

**Supporting Statement for OMB No. 0584-0064**  
**Application and Certification of**  
**Food Stamp Program Households**

**General:** This submission provides justification for additional information collection, reporting, and record keeping requirements associated with the application and certification of households for the Food Stamp Program. These changes affect the ICB approved under OMB No. 0584-0064. Some of the items have been modified as a result of Public Law 107-171, the Farm Security and Rural Investment Act of 2002 (FSRIA), dated May 13, 2002. It should be noted that this law did not eliminate information collections currently approved under OMB No. 0584-0064. The law directly or indirectly affects burden for some of the collections, and revises some collection items.

**A. Justification**

**1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

The Food Stamp Act of 1977, as amended, (the "Act") establishes a program whereby needy households may apply for and receive food stamp benefits. It specifies national eligibility standards and imposes certain administrative requirements on State agencies in administering the program. Information must be collected from households to assure that they are eligible for the program and that they receive the correct amount of food stamp benefits. Information collected is limited to that necessary for the administration and enforcement of the Food Stamp Program.

Section 3 of the Act contains definitions including, but not limited to, those relating to certification periods and household composition. Section 5 of the Act provides the basic eligibility requirements, including but not limited to, those relating to income, resources, and expenses. Section 6 of the Act contains provisions relating to eligibility disqualifications. Section 8(c) contains provisions relating to the pro ration of benefits in initial months, and Section 11 contains the administrative requirements placed on State agencies, including the application processing requirements. Section 16 (e) requires State agencies to collect social security numbers as a condition of eligibility and provides that State agencies shall use such numbers in the administration of the program and State agencies shall have access to the Social Security Administration's computerized information system for purposes of determining or verifying a household's eligibility and benefit level. See attachment A for a copy of the Act.

Title IV of Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), as amended by Public Law 104-208, the Omnibus Consolidated Appropriations Act, Public Law 105-33, the Balanced Budget Act, Public Law 105-185, the Agricultural Research, Extension, and Education Reform Act of 1998, and FSRIA contains provisions regarding the eligibility of aliens for the Food Stamp Program that have not been incorporated into the Act. See attachment B for a copy of relevant Sections of Title IV, as amended.

The Federal procedures for implementing the application and certification procedures in the Act are in Parts 271, 272, and 273 of the Title 7 of the Code of Federal Register. Part 271 contains general

information and definitions, Part 272 contains requirements for participating State agencies, and Part 273 contains procedures for the certification of eligible households. See attachment C for a copy of these Parts.

#### RECORDKEEPING:

A. Case Records. Section 11(a) of the Act mandates that State agencies keep records as may be necessary to ascertain whether the program is being conducted in compliance with the Act and the regulations. The Act and Section 271.2(f) of the regulations require States to maintain such records for a period of 3 years from date of origin. States are allowed to store records using automated retrieval systems and other features that do not rely exclusively on the collection and retention of paper records.

B. Duplicate Participation System. Sections 11(e) and (n) of the Act and Section 274.1 of the regulations require State agencies to search their files for duplicates in order to prevent individuals from receiving benefits in more than one household and to prevent households from receiving benefits in more than one jurisdiction within the State. The Act further requires State agencies to establish a system that will prevent an individual from receiving both food coupons and cash benefits in lieu of coupons in an SSI cash-out State or under a cash-out demonstration project. These requirements were not changed by FSRIA.

## **2. Indicate how, by whom, and for what purpose the information collection is to be used.**

Application to participate in the Food Stamp Program. The application is filed by all applicant households when first applying to participate in the program and is used by the State agencies that administer to the program to determine household eligibility.\_

Application for Recertification. All food stamp households are assigned finite certification periods. In order to continue participating in the Food Stamp Program, ongoing household must apply for recertification using an application, which is very similar to the above-mentioned application for initial certification.

Monthly Report. Three State agencies require a portion of their caseload to report changes in household circumstances through monthly reports.\_

Quarterly Report. Currently, only one State, California, requires households to report changes in circumstances on a quarterly basis. Since households are not required to submit a separate quarterly report when they submit an application for recertification, the report is submitted three times a year.

Semiannual or Simplified Reporting Form. Under the simplified reporting option, adopted by 47 States, most households report changes in their circumstances through a report that they normally submit every six months. In addition to the semiannual report, a household in a simplified reporting system must report when its gross income exceeds 130 percent of the poverty threshold.\_

Change Report Form. Households not subject to monthly, quarterly reporting or semiannual reporting must report most changes in household circumstances with 10 days of the date that the

change becomes known to the household. Most households subject to change reporting are statutorily exempt from periodic reporting, primarily are those households with no earned income in which all adult members are elderly or disabled.

