

Supporting Statement for Paperwork Reduction Act Submission OMB No. 0584-0081

Forms FNS-388 and FNS-388A, State Issuance and
Participation Estimates

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Table of Contents

Part A Justification

- A.1 Explanation of Circumstances That Make Collection of Information Necessary
- A.2 How the Information Will Be Used, By Whom, and for What Purpose
- A.3 Use of Improved Information Technology to Reduce Burden
- A.4 Efforts to Identify and Avoid Duplication
- A.5 Efforts to Minimize Burden on Small Businesses or Other Entities
- A.6 Consequences of Less Frequent Data Collection
- A.7 Special Circumstances Requiring Collection of Information in a Manner Inconsistent with Section 1320.5(d)(2) of the Code of Federal Regulations
- A.8 Federal Register Comments and Efforts to Consult with Persons outside the Agency
- A.9 Payments to Respondents
- A.10 Assurance of Confidentiality
- A.11 Questions of A Sensitive Nature
- A.12 Estimates of Respondent Burden
- A.13 Estimates of Other Annual Costs to Respondents
- A.14 Estimates of Annualized Government Costs
- A.15 Changes in Hour Burden
- A.16 Time Schedule, Publication, and Analysis Plans
- A.17 Display of Expiration Date for OMB Approval
- A.18 Exceptions of Certification Statement

List of Attachments

Appendix A: Form FNS-388

Appendix B: Form FNS-388B

Appendix C: Food Programs Reporting System (FPRS) Screenshots, FNS-388 and FNS-388A

Appendix D: Public Comment, 78 FR No. 178, pg. 56646-56648

A. Justification

1. Explain the circumstances that make the collection of information necessary.

Identify any legal or administrative requirements that necessitate the collection.

Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

This is a revision of a currently approved collection. Section 11(d) of the Food and Nutrition Act of 2008, (Pub. L. 95-113) (the Act) requires that “the State Plan of Operation shall provide for the submission of such reports and other information as from time to time may be required by the Secretary.”

Section 18(b) of the Act as amended August 14, 1979 by Pub. L. 96-58 requires that “In any fiscal year, the Secretary shall limit the value of those allotments issued to an amount not in excess of the appropriation for such fiscal year.” If in any fiscal year the Secretary finds that the program costs in participating States will exceed the appropriation, the Secretary shall direct State agencies to reduce the value of allotments to participating households to the extent necessary to stay within appropriated funding limits. Timely State monthly issuance estimates are necessary for FNS to ensure that it remains within the appropriation and will have a direct effect upon the manner in which allotments would be reduced when necessary. The estimates will also have a direct effect upon the manner in which allotments would be reduced if necessary. Under 18(d) of the Act the Secretary is required to report to Congress the basis of the Secretary’s determination to reduce allotments, the manner in which the allotments will be

reduced, and the action taken by the Secretary to reduce the allotments. In 1998, Section 101 of the Federal Reports Elimination Act of 1998 (Pub. L. 105-362) amended Section 18(a) of the Act to drop the prior requirement in the law that the Secretary report monthly to Congress the issuance data for the second preceding month along with a statement whether there is reason to believe that reductions in the value of allotments issued to households certified to participate in the Supplemental Nutrition Assistance Program (SNAP), will be necessary. Although the monthly report to Congress has been abolished, the need to monitor issuance estimates monthly against the appropriation remains in order to comply with Section 18(b).

The Department published a final rule on May 17, 1985, revising the Form FNS-388 reporting system. Part 274.4(b)(4) of the SNAP regulations requires State agencies to submit on a monthly basis the FNS-388, State Issuance and Participation Estimates. State agencies are required to report estimated or actual issuance and participation data for the current month and previous month, and actual participation data for the second preceding month.

Disaster SNAP is authorized by sections 402 and 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 5121 et seq.) and the temporary emergency provisions contained in Section 5 of the Food and Nutrition Act of 2008, and in 7 CFR Part 280 of the SNAP regulations. State agencies may request FNS approval to operate a Disaster SNAP in an area that has received a Presidential declaration as a

Major Disaster area eligible for Individual Assistance. In accordance with 7 CFR 274.4, State agencies shall keep records and report SNAP participation and issuance totals to FNS.

