

SUPPORTING STATEMENT - PART A for

OMB Control Number 0584-0552:

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

National Universal Product Code (NUPC) Database Reporting Burden

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A1. 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.

The purpose of the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), is to provide supplemental foods, nutrition education, including breastfeeding promotion and support, and health care referrals to low income, nutritionally at-risk pregnant, breastfeeding and postpartum women, infants, and children up to age five. Currently, WIC operates through State health departments in 50 States, 34 Indian Tribal Organizations (ITOs), American Samoa, District of Columbia, Guam, Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands. The Federal regulations governing the WIC Program (7 Code of Federal Regulations (CFR) part 246) require that certain program-related information be collected and that full and complete records concerning WIC operations are maintained. The information reporting and record-keeping burdens are necessary to ensure appropriate and efficient management of the WIC program. The WIC Program is authorized by the Child Nutrition Act (CNA) of 1966, as amended.

This submission is a revision of a currently approved collection which covers the information collection and reporting of the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) National Universal Product Code (NUPC) Database, OMB #0584-0552; expiration date August 31, 2018.

Per §246.2 of the WIC regulations, “State agencies” are health departments or comparable agencies of the States, U.S. Territories, and ITOs. State agencies administer the WIC Program

with funds provided by the U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS) pursuant to annual Federal-State agreements. Per §246.2 of the WIC regulations, “vendors” are businesses operating retail stores authorized by WIC State agencies to transact WIC “food instruments” (checks, vouchers or electronic benefit transfer (EBT) cards) used by WIC participants to purchase WIC authorized foods.

This submission incorporates the information collection burden associated with the maintenance of the NUPC database as required by the Child Nutrition and WIC Reauthorization Act of 2004 (P.L. 108-265) and the Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296). The NUPC database serves as an electronic repository of information about foods eligible under the WIC Program and that have been authorized or approved by WIC State agencies. The NUPC database is also used by WIC State agencies as they implement their EBT programs State-wide. Further information about the NUPC can be found in the burden narrative (Attachment A) and in the NUPC burden table (Attachment B).

The reporting and record-keeping associated with WIC State agencies and their management of the NUPC database is not included in this burden calculation, although WIC State agencies are mentioned in the descriptions of the program and its requirements as outlined in this supporting statement. Burden hours associated with WIC State agencies and their management of the NUPC database is included in the burden calculation associated with the WIC program regulations, OMB Control Number 0584-0043. The revision to this information collection also includes the elimination of cost burden reporting associated with ongoing operations and maintenance of the NUPC database that had mistakenly been reported as part of the NUPC burden. Respondents will

not incur any costs associated with total capital/start-up or ongoing operation/maintenance with this information collection; likewise, respondents are not required to keep any record of information submitted as this information is stored in the NUPC database (refer to A13 for further information).

A2. Purpose and Use of the Information.

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 reporting burden covered by this information collection request (ICR) includes the voluntary submission of food product information by food distributors and manufacturers, and retail vendors for inclusion in the NUPC database.

The NUPC database provides all WIC State agencies with access to a central repository containing product information about WIC authorized foods which directly support WIC State agency EBT systems for WIC Program delivery. WIC State agencies may choose to use the NUPC database to create an initial list of authorized foods eligible for redemption by WIC Program participants. WIC State agencies may also use the NUPC database to maintain their list of authorized foods and to create an Authorized Product List (APL) for distribution to authorized retail vendors when operating in the EBT environment. The NUPC database enables the sharing of product information between State agencies. Additional benefits include an efficient review of potential food items by WIC State agencies, reduced duplication in data entry, and standardized output reporting in electronic formats suitable for incorporation into stakeholder automated systems. Food product information housed in the NUPC database is reviewed against WIC program regulations to ensure all authorized products comply with WIC regulations and nutrition standards before the information is entered into the database or made available to WIC State agencies.

a. What information will be collected - reported or recorded?

The information collection for this burden is based on the hours associated with food manufacturers and distributors, and retail vendors voluntarily submitting food product information; such as, nutrition facts panel information, ingredients, special processing practices (i.e. Kosher or Halal), etc. to FNS for inclusion in the NUPC database.

b. From whom will the information be collected?

The respondents for the information collection are food manufacturers and distributors, and retail vendors.

c. What will this information be used for? Provide ALL uses.

WIC Regulations at 7 CFR Part 246 require WIC State agencies to authorize eligible foods for their WIC food list. Under these regulations, WIC State agencies must review food products for eligibility in accordance with Federal regulations and State agency policies. The NUPC database provides all WIC State agencies with access to a central repository containing comprehensive information about authorized WIC foods. State agencies may choose to use the NUPC database to create an initial list of authorized foods eligible for redemption by WIC Program participants. WIC State agencies may also use the NUPC database to maintain their list of authorized foods, and to create an APL for distribution to authorized vendors when operating in the EBT environment. WIC State agencies are not required to authorize all food products eligible under Federal regulations, but generally select foods based on factors such as cost, availability and acceptability to participants. After review, the State agency develops a list of food items eligible for WIC participants to purchase. WIC State agencies require retail vendors to ensure only approved food items are purchased. In State agencies that have transitioned to EBT systems, retail vendors must program their point of sale systems to identify WIC approved foods and their associated Universal Product Code (UPC) or Price Look-Up (PLU) code as individual products are scanned at the checkout. Retail vendors in States that have not transitioned to EBT rely on their checkout clerks to ensure only authorized WIC products are approved for purchase.

