1%		
Prepared Desserts	5	6.9%	6	6.4%		
High Fat Dairy/Cheese	6	6.5%	3	7.9%		
Bread and Crackers	7	5.4%	7	6.3%		
Fruits	8	4.7%	4	7.2%		
Milk	9	3.5%	9	3.8%		
Salty Snacks	10	3.4%	10	3.1%		
Prepared Foods	11	3.1%	14	2.2%		
Cereal	12	2.8%	11	3.0%		
Condiments and Seasoning	13	2.7%	12	2.8%		
Fats and Oils	14	2.4%	13	2.4%		
Candy	15	2.1%	15	2.2%		

Mississippi already has high rates of obesity and diabetes.<sup>8</sup> Researchers estimate SNAP participants are also more likely to be obese than non-participants.<sup>9</sup> Data show a strong link between sugary drink consumption and health problems like obesity and type 2 diabetes.<sup>10</sup> Further, adults who drink one or more sodas daily are 27% more likely to be overweight regardless of income or background.<sup>11</sup> These and other diet-related diseases are often preventable and are made worse by consumption of sugary drinks.<sup>12</sup>

<sup>&</sup>lt;sup>6</sup> See note.<sup>1</sup>

<sup>&</sup>lt;sup>7</sup> See USDA data. Figure displays the top 15 expenditure category for each household type.

<sup>&</sup>lt;sup>8</sup> See MSDH <u>data</u> and <u>American Diabetes Association</u> report.

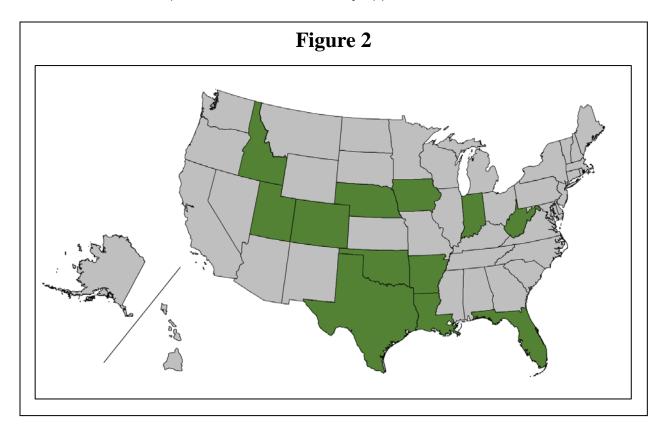
<sup>&</sup>lt;sup>9</sup> See <u>research</u>.

<sup>&</sup>lt;sup>10</sup> See research.

<sup>&</sup>lt;sup>11</sup> See <u>research</u>.

<sup>&</sup>lt;sup>12</sup> See research.

In May 2025, USDA granted Nebraska the first-ever waiver to ban soda and energy drinks from SNAP in their state.<sup>13</sup> In June 2025, Arkansas became the first southern state to secure a waiver blocking soft drinks and candy purchases with SNAP benefits.<sup>14</sup> Today, 12 states have applied for and obtained waivers to reform SNAP within their borders.<sup>15, 16</sup> Some state legislatures passed laws requiring agencies to submit waiver requests while agency directors in other states submitted waiver requests without a legislative mandate. Figure 2 shows states where the Trump administration has already approved SNAP waivers.<sup>17</sup>



Waivers must specify the food items to be prohibited, the public health rationale behind the proposal, and the evaluation plan to measure results. The Food and Nutrition Service (FNS) reviews each waiver request, and the USDA decides whether to accept the waiver. After approval, states must formally accept the waiver from the federal government, including any additional requirements set by the FNS/USDA, before communicating with retailers and participants and implementing changes to the program.

<sup>&</sup>lt;sup>13</sup> See <u>press release</u>.

<sup>&</sup>lt;sup>14</sup> See <u>press release</u>.

<sup>&</sup>lt;sup>15</sup> See press release.

<sup>&</sup>lt;sup>16</sup> See press release.

<sup>&</sup>lt;sup>17</sup> See USDA resource.

## **Analysis**

Submitting a waiver request to the federal government to restrict sugary drink and candy purchases with SNAP funds would improve health outcomes and ensure the program supports real nutrition in Mississippi. If Mississippi obtained a waiver to ban sugary drinks and candy from SNAP, analysts estimate 11.4% of SNAP benefits—or \$95 million—would be redirected to more nutritious foods and drinks.<sup>18</sup>

According to the USDA's Thrifty Food Plan, a household's food needs should include a healthy variety of protein, vegetables, fruit, dairy, grains, and a small miscellaneous category. SNAP is a "supplemental" program, so SNAP benefits are not intended to pay for a household's entire food budget. However, a household's monthly SNAP benefits are enough to pay for most groceries included in the Thrifty Food Plan. Analysts used the Thrifty Food Plan to calculate the household cost of select food staples and displayed them alongside their recommended household consumption levels.