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

Except for a new collection, indicate how the agency has actually used the information received from the current collection.

The FNS-388 report provides monthly Statewide estimated or actual issuance and participation data for the current and previous month, and the actual participation data for the second preceding month. For the report months of January and July, the participation data must be categorized as non-assistance (NA) and public assistance (PA) and provided for each project area. This NA and PA participation data is captured on the FNS-388A.

The FNS-388 and FNS-388A reports provide the necessary data for an early warning system to enable the Department to fulfill the requirements of Section 18(b) of the Act. In addition, the FNS-388 and FNS-388A data is used: (1) to validate the Annual SNAP Household Characteristic Survey; (2) to compile a Statistical Summary Report which is used for special studies and in response to Congressional and other inquiries; and (3) to compare against the reconciliation points' FNS-46 (OMB# 0584-0080; expiration date 3/31/2014) issuance data (for electronic benefit transfer (EBT), cash-out, and alternative issuance) for indications of accountability problems. FNS has used the project area data

to determine where to demonstrate pilot projects also uses the PA and NA data for determining reimbursement of the administrative costs for certification of joint Temporary Assistance for Needy Families/SNAP cases.

State agencies submit one Statewide FNS-388 per month unless they operate more than one type of issuance system. The primary issuance system is EBT. In November 2013, all 53 SNAP State agencies operated an EBT system, and 5 State agencies operated one or more cash-out projects. The separate reporting allows FNS to track the issuance and participation by each type of issuance system and allows FNS to set aside (obligate) funds each month to pay for each type of issuance. The different issuance systems have different payment mechanisms for FNS to pay for the benefits.

FNS currently requires State agencies to report Disaster SNAP issuance and participation data using form FNS-292B *Report of Disaster Supplemental Nutrition Assistance Program Benefit Issuance* (OMB 0584-0037, expiration date July 31, 2014). Form FNS-292B must be submitted to the agency within 45 days of the termination of a Disaster SNAP operation and captures final issuance and participation data. States operating D-SNAP may also use the “remarks” section of the current FNS-388 form to indicate issuance and participation data, however this is not required and is currently not reported consistently or in a uniform manner that allows FNS to readily access this information. However, recent evaluation of Federal disaster response efforts has identified a critical need for timely periodic reporting while a disaster response is

ongoing. Disaster response updates are frequently requested by the Secretary of Agriculture, the Federal Emergency Management Agency, the White House and Congress during an ongoing relief effort. Updating the FNS-388, to include separate reporting of D-SNAP benefit issuance and participation will improve data accountability and ensure data is available on a monthly basis for timely response to Federal, State and other inquiries. Requiring monthly D-SNAP data on the FNS-388, will not duplicate any data collection currently in place, as the FNS-292B, serves as a final summary and closeout of the disaster response period and is not meant to provide periodic updates.

Revisions to the FNS-388 to include D-SNAP data are summarized below:

- Addition of data elements “D-SNAP (New Households),” “Disaster Supplements (Ongoing SNAP Households),” “Replacement” and “Other” in the *Issuance* section. “Current Month” data will not be required for these elements.
- Addition of data elements “D-SNAP (New Households),” “Disaster Supplements (Ongoing SNAP Households),” Replacement” and “Other” in the *Participants* section. “Current Month” data will not be required for these elements.
- Addition of data elements “D-SNAP (New Households),” “Disaster Supplements (Ongoing SNAP Households),” Replacement” and “Other” in the *Households* section. “Current Month” data will not be required for these elements.
- Adjustment to row identifiers due to inclusion of new rows.
- Revision to FNS-388 Instructions to include these new elements.

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.

