

SENIOR FARMERS' MARKET NUTRITION PROGRAM

OMB CLEARANCE NUMBER 0584-0541

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Justification

1. Circumstances Making the Collection of Information Necessary.

This is a revision of a currently approved collection. The SFMNP was initially authorized by Section 4402 of Public Law 107-171 (P.L. 107-171), the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007). The Food, Conservation and Energy Act of 2008 (Public Law 110-246 (P.L. 110-246), also known as the Farm Bill) reauthorized the SFMNP through Fiscal Year (FY) 2012. The purposes of the SFMNP are to provide resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, honey and herbs from farmers' markets, roadside stands, and community supported agriculture (CSA) programs to low-income seniors; to increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic farmers' markets, roadside stands, and CSA programs; and to develop or aid in the development of new and additional farmers' markets, roadside stands, and CSA programs.

P.L. 107-171 established the SFMNP as an independent program and authorized the Secretary to promulgate regulations as deemed necessary for the SFMNP. Final SFMNP regulations were published in the Federal Register on December 6, 2006, and the associated recordkeeping/reporting burden was approved in January 2007. As a permanent nutrition assistance program, the SFMNP entails an expanded and structured system for collecting and reporting program information on an ongoing basis. As a non-entitlement program, the SFMNP is subject to the

government-wide grants management common rule entitled Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, 7 CFR Part 3016. Part 3016 requires the annual closeout and reconciliation of grants under non-entitlement programs. Under 7 CFR 3016.23(b), a State agency must liquidate all obligations under a grant “... not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the submission of the annual Financial Report.”

The SFMNP is designed to be administered in a manner consistent with the administration of the WIC Farmers’ Market Nutrition Program (FMNP) whenever possible. The SFMNP is intended to benefit both the coupon recipients, by enhancing their diets to include fresh fruits and vegetables, and farmers who sell their produce at farmers’ markets and roadside stands, and through CSA programs, by increasing their incomes.

2. Purpose and Use of the Information.

The financial information is collected on the FNS 683-A and is submitted annually to the Food and Nutrition Service (FNS) by participating SFMNP State agencies. This information is used to reconcile and close out grants in accordance with the requirements of §3016.23(b) and §3016.41(a)(1). Program information is also used by FNS for program planning purposes, and for reporting to Congress as needed.

SFMNP State Plans are used by FNS as the principal source of information on how each State agency SFMNP operates. Local agency and authorized outlet (farmer, farmers' market, roadside stand, and/or CSA program) applications and agreements are necessary to delineate responsibility, and to ensure the accountability of State agencies, local agencies, and authorized outlets.

State agency nutrition education agreements facilitate the provision of quality nutrition education to SFMNP recipients, and allow FNS to assess the quality and amount of the nutrition education that is provided. Reports from monitoring activity for authorized outlets enable FNS to evaluate trends and to assess State agency efforts to control fraud and abuse in such outlets. Minimum documentation for routine monitoring promotes effective monitoring by mandating a consistent level and quality of State agency monitoring nationwide. Documentation of recipient and farmer complaints enables FNS and the State agency to identify problems at the local agency/market/roadside stand/CSA program level. The requirements for the State agency to document eligibility for all SFMNP recipients; identify the disposition of food coupons; request approval for specified costs; submit final closeout reports and recipient reports to FNS; and report the status of recipient claims ensure the accountability of Federal funds, and promotes efficient program management. The requirement for State agency corrective action plans ensures that problem areas of Program management are rectified. The requirements for oversight and monitoring farmers/farmers'

markets/ roadside stands/CSA programs assist in controlling fraud and abuse, and in protecting the integrity of the SFMNP.

FNS will use the collection of this information to assess how each State agency operates and to ensure the accountability of State agencies, local agencies, and authorized farmers/farmers' markets, roadside stands, and CSA programs in administering the SFMNP.

3. Use of Technology and Burden Requirement.

FNS makes every effort to comply with the E-Government Act, 2002 (E-GOV). FNS encourages its State agency partners to offer electronic submission to participants whenever it is feasible.

Because many of the State agencies that administer the SFMNP also administer the FMNP, we expect the SFMNP to take advantage of advances that are implemented for FMNP technology and reporting. Currently, some grantees use automated systems for some SFMNP operations. For example, several SFMNP State agencies use paperless systems and are experimenting with electronic debit programs. Participants present their benefit cards at the market outlet and the value of the produce they select is deducted from their account. Due to the emphasis on electronic benefits transfer (EBT) in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and in the Supplemental Nutrition Assistance Program (SNAP), it is feasible that many SFMNP State agencies may be able to take advantage of that technology. In

addition, almost all State agencies prepare and transmit the State Plans using simplified electronic formats developed by FNS.

4. Efforts to Identify Duplication and Use of Similar Information.

There is no duplication of efforts. Although SFMNP is similar to the FMNP because many State agencies administer both programs, FNS has consolidated many aspects of SFMNP and FMNP operations (e.g. State Plans, review tool instruments, and monitoring responsibilities, such as allowing one visit to authorize a farmers' market for both programs).