Notice of Eligibility or Denial. This notice is used by State agencies to advise households of the disposition of their applications for initial certification or recertification.

Notice of Missing or Incomplete Report (NOMI) This notice is used by State agencies to advise ongoing households that required they failed to submit required monthly, quarterly or semiannual reports or that some of the information required to be included in such report has been omitted.

Request for Contact (RFC). The notice is used to contact the household when the State agency receives information regarding a potential change in a household's eligibility or benefits and such information is not sufficient for the State agency to determine exactly how the household's status would be affected. Examples of situations in which the State agency would issue an RFC included, but are not limited to, an incomplete change report form or a computer match requiring additional clarification from the household.

Notice of Missed Interview (NOMI). As the name implied this notice is issued by State agencies to households that fail to appear for their scheduled initial or recertification interviews. Normally, the household responds to the notice by requesting that its interview be rescheduled.

Notice of Expiration (NOE).

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques, or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

The Food and Nutrition Service (FNS) has made every effort to provide for electronic submission as an alternative to paper submission in compliance with the Government Paperwork Elimination Act. FNS provides funding to support the development of electronic systems through Federal matching of States' administrative costs.

State agencies have the authority to use information technology that best suits the needs of their individual or unique systems of operation to comply with the information collection and reporting requirements contained in this submission. A majority of the information collection requirements have been automated by State agencies, especially household notices. A significant portion of the application process has been automated by all State agencies. Several State agencies have implemented sophisticated on-line application systems that not only deal with applications, application processing, eligibility/ineligibility determinations, and benefit level determinations but also serve as casefile management systems. Many States are moving towards totally paperless systems. FSRIA requires all States that maintain a website to post a copy of their food stamp application on the website in each language that the State provides applications.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.**

Because of the numerous Federal or State means-tested programs, duplication of information collected and reporting can result for both States and households. For food stamp purposes, States are required to limit collection to information necessary to comply with the food stamp statutory requirements and to protect program integrity without imposing undue burden on respondents. However, State agencies may design multi-program forms and notices. Most States use a joint application for the Temporary Assistance to Needy Families Program (TANF) and the Food Stamp Program. Some States include applications for the Medicaid program and comparable general assistance programs with the TANF/FS application. If applications for too many programs are included in the same form, the forms may become so long and confusing that the household may not apply for any program. We believe the State agencies are in the best position to determine which applications and forms can efficiently be combined considering the similarities among the various programs and the State agency's application processing systems.

**5. Describe any methods used to minimize burden where the collection of information impacts small businesses or other small entities.**

The only impact on small business and other small entities is in the area of verification. Households are encouraged to submit documentation already available (such as wage stubs, award letters, and utility bills) that can be used for verification so that employers and other small business or entities will not have to be contacted for verification purposes.

**6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing the burden.**

Not collecting information necessary to certify households in accordance with the Act or changing the frequency of information collection or reporting requirements as they relate to the application, certification, and continued eligibility of households would result in a direct violation of the Act and its implementing regulations (e.g. the Act sets the eligibility standards and allows State agencies to set certification periods for most household up to 12 months). Further, benefits could be overissued or underissued for a long period of time if necessary information is not collected or actions are not taken timely.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner that is inconsistent with 5 CFR 1320.6.**

There is an exception that causes this information collection to be conducted in a manner that is inconsistent with 5 CFR 1320.6. Section 6(c) of the Food Stamp Act of 1977, as amended, authorizes monthly reporting by households and authorizes the Secretary to prescribe such regulations as the Secretary may deem appropriate. Quarterly and semi-annual reporting will not suffice because the law allows households to report on a monthly basis. It is interesting to note the number of monthly reporting households has decreased with the expansion of quarterly and semi-annual reporting waivers.

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost/hour burden.**

The above referenced notice was published in the Federal Register on June 22, 2007, at 72 FR 3447. FNS has received no comments in response to the notice.