FNS makes every effort to comply with E-Government Act, 2002 (E-Gov) and to provide for alternative submission of information collections. 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 individual reporting requirements contained in this submission. FNS-388 in FPRS will not be available until late next year, as the contractor cannot begin making changes to the site until the information collection is approved by OMB. Currently, States submit electronic reporting to the Food Programs Reporting System at <https://fprs.fns.usda.gov/Home/Reminder.aspx>. As of November 2013, 100 percent of the total responses for the FNS-388 and FNS-388A are submitted electronically.

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 Question 2.

The FNS-46 also collects issuance data. However, the issuance data reported on the FNS-46 involves reconciled (actual) issuance, is collected from reconciliation points, and is due 90 days after the report month. The FNS-388 issuance and participation data is derived from State agencies' master files of each household's issuance activity and is reported on the 19th day of the report month. By collecting from these sources we can verify the accuracy of the State agencies reporting and reconciliation systems. While the FNS-46 data is somewhat similar, the need for timely data requires the FNS-388 report so the Department can fulfill its mandated responsibility of determining in advance the latest cost of the program and whether benefit reductions will be necessary.

FNS currently requires State agencies to report Disaster SNAP issuance and participation data using form FNS-292B *Report of Disaster Supplemental Nutrition Assistance Program Benefit Issuance*. Form FNS-292B must be submitted to the agency within 45 days of the termination of a Disaster SNAP operation and captures final issuance and participation data. The information collection burden for the FNS-292B is included in OMB 0584-0037, expiration date July 31, 2014. States operating D-SNAP may also use the "remarks" section of the current FNS-388 form to indicate issuance and participation data, however this is not required and is currently not reported consistently or in a uniform manner that allows FNS to readily access this information. Submission of the FNS-292 cannot be required any more frequently than 45 days post-termination of an event. Requiring monthly D-SNAP data on the FNS-388, will not

duplicate any data collection currently in place, as the FNS-292B serves as a final summary and closeout of the disaster response period and is not meant to provide periodic updates.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

Information being requested or required has been held to the minimum required for the intended use. There are no small entities involved in this data collection.

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 burden.

This is an on-going data collection. In order to monitor benefit expenditures against the appropriation and determine whether a benefit reduction will be necessary during the fiscal year, as required by Section 18(b) of the Food and Nutrition Act, it is necessary that the FNS-388 collect issuance data monthly and that the FNS-388A collect project data semi-annually (January and July). Less frequent reporting would render the data inadequate for making timely projections and taking action to notify State agencies to initiate benefits reductions to fulfill the requirements of Section 18(b) of the Act.

Additionally, recent evaluation of Federal disaster response efforts has identified a critical need for timely periodic reporting while a disaster response is ongoing. Disaster

response updates are frequently requested by the Secretary of Agriculture, the Federal Emergency Management Agency, the White House and Congress during an ongoing relief effort. Failure to update the FNS-388 to include separate reporting of D-SNAP benefit issuance and participation will prevent data accountability and as well as the ability to make data available on a monthly basis for timely response to Federal, State and other inquiries.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- **requiring respondents to report information to the agency more often than quarterly;**
 - The FNS-388 report provides the necessary data for an early warning system to enable the Department to fulfill the requirements of Section 18(b) of the Act. FNS monitors issuance estimates monthly against the appropriation remains in order to comply with the Act and allow FNS to set aside (obligate) funds each month to pay for each type of issuance.
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**

- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

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

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 and hour burden.

On September 13, 2013, the Agency published a notice in the Federal Register (78 FR No. 178, pg. 56646-56648) soliciting comments on the information collection prior to submission to OMB. One comment was received; however the comment was not directly related to this information collection or to the proposed revisions to the FNS-388 form.

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 in prior years. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

Consultation with users of the FNS-388 and FNS-388A has been a continuous process over the years. FNS consulted with Regional and State representatives regarding the changes to the FNS-388 and Instructions on August 16, 2013, and October 31, 2013.

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

FNS has no plans to provide payments or gifts to respondents.

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

Agency complies with the Privacy Act of 1974.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or 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.

There are no sensitive questions included in this submission.

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

A) Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.

