

Proposals<sup>1</sup> that would prohibit Supplemental Nutrition Assistance Program (SNAP) participants from purchasing certain products, including most beverages, with their benefits are unnecessary and harmful to Michigan's economy and state finances. These restrictions stigmatize more than 1.5 million Michigan residents, including nearly 40,000 veterans—who rely on SNAP to feed their families.

### **Key concerns with SNAP restrictions:**

#### **Unworkable compliance burden**

The proposal creates a SNAP “food code” more complicated than the tax code. That’s both impractical and costly. With more than 650,000 products in grocery stores and 20,000 new items introduced each year, defining, monitoring, and enforcing exclusions would be a logistical nightmare for grocers and state agencies, who would most likely have to contract out the database buildout, at an estimated cost to the state of \$6 million.<sup>2</sup>

#### **High administrative cost and bigger, more invasive state government**

Any restriction requires by law a rigorous USDA-approved, data-driven evaluation plan at an estimated cost of \$10 million.<sup>3</sup> This means Michigan will be forced to:

- Track SNAP participants’ physical health over time.
- Collect and analyze statewide retail sales data and monitor family purchases.
- Develop costly research tools to monitor purchases and consumption.
- Potentially conduct invasive in-person health assessments of participants.
- This new cost would fall on taxpayers and the state of Michigan without delivering measurable health outcomes.

#### **\$16 million in total new costs for Michigan taxpayers**

Not only will the proposed SNAP changes save zero dollars, they will cost an estimated \$16 million to implement. **Who gets stuck with the bill? Michigan taxpayers.**

#### **Government overreach into food choice**

Allowing states and government agencies to dictate which foods and beverages are considered “healthy” sets a dangerous precedent. Controlling what Michiganers purchase **imposes new burdens on Michigan taxpayers**, while threatening jobs, and creating massive new bureaucracy.

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[1] Sec. 652 on page 484 of HB 4706.

[2] Based on Wisconsin DHS’s estimate of \$6 million to build their database. The Missouri Committee on Legislative Research estimates a \$30 million cost to notify and enforce.

[3] With no states yet implementing, this is a best estimate by DHS. This includes the cost of designing a study, statistical analysis, and employing researchers or contractors. States are now responsible for 75% of the administrative costs, including those associated with special projects like measuring health outcomes. The specific costs are highly variable, as they are dependent on the research design and data sources.

## Impact on Michigan's economy and jobs

Michigan grocers and food manufacturers rely heavily on SNAP spending. **Every \$1 in SNAP benefits generates \$1.50–\$1.80 in economic activity.** With over \$3.2 billion in annual SNAP redemptions in our state, even a modest restriction could pull hundreds of millions of dollars out of local grocery stores and food suppliers.

- Reduced SNAP sales mean lower revenue for grocers, forcing some to cut jobs or even close stores—particularly in rural and urban neighborhoods where SNAP sales represent a large share of total revenue.
- SNAP purchases account for **up to 15% of total sales for independent and mid-sized grocers.** The change would *threaten millions of dollars in sales for local retailers annually, leading to higher prices, fewer jobs, and store closures.*
- Analysts warn that SNAP cuts and restrictions could contribute to **tens of thousands of job losses in Michigan**, compounding challenges already facing our retail, distribution, and food processing sectors.

## Restrictions won't address obesity

Since 2000, obesity rates have risen 37%, even as full-calorie soda sales declined 23% and beverage calories per serving decreased 42%. The causes of obesity are complex; no single product is to blame. Singling out beverages in SNAP purchases oversimplifies a public health challenge without solving it.

Instead of punishing veterans and families who depend on SNAP, we should invest in education and access—providing choices and information that encourage better nutrition, while preserving the dignity of participants. Restrictions will not improve health, but they will shrink Michigan's economy, burden grocers with costly compliance requirements, and put good-paying Michigan jobs at risk.

The Michigan Legislature should reject SNAP purchase restrictions and support policies that promote health through education, innovation, and economic opportunity.



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**American Action Forum:** [Making America Healthy Again](#)

*"Second, the bill would give the HHS secretary the authority to identify other junk foods in addition to candy, dessert, and soft drinks. Put differently, the secretary would get to draw the line between junk and non-junk food. This is a nightmarish, anti-freedom, anti-DOGE, anti-common-sense notion."*

**Food Research & Action Center:** [SNAP Choice Is the Right Choice](#)

*"Ensuring that individuals can select foods that align with their dietary needs, preferences, and cultural values is crucial for preserving their dignity and autonomy. It is paternalistic to dictate what foods SNAP participants are allowed to eat, as it assumes they are incapable of making their own food choices simply because they have limited income."*