WIC State agencies operating EBT systems provide their retail vendors with an electronic file containing the WIC State agency's current list of authorized foods. As products are scanned at the checkout lane, the UPC or PLU is matched to the State specific APL. Food items matching the APL, and which are presented in quantities less than or equal to the remaining benefit balance associated with the participant's WIC EBT card, are approved for purchase. Unmatched items, or items in excess of the available account balance, may not be purchased with WIC benefits.

d. How will the information be collected?

A third-party contractor, under contract with FNS contacts food manufacturers and distributors, and retail vendors periodically to obtain food product information for update or entry to the NUPC database. Manufacturers, distributors, and retail vendors will normally provide this information via email directly to the contractor responsible for populating the NUPC database during the Paperwork Reduction Act reporting period (Attachment E). The contractor inputs and manages the information stored in the NUPC database.

e. How frequently will the information be collected?

FNS estimates that each of the food manufacturers or distributors will be asked to provide product information 4 times per year, on average, and that each of the 120 retail vendors will be asked to provide product information 2 times per year, on average.

f. Will the information be shared with any other organizations inside or outside USDA or the government?

The information may be made available to the Government Accountability Office (GAO) or other Congressional offices.

g. If this is an ongoing collection, how have the collection requirements changed over time?

There have been no changes to the collection requirements for this ICR since its last renewal in 2015, and there are no foreseeable changes.

A3. Use of information technology and burden reduction.

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 the E-Government Act of 2002. Any information that is submitted by respondents to FNS is submitted via email.

Additionally, FNS has constructed the NUPC database concept of operations to meet the needs of food manufacturers and distributors, and retail vendors. FNS has procured the services of a contractor who serves as the single point of entry for all data entering the NUPC database. The contractor obtains information (product, nutritional, etc.) on eligible foods from food manufacturers, distributors, and retail vendors, for subsequent entry into the database. The contractor will ask manufacturers, distributors, and retail vendors to submit all information via email. FNS requests images of product labels, product ingredients, and nutrition facts. The respondent's information is received in any format convenient for the respondent in order to minimize the time and effort of the respondent. This contractor is also responsible for screening

WIC authorized food items against Federal nutritional requirements, ensuring that the data is captured with a high level of accuracy, and preserving data integrity and entering the data in a standardized format.

The use of email for data collection was chosen because it provides ease in response for the respondents. Respondents can provide the information in a format that best suits their business needs and minimizes their time and effort in responding.

The product information which is stored in the NUPC database is accessible via the internet which allows for the transfer of information between computers.

A4. Efforts to identify duplication.

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.

There are no similar information collection efforts. Every effort has been made to avoid duplication. FNS has reviewed USDA reporting requirements and state administrative agency requirements. FNS solely administers and monitors the WIC Program and the NUPC database.

A5. Impacts on small businesses or other small entities.

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. FNS estimates that none of the respondents to this collection will be small entities; therefore the requirements for this information collection do not impact small entities.

A6. Consequences of collecting the information less frequently.

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 the information were collected less frequently than the frequencies discussed in A2e, the effectiveness of the NUPC database would be reduced.

A7. Special circumstances relating to the Guidelines of 5 CFR 1320.5.

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;**
- **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;**

Under § 246.26(b) of the WIC regulations, FNS reserves the right to use information obtained under the Program in a summary, statistical or other form which does not identify particular individuals.

- **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(d)(2).

A8. Comments to the Federal Register Notice and efforts for consultation.

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.

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.

The invitation for comments was set forth in a 60 Day Notice on page 20032 of the Federal Register (Vol. 83, No. 88) on Monday, May 7, 2018. The public comment period ended on July 6, 2018.

The Food and Nutrition Service (FNS) received one comment (Attachment C and C.1) in response to the published Federal Register notice:

FNS' Supplemental Food Programs Division (SFPD) notes that the respondent under 'Attachment C and C.1' acknowledges the utility of the NUPC database and provides recommendations to improve the user-functions of the database; including, ways to enhance the quality, utility, and clarity of the information collected. FNS also notes the respondent's business interests in soliciting FNS to work with their company, Label Insight, Inc. to improve user

functions of the NUPC database, thus streamlining this function in the administration of the WIC Program. SFPD issued a response in relation to this comment under ‘ Attachment D, FNS Response to Public Submission Comment 1’, which in part stated that FNS is undergoing an assessment of the NUPC database and considering ways to make it more efficient and more effective for use by WIC State agencies.

FNS consulted with three WIC State Agencies about the burden estimate: 1) Wyoming WIC Program, Cheyenne, WY, 307-777-6026; 2) Michigan WIC Program, Lansing, MI, 517-335-8951; and, 3) Florida WIC Program, 850-245-4202.

A9. Explain any decisions to provide any payment or gift to respondents.

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

There are no payments or gifts to respondents.