State agencies in general only submit one statewide FNS-388 per month, which covers benefits from their Electronic Benefit Transfer (EBT) system. The exception is State agencies which choose to operate an approved alternative issuance demonstration project such as a cash-out system submit a separate report for each additional type of issuance system. The addition of D-SNAP estimates on FNS-388 will not impact the frequency of response or recordkeeping, but the update will minimally increase the burden associated with completing the form. As there are an average of six disasters requiring D-SNAP issuance each year, this change will not impact all States in all months. As a result of these program changes, FNS estimates the burden hours associated with completing the FNS-388 will increase by 30 minutes for each State responding to a disaster (estimated at 6). This will increase the time per response from 5.6 to an average of 5.65 per month $\left(\frac{[(5.6 * 47) + (6 * 6)]}{53} \right)$ thereby increasing the total reporting burden hours for the FNS-388 to 3,389.8.

(Table A. 12.1)

The information provided on FNS-388A will not change and the burden associated with this form remains as is. For the report submission months of January and July, State agencies tabulate and record Statewide NA/PA totals of households and persons for the second preceding months of January and July on the FNS-388A. In addition to the Statewide NA/PA participation totals, NA/PA totals by project area are also required as an attachment to the January and July reports. The hourly burden for this report is based on an average of 54.9 project areas per State agency (2,911 project areas divided by 53 State agencies) times an estimate of 10 minutes per project area. FNS anticipates 53 State agencies will respond 2.26 times per respondent for a total of 120 annual responses (rounded from 119.78). The total annual burden for these two reports is therefore estimated at 1,779.6 hours. (Table A. 12.1)

SNAP has 53 agencies that administer SNAP and are identified as respondents. Some State agencies administer more than one issuance system and thus respond more than once. Therefore we have 53 respondents, and the estimated average frequency of response by each respondent is used to calculate total annual responses.

All 53 State agencies will maintain both FNS-388 and FNS-388A. The hourly burden for recordkeeping has not changed. It takes record keepers an estimated .0236 hours to maintain the FNS-388 record at an average response frequency of 11.32 records per agency. This total multiplied by the average annual records submitted (600) results in a

total annual burden of 14.40 hours. FNS anticipates recordkeeping time for FNS-388A at .0236 hours at an average response frequency of State 2.26 records per agency. This total multiplied by the average total annual records submitted (120) results in a total annual burden of 2.88 hours. (Table A. 12.2)

Reporting and Recordkeeping Total (5,169.4 + 17.28 = 5, 186.68) rounded up to 5,187 burden hours.

Table A. 12.1 Reporting Estimates of Hour Burden

AFFECTED PUBLIC	FORMS	NUMBER OF RESPONDENTS	FREQUENCY OF RESPONSE	TOTAL ANNUAL RESPONSES	TIME PER RESPONSE (HRS)	ANNUAL BURDEN HOURS
State Agencies	FNS-388	53	11.32	600	5.65	3,390
	FNS-388A	53	2.26	120	14.83	1,779.6
Reporting Burden		53		720		5,169.6

Table A. 12.2 Record Keeping Burden

AFFECTED PUBLIC	FORMS	NUMBER OF RECORD-KEEPERS	FREQUENCY OF RESPONSE	TOTAL ANNUAL RECORDS	TIME PER RESPONSE (HRS)	ANNUAL RECORD-KEEPING HOURS
State Agencies	FNS-388	53	11.32	600	.024	14.4
	FNS-388A	53	2.26	120	.024	2.88
Record-keeping Burden		53		720		17.28

B) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.