Figure 3						
Food Group	<b>Annual Household Consumption</b>	Average Price	Weekly Cost			
Chicken	358 lbs	\$2.46/lb	~\$17			
Beef	118 lbs	\$6.33/lb	~\$14			
Vegetables	1839 lbs	\$1.49/lb	~\$53			
Fruit	1399 lbs	\$1.13/lb	~\$30			
Milk	91 gal	\$3.94/gal	~\$7			
Grains	735 lbs	\$1.38/lb	~\$20			
SNAP	~\$14					

Analysts compared the weekly cost of the staple foods presented in Figure 3 to the amount of SNAP benefits spent on sugary drinks and candy. This comparison shows SNAP households spent approximately \$14 each week on sugary drinks and candy.<sup>22</sup> In other words, SNAP recipients spent more taxpayer money on sugary drinks and candy than nutritionists say they should have spent on beef or milk. A large portion of SNAP household spending on food staples is already covered with program benefits. If Mississippi prohibited

<sup>&</sup>lt;sup>18</sup> See note.<sup>4, 7</sup> Calculation uses estimated FY24 SNAP expenditures spent on sugary drinks and candy.

<sup>&</sup>lt;sup>19</sup> See USDA consumption resource.

<sup>&</sup>lt;sup>20</sup> See note.<sup>4</sup> In this report, a household includes a man, woman, and two children.

<sup>&</sup>lt;sup>21</sup> See note. <sup>18, 19</sup> See <u>June 2024</u> South region food costs. Chicken price uses whole chicken, boneless chicken breast, and chicken leg bone-in. Beef price uses ground beef and beef roast. Vegetable price uses potatoes, tomatoes, and beans. Fruit price uses bananas and oranges. A USDA <u>source</u> is used to convert units of <u>whole milk</u>. Grains price uses rice, pasta, and white bread.

<sup>&</sup>lt;sup>22</sup> See note.<sup>4,7</sup> Calculation uses percentage of SNAP benefits spent on sugary drinks and candy.

SNAP recipients from purchasing sugary drinks and candy with taxpayer money, SNAP recipients would have more money to purchase food staples like the ones in Figure 3.

Restricting unhealthy purchases with SNAP benefits would improve health outcomes for Mississippians and save taxpayer money by reducing costs to other state programs servicing SNAP recipients, like Mississippi's Medicaid program. Research shows 78% of SNAP participants are also enrolled in Medicaid, so improving Mississippians' diets through SNAP reform would drive taxpayer savings.<sup>23</sup>

In Mississippi, several leading causes of death—diabetes, heart disease, stroke, kidney disease, and cancer—are chronic diseases linked to poor nutrition.<sup>24</sup> Treating these dietrelated diseases costs Mississippi's Medicaid program millions of dollars each year. Research shows preventing junk food purchases with SNAP benefits lowers obesity and type 2 diabetes prevalence rates among SNAP recipients.<sup>25</sup> **Assuming a 1% decline in the prevalence rate of these and other common diet-related diseases among SNAP-enrolled Medicaid recipients, analysts predict banning sugary drinks and candy purchases with SNAP benefits could generate over \$22 million of annual savings to Mississippi's Medicaid program.<sup>26</sup> Figure 4 shows diet-related chronic diseases and the annual savings to the Mississippi Medicaid program a 1% prevalence rate reduction would generate.** 

Figure 4						
	Patients	Annual Treatment Cost	Annual Savings from 1%			
	ratients	Annual Treatment Cost	prevalence rate decrease			
Obesity	75,395	\$1,861	\$1,403,093			
Extreme Obesity	36,167	\$3,097	\$1,120,097			
Type 2 Diabetes	42,566	\$8,771	\$3,733,460			
Heart Disease	15,858	\$4,900	\$777,037			
Heart Attack	15,301	\$18,300	\$2,800,172			
Stroke	15,023	\$16,979	\$2,550,802			
Kidney Disease	8,068	\$11,775	\$950,014			
Cancer	18,640	\$50,000	\$9,319,996			

<sup>&</sup>lt;sup>23</sup> See <u>report</u>.

<sup>&</sup>lt;sup>24</sup> See note.<sup>2</sup>

<sup>&</sup>lt;sup>25</sup> See research.

<sup>&</sup>lt;sup>26</sup> See note. <sup>2, 22</sup> See obesity rate in <u>CDC</u> resource. See annual treatment costs for <u>obesity</u>, <u>diabetes</u>, <u>heart disease</u>, <u>heart attacks</u>, and <u>stroke</u>. Treatment cost for <u>kidney disease</u> uses the difference between average Medicare beneficiary costs and non-kidney failure with replacement therapy chronic kidney disease costs. Treatment cost for <u>non-skin cancers</u> uses initial and continuing phase annual costs. The federal government pays for <u>most</u> of Mississippi's Medicaid expenditures. Estimate is shown in current dollars.

## Conclusion

Government programs should not incentivize unhealthy eating, but Mississippi currently allows SNAP recipients to purchase foods that increase the risk of chronic disease. Mississippi should apply for a waiver to ban junk food purchases with taxpayer dollars. Banning sugary drinks and candy from SNAP would improve health outcomes for low-income Mississippians and reduce long-term costs to the state's Medicaid program.