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as the prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

State and local agencies may make recommendations through a public comment period for any revision of regulations and participating in meetings of Regional, State, and local public and private organizations involved in various areas of the food assistance programs.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

There was no decision to provide a payment or gift to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

Section 11(e)(8) of the Act and Section 273.1(c) of the regulations limit the use or disclosure of information obtained from applicant households or contained in the case files of participating households to persons directly connected with the administration of the Food Stamp Program; other Federal or federally-assisted means-tested programs; persons directly connected with the verification of immigration status of aliens; the Office of the Comptroller General of the U.S. for

audit and examination authorized by any other provisions of law; local, State, or Federal law enforcement officials for the purpose of investigating an alleged violation of the Act or regulations; agencies of the Federal Government for purposes of collecting the amount of an overissuance of coupons from Federal pay; and any Federal, State or local law enforcement officer if the member is a fleeing felon or a parole violator.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

In order to comply with the Computer Matching and Privacy Acts, the proposed regulations continue to require that State-designed Food Stamp application forms contain a statement informing households that their social security numbers will be used in the administration of the program to check the identity of household members, prevent duplicate participation, and to facilitate making mass changes. A statement must also be included on State-designed applications informing households that other information provided by the household will be used in computer matching with other agencies such as the Department of Health and Human Services, the Social Security Administration, and the Immigration and Naturalization Service, and program reviews and audits to make sure the household is eligible for food stamps and that such checks may result in criminal or civil action or administrative claims against persons fraudulently participating in the program.

In order to comply with Civil Rights requirements, State-designed applications must contain a nondiscrimination statement and solicit racial/ethnic information from applicants. The applicant must be notified that reporting the information is voluntary, and it will not affect the household's eligibility or benefit determination. The information will be used for statistical reasons and to report the agency's compliance with nondiscrimination laws.

**12(A). Provide estimates of the hour burden of the collection of information. Indicate the number of respondents, frequency of response, annual hour burden, and provide an explanation of how the burden was estimated.**

**12(B). If the hour burden will vary, show the range of estimated hour burden and explain the reasons for the variance. If this request covers more than one information collection requirement, provide separate hour burden estimates for each collection and aggregate the hour burdens in item 13.**

**Application to participate in the Food Stamp Program.** The application is filed by all applicant households when first applying to participate in the program and is used by the State agencies that administer to the program to determine household eligibility. Based FY 2006 data, we estimate that the burden associated with the application for certification at 3,509,731 hours for households (10,967,909 applications x 19 minutes (0.32 hrs) to complete the application). We estimate the burden for State agencies at 3,509,731 hours (10,967,909 applications x 19 minutes (0.32 hrs) to review the application.

**Application for Recertification.** All food stamp households are assigned finite certification periods. In order to continue participating in the Food Stamp Program, ongoing household must apply for recertification using an application, which is very similar to the above-mentioned application for initial certification. The average certification period is 10 months in length although the length of the certification period may range from 1-month to 24-months depending on household circumstances. Based FY 2006 data, we estimate that the burden associated with the application for recertification at 3,238,956 hours for households (10,121,739 applications x 19 minutes (0.32 hrs) to complete the application). We estimate the burden for State agencies at 3,238,956 hours (10,121,739 applications x 19 minutes (0.32 hrs) to review the application.

**Monthly Report.** Three State agencies require a portion of their caseload to report changes in household circumstances through monthly reports. Because the household does not submit a separate monthly report when it submits the application for recertification, households are required to submit monthly reports 11 times a year. We estimate a total annual household reporting burden of 188,108 hours for the monthly report (142,506 households x 11 reports per year x 7 minutes or 0.12 hrs per report). We estimate a State agency burden of 282,262 hours (142,506 households x 11 reports per year x 11 minutes or 0.18 hrs per report).

**Quarterly Report.** Currently, only one State, California, requires households to report changes in circumstances on a quarterly basis. Since households are not required to submit a separate quarterly report when they submit an application for recertification, the report is submitted three times a year. We estimate a household reporting burden of 311,793 hours for the quarterly report (799,469 households x 3 reports per year x 8 minutes or 0.13 hrs per report). We estimate a State agency burden of 479,681 hours (799,469 households x 3 reports per year x 12 minutes or 0.2 hrs per report).

**Semiannual or Simplified Reporting.** Under the simplified reporting option, adopted by 47 States, most households report changes in their circumstances through a report that they normally submit every six months. In addition to the semiannual report, a household in a simplified reporting system must report when its gross income exceeds 130 percent of the poverty threshold. Based on recent information regarding State choices, we estimate that 10,788,683 households are currently subject to simplified reporting. Under simplified reporting, households submit one report annually (these households submit an application for recertification at least once every 12 months), and we estimate a household burden of 1,402,529 hours (10,788,683 reports × 8 minutes or 0.13 hrs per report) and a State agency burden of 1,941,963 hours (10,788,683 reports × 11 minutes or .18 hrs per report).

