

GENERAL ASSEMBLY OF NORTH CAROLINA
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SENATE BILL DRS45332-LU-85 (03/16)

Short Title: Waiver/Prohibit Certain Foods/SNAP. (Public)

Sponsors: Senator J. Davis (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT REQUIRING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO
3 SEEK A WAIVER FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE
4 THAT WOULD AUTHORIZE THE STATE TO PROHIBIT THE PURCHASE OF
5 CERTAIN FOODS UNDER THE FEDERAL SUPPLEMENTAL NUTRITION
6 ASSISTANCE PROGRAM (SNAP).

7 Whereas, the intent of the federal Supplemental Nutrition Assistance Program
8 (SNAP) is to provide eligible recipients with the means to purchase food; and

9 Whereas, under SNAP, as administered by the State in accordance with the
10 requirements established by the United States Department of Agriculture (USDA), the use of
11 benefits to purchase all foods, including those with little or no nutritional value, is permitted;
12 and

13 Whereas, the purchase of unhealthy food items is antithetical to the purpose of
14 SNAP and other State health care programs, such as the Healthy Corner Store Initiative; and

15 Whereas, the State may prohibit the purchase of foods with little or no nutritional
16 value, which are generally taxable under State law, only by obtaining a waiver from the USDA,
17 which process may be time consuming; and

18 Whereas, the State should begin the process of obtaining a waiver immediately so
19 that the ban on use of SNAP benefits for the purchase of foods with little or no nutritional value
20 may be implemented as soon as possible; Now, therefore,

21 The General Assembly of North Carolina enacts:

22 **SECTION 1.(a)** By October 1, 2018, the Department of Health and Human
23 Services, Division of Social Services (Division), shall request a waiver from the United States
24 Department of Agriculture (USDA) authorizing the State to prohibit the use of benefits under
25 the federal Supplemental Nutrition Assistance Program (SNAP) for the following:

- 26 (1) Purchase of food items that may have little or no nutritional value, including,
27 but not limited to, soft drinks, candy, cakes, and cookies, that are otherwise
28 subject to State sales tax.
29 (2) Bulk purchases of grocery items that, if purchased in smaller quantities,
30 would be considered prepared food and, therefore, subject to State sales tax.

31 **SECTION 1.(b)** Within 60 days from the date the USDA grants the waiver under
32 subsection (a) of this section, the Division shall amend its rules to prohibit the use of SNAP
33 benefits for the purchase of food items having little or no nutritional value and bulk purchases
34 of grocery items that, if purchased in smaller quantities, would be considered prepared food.



1 **SECTION 1.(c)** The Division shall report to the Joint Legislative Oversight
2 Committee on Health and Human Services within 30 days of the USDA's decision to either
3 grant or deny the waiver.

4 **SECTION 2.** This act is effective when it becomes law.