

**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM: REVIEW OF MAJOR  
CHANGES IN PROGRAM DESIGN AND MANAGEMENT EVALUATION SYSTEMS  
FINAL RULE (RIN 0584-AD86)**

**SUPPORTING STATEMENT**

**OMB CLEARANCE NUMBER 0584-NEW**

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**Appendix E: Legal Authority; Section 4116 of the Food, Conservation, and Energy Act of 2008, Pub. L. 110-234**

OMB has previously reviewed this collection with the proposed rule (Supplemental Nutrition Assistance Program: Review of Major Changes in Program Design and Management Evaluation Systems, May 3, 2011, 85 FR 24820) and filed a comment under OMB Number 0584-0579. There are no changes to burden activity; however, there is an increase in the total number of respondents which has increased the burden estimates associated with the final rulemaking.

- 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 request for a new information collection. Section 4116 of the Food, Conservation, and Energy Act of 2008, Pub. L. 110-234 (“FCEA”), Review of Major Changes in Program Design, amended Section 11 of the Food and Nutrition Act of 2008 (the Act) (7 U.S.C. 2020). It requires the Department to develop standards for identifying major changes in the operations of State agencies that administer SNAP; State agencies to notify the Department upon implementing a major change in operations; and State agencies to collect any information required by the Department to identify and correct any adverse effects on program integrity or access, including access by vulnerable households.

This ICR is for the final rule titled: Review of Major Changes in Program Design and Management Evaluation Systems (RIN 0584-AD86). The rule amends the Supplemental

Nutrition Assistance Program (SNAP) regulations to implement Section 4116 of FCEA. The final rule amends the SNAP regulations (7 CFR Part 272) to incorporate these provisions. This rule also amends the Management Evaluation (ME) Review regulations at 7 CFR 275.3 through 275.7 by modifying the requirements for Federal and State reviews of State agency operations. It also revises the definitions of large, medium and small project areas. Finally, it removes sections of the regulations pertaining to coupons and coupon storage since they are obsolete.

Although this rule contains amendments to section 275.3, Federal Monitoring, there are no changes in the burden based on these changes. All required burden for this section is already approved under OMB No. 0584-0010, Performance Reporting System, Management Evaluation, expiration date 5/31/2016.

This is a NEW information collection request. These changes are contingent upon OMB approval under the Paperwork Reduction Act of 1995. When the information collection requirements have been approved, FNS will publish a separate action in the Federal Register announcing OMB's approval.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The purpose of this information collection associated with rulemaking is to comply with the requirements of the FCEA. The rule establishes a new reporting burden for State Agencies (SAs) that administer SNAP when they make major changes to their operations. FNS would not be able to properly monitor SA compliance without this collection of information.

- 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.**

While FNS is committed to complying with the E-Government Act, 2002 to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, the reporting burden required by the regulations is dependent upon each individual state's decision to make a major change in their administration of SNAP. Since the reporting requirements are expected to be fairly similar for States that do implement a major change, FNS will provide a reporting format in the guidance it will provide to States.

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

FNS solely administers and monitors SNAP. FNS has reviewed USDA reporting requirements, state administrative agency requirements and there is no similar reporting requirement for States to notify FNS when they make major changes to SNAP. For States that are required to report on the impacts of the major change, the regulations are structured to avoid duplication with other data collections.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

Information being requested or required has been held to the minimum for the intended use. No small business entities would be affected by the regulation.

**6. Describe the consequence 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.**

The information is collected for the purpose of administering an ongoing program. If this information was not collected, or collected less frequently, FNS would not be able to properly monitor for compliance. Per the final rule, this information collection requires the “automatic” reporting of standard data when there is a major change made in the administration of a State’s SNAP. FNS may request additional information or, in limited circumstances, waive

unnecessary reporting from States.

**7. Circumstances that would cause an information collection to be conducted in a manner that is inconsistent with 5 CFR 1320.5:**

- **requiring respondents to report information to the agency more often than quarterly;**
- **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 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, 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.**

FNS published the proposed rule, "Changes in Program Design and Management Evaluation Systems" (0584-AD86) on May 3, 2011 in the Federal Register (76 FR 24820). The proposed rule provided a 60-day comment period on the information collection. During this time, interested members of the public had the opportunity to provide FNS with their input concerning the necessity, practical utility, accuracy, and merit of the information collection activities FNS proposed. No substantive comments were received and no changes have been made to the information collection activities or burden estimate in the final rule.

- **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 form, and on the data elements to be recorded, disclosed, or reported.**

FNS consults with Regional offices regarding any changes as the result of legislative, regulatory or administrative changes. Regional offices are in contact with State agencies which provide feedback on FNS processes and procedures for the information collection. In addition, after the FCEA was enacted on June 18, 2008, FNS held a series of conference calls with State agencies and FNS regional offices to explain the SNAP provisions included in the law and to answer questions that State agencies had about implementing the changes to the program. On July 3, 2008, FNS issued an implementation memorandum that described each SNAP-related provision in the FCEA and provided basic information to assist State agencies in meeting statutorily-mandated implementation timeframes. FNS responded to additional questions that State agencies submitted and posted the answers on the FNS website. Another forum for consultation with State officials on implementation of the FCEA provisions included various conferences hosted by FNS regional offices, State agency professional organizations, and program advocacy organizations. During these conferences, held in the latter part of 2008 and early months of 2009, FNS officials responded to a range of questions posed by State agency officials related to implementation of FCEA provisions.

**9. Explain any decision to provide any payment or gift to respondents, other than**

**remuneration of contractors or grantees.**

No payment or gift will be provided to respondents.

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

The Department complies with the Privacy Act of 1974. No confidential information is associated with this information collection.

**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 questions of a sensitive nature included in this information collection.