**Change Report.** Households not subject to monthly, quarterly reporting or semiannual reporting must report most changes in household circumstances with 10 days of the date that the change becomes known to the household. Most households subject to change reporting are statutorily exempt from periodic reporting, primarily are those households with no earned income in which all adult members are elderly or disabled. We estimate a total household burden for change reporting at 133,187 hours per year (1,664,843 households submitting an average of 1 report per year at 5 minutes or 0.08 hrs per report). We estimate the annual State agency burden to process the reports

at 299,672 hours (1,664,843 households submitting an average of 1 report per year with an agency processing time of 11 minutes or 0.18 hrs per report).

**Notice of Eligibility or Denial.** Based on an estimated 21,089,658 notices issued annually, we estimate a total State agency burden of 632,690 hours based on 2 minutes (.03 hrs) to generate each report.

**Notice of Late Incomplete Report.** Based on an estimated 35,125 notices and an average time of 2 min (.03 hrs) to generate each notice, we estimate an annual burden of 1054 hours.

**Notice of Missed Interview.** Based on 1,881,380 notices and an average time of 1 minute (0.02 hrs) to generate the notice, we estimated a State agency annual burden of 37,628 hours. Assuming a 90 percent response rate from the affected households and a 1-minute response time, we estimated a household burden of 33,865 hours.

**Notice of Expiration of Certification.** We estimate an annual State agency burden of 303,652 hours based on 10,121,739 notices and 2 minutes or .03 hrs per response.

**Notice of Adverse Action (NOAA).** We estimate that State agencies issue 953,915 notices per year resulting in a burden of 28,617 hours based on 2 minutes or .03 hrs per response. Households are only required to respond to an NOAA if they wish to request a fair hearing contesting the State agency's decision to reduce or terminate their benefits. Assuming that 5 percent of the households that receive an NOAA will request a fair hearing and assuming one minute to complete the request form, we estimated an annual household burden of 954 hours.

**Adequate Notice.** We estimate that State agencies will issue 210,752 notices per year. We estimate a total State agency burden of 6323 hours based on 2 minutes or .03 hrs per response. Assuming that 4 percent of households that receive an adequate notice will request a hearing, we estimated an annual household burden of 169 hours based on 8,430 requests and one minute to complete the hearing request form. This estimate is slightly lower than the percentage for the NOAA because an adequate notice is only issued when a reduction or termination is based on information reported by the household, itself.

**Request for Contact.** We estimate an annual State agency burden of 28,617 hours based on 953,915 requests with an average time of 2 minutes or .03 hrs per request. Assuming an 80 percent response rate from affected households, we estimate a household burden of 22,894 hours per year based on 763,132 notices per year with an average response time of 2 minutes or .03 hrs per response. We used an 80 percent household response rate because some notices will be sent to households that moved without providing a forwarding address while some households that receive the notices may fail to provide a response.



**Record keeping burden only.** Local agencies are required to maintain client case records for three years and to perform duplicate participation checks on individual household members to ensure the member is not participating in more than one household. Data are not available on the actual number of local food stamp offices in each State or the actual number of workers (recordkeepers) that would be maintaining case files and performing duplicate participation checks. For the purpose of this burden package, we are using the number of food stamp project areas, which equals 2,724.

**(A) Case Files:** The caseload to be maintained is equal to the number of participating households and their subsequent files. The number of times recordkeepers must access these case files is equal to the number of documents expected to be filed or noted in the file annually. We anticipate minimal filing to involve a burden of 2 minutes per document. Including documentation (*i.e.* electronic files, caseworker written entry into the file, or hard copies of the document) for notices which were sent to the household and when, we anticipate a total of 127,192,305 documents/year. Annual record keeping burden associated with creating, filing, and maintaining household case files is estimated to be 3,185,769 burden hours ( $127,192,305 \times .03 = 3,185,769$ ).

**(B) Monitoring Duplicate Participation:** The estimated annual record keeping burden for maintaining this system that is automated by most States is based on the number of total applications (all approved and denied initial and recertification applications) expected to be received (20,250,469) and the average number of persons (2.3) in each applicant household. We estimate number of duplicate participation checks (responses) that must be performed by State agencies at 46,576,079. Burden is estimated to be 15 seconds (or 0.00416666 hour) per response, for a total burden of 194,067 burden hours annually ( $20,250,469 \times 2.3 \times 15$  seconds or 0.00416666 hrs).