A10. Assurances of confidentiality provided to respondents.

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

FNS does not collect any confidential information from respondents in association with this burden. The Department complies with the Privacy Act of 1974. This information collection does not request any personally identifiable information, nor does it include a form that requires a Privacy Act Statement.

A11. Justification for any questions of a sensitive nature.

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.

This submission does not ask any questions of a sensitive nature.

A12. Estimates of the hour burden of the collection of information.

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.

The reporting burden covered by this ICR includes the voluntary submission of food product information by food distributors and manufacturers, and retail vendors to the NUPC database.

Under this ICR, FNS estimates that this collection will have 360 respondents, 1,200 annual responses, and 10,320 annual burden hours, as detailed in the chart below and the NUPC burden table (Attachment B). The annual responses and burden hours remain the same from the previous submission.

Regulatory Section	Respondent	Estimated Number of Respondents	Annual Responses Per Respondent	Total Annual Responses	Number of Burden Hours Per Response	Estimated Total Annual Burden (Hours)
7 CFR Part 246	Food Manufacturers and Distributors reporting on food	240	4	960	9	8,640

	product information					
7 CFR Part 246	Retail Vendors reporting on food product information	120	2	240	7	1,680
Grand Total: Reporting		360	3.33	1,200	8.60	10,320

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

Description of the Collection Activity	Estimated Total Annual Burden (Hours)	Estimated Average Income per Hour	Estimated Cost to Respondents
#0584-0552 Food manufacturers, distributors and retail vendors	10,320	\$18.10	\$186,792
Totals	10,320		\$186,792

The estimate of respondent cost is based on the burden estimates and utilizes the U.S. Department of Labor, Bureau of Labor Statistics, May 2017 National Industry-Specific Occupational Employment and Wage Estimates (<https://www.bls.gov/oes/current/oesrci.htm>). The average hourly rate for food manufacturers, distributors, and retail vendor staff is \$18.10, which is the mean of ‘all occupations’ in the industry of Food Manufacturing. (https://www.bls.gov/oes/current/naics3_311000.htm#00-0000)

A13. Estimates of other total annual cost burden.

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.

Respondents will not incur any costs associated with total capital/start-up or ongoing operation/maintenance with this information collection. There is no need for respondents to procure any equipment or other services to submit data for the NUPC database; likewise, respondents are not required to keep any record of information submitted as this information is stored in the NUPC database.

Cost burden associated with the on-going operations and maintenance were mistakenly reported as a respondent burden under the NUPC burden, OMB Control Number 0584-0552, Expiration date: 8/31/2018. The cost burden previously reported under OMB Control Number 0584-0552, was a reference to cost burden for the contractor to develop, maintain, and troubleshoot electronic systems for on-going operation and maintenance of the NUPC burden. This cost burden was eliminated under this revision, and will be eliminated from future revisions as it does not apply to annual cost burden for respondents. Operation and maintenance costs are included as part of the contractor costs provided in A.14.

A14. Provide estimates of annualized cost to the Federal government.

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 Healthy, Hunger- Free Kids Act of 2010, Public Law No: 111-296, provides \$1,000,000 per year for the creation, operation, and maintenance of the NUPC database. FNS expects to incur an additional \$30,000 per year for hosting services, setup fees, and other direct costs, in each year of this reporting period. FNS estimates that contractor services for purposes of populating the database, operations, maintenance and enhancements will cost \$900,000 per year of this

reporting period for an annual cost of \$930,000.

The total cost over three years is estimated to be \$2,790,000.

Description	Cost in Year 1	Cost in Year 2	Cost in Year 3
Hosting Services	\$30,000	\$30,000	\$30,000
Data Services (populate database), Maintenance and Operations and Enhancements	\$900,000	\$900,000	\$900,000
Total	\$930,000	\$930,000	\$930,000

A15. Explanation of program changes or adjustments.

Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

This submission is a revision of a currently approved collection. This collection is currently approved with 10,320 burden hours, 1,200 responses, and \$165,672 in operation/maintenance costs. For this renewal, FNS expects the burden hours and the responses to remain unchanged

The \$165,672 in on-going operations and maintenance costs were mistakenly reported as a respondent burden under the NUPC burden, OMB Control Number 0584-0552, Expiration date: 8/31/2018. The cost burden previously reported as part of the NUPC burden was a reference to cost burden for the contractor to develop, maintain, and troubleshoot electronic systems for on-going operation and maintenance of the NUPC burden. This cost burden was eliminated under this revision, and will be eliminated from future revisions as it does not apply to annual cost

burden for respondents. With the elimination of these costs, \$165,672 has been removed from this collection as an administrative adjustment.

A16. Plans for tabulation, and publication and project time schedule.

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

The information covered by this collection is not for publication. Some information, however, may be shared with contractors that are completing studies about the WIC Program and may be used, in aggregate form, and in resulting publications.

A17. Displaying the OMB Approval Expiration Date.

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

This submission is not seeking OMB approval to not display the expiration date.

A18. Exceptions to the certification statement identified in Item 19.

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

The agency is able to certify compliance with all provisions under Item 19 of OMB Form 83-I.