**12. Provide estimates of the hour burden of the collection of information. The statement should include:**

- **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.**

Estimated Total Annual Burden on Respondents:

Section 272.15(a)(3), requires States provide both descriptive and analytic information regarding the major change. FNS believes States will have completed the majority of the analysis in the normal course of their own planning and decision making. The descriptive information should also be readily available and require minimal data gathering since it is the State's decision to make the major change. We estimate it will take 8 hours to describe the change and 32 hours to repackage and complete the required analysis for a total of 40 hours per response. Out of 53 State Agencies, FNS estimates approximately 23 will make major changes annually. Thus, with 23 States reporting 0.978260869 major change per year, the initial reporting and analysis aspect of the rulemaking would be 22.5 total annual responses x 40 hours per State = an estimated 900 burden hours per year (23 States x 0.978260869 response per respondent = 22.5 total annual responses x 40 hours per respondent to respond = 900 annual burden hours).

FNS believes that for about seventy percent of the major changes States report, no additional reporting will be necessary beyond the automatic reporting requirements. Under 272.15 (b)(4), additional data collection will only be required for the remaining 30 percent of the reported major changes. Therefore, for 15.75 of the major changes expected each year there would be no additional reporting burden by approximately 15 States x 4.2 responses per respondent = 63 total

annual responses x 22 hours per respondent to respond =1,386 annual burden hours for this activity

All 22.5 total annual responses of the major changes expected each year will require some automated system reprogramming to generate the required automatic data reporting. At 48 hours per reprogramming effort, this would be 1080 hours per year (22.5 responses x 48 reprogramming hours). The reports themselves would be estimated to require 12 hours each.

<b>Respondents</b>	<b>Estimated Annual Responses</b>	<b>Responses per year</b>	<b>Hours per response</b>	<b>Total hours per year</b>
23 States quarterly	3.9130434	90	12	1080

The total for the 23 States would be 900 + 1080 hours = 1980 total hours for reporting (divided by the 23 States = 86 hours per State per year).

Under 272.15(b)(4) we anticipate that 6 States are expected to require additional data collection, this requirement (6SA x 4.5 frequency per SA = 27 total annual responses x 273.25 hours per SA = 7,377.75 burden hours would be in addition to the the burden above. Such data will generally be collected through a sample number of case reviews. While the required sample sizes may vary based on the type of major change and the proportion of the State's SNAP caseload it may affect, 200 cases per quarter would likely be an upper limit on what FNS could ask of a State. At an estimated one hour to review and report on a case, this would require 900 hours per year per State. The 6 States x 900 hours yields 5,400 hours (6 State respondents x 900 hours per respondent to respond = 5,400 annual burden hours). When the 1,980 hours are added for the automatic information, the total for these 6 States is 7,380 hours (1,230 hours per State per year).

With all 23 States reporting approximately 3.9130434, equals approximately 90 responses annually. Twenty seven of the 90 reports would contain additional information from sample data.

Section	Requirement	Estimated Average Number of States responding per year	Estimated Average Number of Responses per respondent	Estimated Total Number of Annual responses	Estimated Hours per response	Estimated Annual Total Burden hours
272.15(a) (3)	Initial analysis of Major Change	23	0.9782608	22.5	40	900
272.15(b) (2)-(4)	Reports required without additional data collection	15	4.2	63	22	1,386
272.15(b) (5)	Reports required with additional data collection	6	4.5	27	273.25	7,377.75
<b>Totals</b>		<b>23</b>	<b>4.89</b>	<b>112.5</b>	<b>85.9</b>	<b>9,663.75</b>

There is no recordkeeping involved in this data collection.

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

The rule will have a minimal cost in fiscal year (FY) 2016 and over the 5 years FY 2016 through FY 2020. To estimate the cost impact, we multiplied the estimated total burden hours, as outlined in the Paperwork Reduction Act section of the preamble, by the hourly mean wage for functions performed by State agency and local education agency staff. The hourly mean

wage is based upon the U.S. Department of Labor, Bureau of Labor Statistics, May 2014 National Occupational and Wage Statistics, Occupational Group (for education-related occupations), which is \$25.10. FNS estimates a total of 9,663.75 burden hours to fulfill the reporting requirements. The annual cost is estimated at \$242,560 or approximately \$1,212,801 over the 5 years FY 2016 through FY 2020.

**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 items 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 start-up, operating or annual maintenance costs for this collection of information.

**14. Provide estimates of annualized cost to the Federal government. Also, 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.**

It is estimated that federal employees receiving an average General Schedule (GS) grade 12 step 6 wage based on the Washington DC-Northern Virginia locality area take approximately 900

hours (22.5 Major changes x 40 hours each) to analyze data related to major changes made to States' SNAP:  $\$42.70 \times 900 = \$38,430$  (estimated annualized cost to federal government).

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

This is a new information collection. OMB has previously reviewed this collection with the proposed rule and filed a comment under OMB Number 0584-0579. There are minimal changes to burden activity associated with the final rulemaking. Our current request submitted with the Proposed Rule was 7,696 burden hours this OMB inventory request for this Final Rule is 9,663.75 rounded to 9,664. This reflects an increase of 1,968 burden hours. We believe this increase in burden is due to the increased number of State Agencies. In the Proposed Rule, we estimated that 20 State Agencies will introduce at least 1 major change annually; FNS has since adjusted the number of State Agencies to 23 and increase of 3 State agencies. This adjustment also reflects a decreased the total number of annually responses from 140 to 112 which is a decrease of -28 annual responses.

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

This collection does not employ statistical methods and there are no plans to publish the results of this collection.

**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.**

We are not seeking approval concerning the display of the expiration date.

**18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act."**

There are no exceptions to the certification statement.