Table A. 12.3 Annualized Cost to Respondents

AFFECTED PUBLIC	FORMS	NUMBER OF RESPONDENTS	NUMBER OF REPORTS	TOTAL ANNUAL RESPONSES	TIME PER RESPONSE (HRS)	ANNUAL BURDEN HOURS	HOURLY WAGE RATE	COST TO PUBLIC
REPORTING BURDEN								
STATE/LOCAL & TRIBAL GOVERNMENT AGENCIES	FNS-388	53	11.32	600	5.65	3,390	\$ 17.89	\$ 60,647
	FNS-388A	53	2.26	120	14.83	1,779.6	\$ 17.89	\$ 31,837
Total Burden Estimates		53		720		5,139.6	\$17.89	\$ 92,484
RECORDKEEPING BURDEN								
STATE/LOCAL & TRIBAL GOVERNMENT AGENCIES	FNS-388	53	11.32	600	.024	14.4	\$ 17.89	\$ 258
	FNS-388A	53	2.26	120	.024	2.88	\$ 17.89	\$ 51.52
Total Burden Estimates		53		720		17.28	\$17.89	\$ 310
TOTAL		53		1,440		5,157	\$17.89	\$92,794

The estimate of respondent cost is based on the 2012 Bureau of Labor statistics hourly mean wage for State government social and human service assistants, found at <http://www.bls.gov/oes/current/oes211093.htm>. Functions performed by State and local agency staff for reporting and recordkeeping are valued at \$17.89 per staff hour. The estimated annualized cost to respondent (with 50 percent reimbursement from Federal government) is \$46,397.

Reporting & Recordkeeping FNS-388 and FNS-388A

1.	State and local government cost @ \$17.89/per staff hour	\$92,484	\$310
2.	Less Federal reimbursement @50%	\$46,242	\$155
3.	Net cost to State and local government	\$46,242	\$155
	Respondent Cost =	\$46,397	

13. Provide estimates of the total annual cost burden to respondents or record

keepers resulting from the collection of information, (do not include the cost of any hour burden shown in questions 12 and 14). The cost estimates should be split into two components: (a) a total capital and start-up cost component annualized over its expected useful life; and (b) a total operation and maintenance and purchase of services component.

There are no capital, start-up and/or annualized maintenance costs associated with this burden. Maintenance costs were previously reported at \$91,241 and have been removed due to reporting error.

14. Provide estimates of annualized cost to the Federal government. Provide a description of the method used to estimate cost and any other expense that would not have been incurred without this collection of information.

The annual cost to the Federal Government to collect and use the data is estimated at \$127,722. This cost includes (1) printing costs (not applicable in this instance); (2) reviewing and approving the data, analyzing the data, monitoring participation levels and issuance; (3) providing benefit funds for cash-out and electronic benefit transfer

issuance; (4) automated system costs (including labor costs); and (5) the Federal share of State agencies' burden costs to report the data.

Table A. 14.1 Annualized Costs to Government

Activity	Printing Costs	REG office Reviewing., Monitoring	HQ Data Analysis	Reports to Congress	QTR Allow Funding	Automated System Costs	Federal Share State Costs	Total Federal Costs
FNS-388	\$0	\$3,380	\$8,705	\$914	\$129	\$50,000	\$46,397	\$109,525
FNS-388A	\$0	\$2,997	\$200	\$0	\$0	\$15,000	INC ABOVE	\$18,197
Total		\$6,377	\$8,905	\$914	\$129	\$65,000		\$127,722

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 of a currently approved collection. The current burden inventory for this collection is 5,157 hours. The revised burden request is 5,187. These program changes reflect an increase of 30 hours due to an increase in the burden associated with completing the FNS-388 with the inclusion of D-SNAP data.

16. For collections of information whose results are planned to be published, outline plans for tabulation and publication.

FNS publishes on an annual basis a State Activity Report which includes tables of State activity. These tables include participation and issuance by State agency compiled from the FNS-388 (for participation) and FNS-46 forms (for final issuance). This report is normally published in June and is distributed internally within FNS and to State agencies; and is available on the FNS public webpage. Utilizing data collected from the FNS-388A, FNS also prepares periodically a "SNAP Statistical Summary of Project Area

Operations Report” which provides the Public Assistance and Non-assistance participation by project area.

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

FNS is not seeking approval to omit the expiration date of OMB approval on the FNS-388/388A.

18. Explain each exception to the certification statement identified in Item 19 of the OMB 83-I" Certification for Paperwork Reduction Act."

There are no exceptions to the certification statement.