5. Impacts on Small Businesses or Other Small Entities.

Information on State agencies' use of Federal funds for SFMNP costs is program-specific. Similarly, Program information about the SFMNP is also program-specific. Both types of information are generated only by the State agencies administering the SFMNP, and/or by their local agencies. Approximately nine State agencies may be considered small organizations which currently administer the SFMNP, seven Indian tribal governments, one U.S. Territory, and the District of Columbia. They are responsible for following the same regulatory requirements as all other State agencies, and their grants must be similarly closed out. Accordingly, FNS needs the same information from them in order to complete closeout. FNS regional offices generally give such State agencies more technical assistance in completing program reports.

Several policies help minimize Federal regulatory burdens for farmers, farmers' markets, roadside stands, and CSA programs participating in the SFMNP.

Authorization of such outlets is delegated to State agencies, which collect only the minimum amount of data necessary to make a determination of the outlet's eligibility to accept SFMNP coupons. Design and operation of food coupon payment systems is delegated to State agencies that in many instances use a retail banking system already in place for the FMNP (or other State-administered program) to ensure prompt payment for SFMNP coupons. State agencies have implemented training programs to familiarize farmers/farmers' market managers/CSA operators with SFMNP rules, thus minimizing the time that must be spent in transacting and processing each SFMNP coupon.

6. Consequence of Collecting the Information Less Frequently.

Grant closeout and recipient reporting occur annually. The information needed would not be meaningful if it were collected less frequently. If the information were collected less frequently, the effectiveness of the program would be jeopardized; program funds could be improperly used by State and local agencies; and the incidence of fraud and abuse could increase. This could result in fewer recipients being served with available SFMNP funds.

7. Special Circumstances to the Guideline 5 CFR 1320.5.

There are no special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.5.

8. Comments in Response to the *Federal Register* Notice and Efforts to Consult Outside Agencies.

This collection activity is a renewal of an already approved information collection activity. The 60 day comment notice was published in the Federal Register on November 18, 2009, 74 FR page 59520. One comment was received (included with this package) but the commenter did not address the collection of information.

(a) 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.

FNS consulted with the National Association of Farmers' Market Nutrition Programs (NAFMNP), which represents SFMNP State agencies on such topics as reporting and the required collection of information. The NAFMNP's views and suggestions were taken into consideration as the information collection requirements of the SFMNP were designed.

(b) Consultation with representatives of those from whom information is to be obtained.

FNS consults regularly with members of the NAFMNP on all aspects of SFMNP operation and administration, including such topics as reporting, recordkeeping, and the required collection of information.

9. Explanation of Any Payment or Gift to Respondents.

No payment or gift is provided to respondents.

10. Assurance of Confidentiality Provided to Respondents.

The Department will comply with the Privacy Act of 1974.

11. Justification for Sensitive Questions.

Questions of a sensitive nature are limited to annual earnings and household status. These questions are required to determine an applicant’s eligibility for SFMNP certification.

12. Estimates of the Hour Burden Including Annualized Costs.

(a) Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.

The narrative that accompanies this justification explains the estimated burden associated with the individual reporting and recordkeeping requirements covered in this submission. It includes a chart that shows how the burden hours associated with each requirement were calculated.

(b) Provide separate hour burden estimates for each form and aggregate the hour burden in Item 13 of OMB Form 83-1.

Please refer to the narrative that accompanies this justification for the aggregate burden hours.

(c) Provide estimates of the annualized cost to respondents for the hour-burdens for collections of information.

Respondent Costs

Estimated reporting burden hours:	254,554
Estimated recordkeeping burden hours:	<u>243,224</u>
Total respondent burden hours:	497,778

TOTAL RESPONDENT COSTS: \$11,528,539*

* Calculated based on a rate of \$23.16 per burden hour. This rate was obtained from the U.S. Department of Labor, Bureau of Labor Statistics, National Compensation Survey: Occupational Wages in the United States, July 2009.

13. Estimates of Other Total Annual Cost Burden to Respondents or Record Keepers.

There are no capital/start-up or ongoing operation/maintenance costs associated with this information collection.

14. Annualized Cost to the Federal Government.

(a) Federal cost of program maintenance (reporting and recordkeeping, monitoring, technical assistance, review and analysis):

(1) FNS Headquarters staff 0.5 staff year @ \$86,000	\$ 43,000
FNS Regional office staff 7 staff years @ \$74,000	<u>518,000</u>
Sub-Total:	\$561,000

(2) Overhead costs, travel, office supplies, etc.	0
Mailing and phone	0
Sub-Total:	0

Federal Program Maintenance Costs: \$561,000

TOTAL FEDERAL COSTS: \$ 561,000

15. Explanation for Program Changes or Adjustments.

This is a revision of a currently approved collection. There is an increase in the number of respondents and burdens hours due to an increase in the addition of States participating in the program and individuals and households (I/H) being left off in last submission. The number of respondents from the last approval increased from 3,566 to 970,955 and the burden hours increased from 412,362 to 497,778.

16. Plans for Tabulation and Publication and Professional Time Schedule.

There are no plans to publish the results of this information collection burden for statistical use. The results will only be used to assess SFMNP compliance by each State agency.

17. Reason(s) Display of OMB Expiration Date is Inappropriate.

The agency plans to display the expiration date for OMB approval of the information collection on all instruments.

18. Exceptions to the certification for “Certification for Paperwork Reduction Act Submissions”.

There are no exceptions to the certification statement.