Total Reporting Burden:	19,632,931	hours
Total Recorderkeeping Burden:	<u>4,009,836</u>	hours
 Total Burden this ICR:	 23,642,768	 hours

**12(C). Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. Do not include the cost of contracting out or paying outside parties for information collection activities here, these costs should be included in item 14.**

Food Stamp Program information collection requirements described herein are imposed on State welfare agency clerks and eligibility workers. Standard wage rate categories used in determining burden costs were based on the Bureau of Labor and Statistics (BLS) website which indicates the employment cost of \$26.32 per hour for State and local government administrative support staff. The minimum wage rate of \$5.85 per hour will be accredited towards individuals applying for Food Stamp benefits. Wage rates applied to each collection requirement are shown in the table below.

Table for Item 12(C)

Annualized Costs	Activity	Anticipated Total Hrs.	Labor (US \$)
Household Members \$5.85	Initial application data collection	3,509,731	\$20,531,926
	Recertification data collection	3,238,956	\$18,947,893
	Monthly reports data collection	188,108	\$1,100,432
	Quarterly reports data collection	311,793	\$1,823,989
	Semi-annual reports data collection	1,402,529	\$8,204,795
	Change reports data collection	133,187	\$779,144
	Response to NOMI notice	33,865	\$198,110
	Response to RFC notice	22,894	\$133,930
	Response to NOAA	954	\$5,581
	Response to adequate notice	169	\$989
	<b>Total annual burden to households</b>	<b>8,842,186</b>	
	<b>Total cost to households</b>		<b>\$51,726,788</b>
State Agency or Eligibility Staff \$26.32	Initial application processing	3,509,731	\$92,376,120
	Recertification application processing	3,238,956	\$85,249,322
	Monthly reports processing	282,162	\$7,426,504
	Quarterly reports processing	479,681	\$12,625,204
	Semi-annual reports processing	1,941,963	\$51,112,466
	Change reports processing	299,672	\$7,887,367
	Notice of eligibility, denial or pending	632,690	\$16,652,401
	Notice of late/incomplete monthly reports	1,054	\$27,741
	Adequate notice to monthly report households	6,323	\$166,421
	Notice of adverse action (NOAA)	28,617	\$753,199
	Notice of expiration (NOE)	303,652	\$7,992,121
	Request for Contact (RFC)	28,617	\$753,199
	Notice of Missed Interview (NOMI)	37,628	\$990,369
	Recordkeeping total	4,009,836	\$105,538,884
	<b>Total annual burden to State &amp; Local</b>	<b>14,800,582</b>	
	<b>Total cost to State &amp; Federal agencies</b>		<b>\$389,551,318</b>
<b>TOTAL ANNUAL BURDEN</b>	<b>23,642,768</b>		
<b>TOTAL COSTS</b>		<b>\$441,278,106</b>	

**13. Provide an estimate of the capital and start-up costs and total operation and maintenance and purchase of service costs to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in items 12 and 14.)**

There are no capital and startup costs associated with this information collection.

**14. Provide estimates of annualized cost to the Federal government. Also provide a description of the method used to estimate costs.**

Fifty percent of the costs incurred by State welfare agencies are reimbursed by FNS. Thus, the wage rates for State agency staffs noted above and reflected on the attached spreadsheet have been reduced by 50%. Costs associated with burden imposed on food stamp applicants and recipients are not reimbursed.

Total costs:	=	\$441,278,106
State Share @ 50%	=	\$220,639,053
Federal share @ 50%	=	\$220,639,053

**15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-1.**

This is a revision to the currently approved information collection. The currently approved burden for this ICR is 29,994,434 hours. The total burden requested in this submission is 23,642,768 hours. This is a decrease of 6,351,666 hours. The majority of the change is the result of a review of calculations used in deriving the burden. These changes are being reported as an adjustment due to agency estimates. Also, this submission reports an increase in the number of annual responses from 157,216,781 to 286,545,662. The increase of 129,328,881 responses is due to the increase in number of applications and corrections in the calculations of responses, but there was an overall decrease in the total burden hours.

**16. Outline plans for tabulation and publication of any collection of information where results will be published.**

There are no plans for tabulation and publication of this collection of information.

**17. If seeking approval to not display the expiration date of OMB approval of the information collection, explain the reasons that display would be inappropriate.**

The agency is seeking approval to not display the expiration date of OMB approval. There are no federally designed forms/formats on which information will be collected. The information collections are obtained through use of State-designed forms, notice, or other formats that do not require the display of OMB approval numbers.

**18. Explain each exception to the certification statement identified in item 19, “Certification for Paperwork Reduction Act Submissions,” of OMB Form 83-1.”**

There are no exceptions to the certification statement.

**B. Collections of Information Employing Statistical Methods.**

Employing statistical methods is not a viable method. Information must be collected from each individual household because eligibility is on a household basis.