

**Supplemental Nutrition Assistance Program: Trafficking Controls and Fraud**

**Investigations (Card Replacement)**

**SUPPORTING STATEMENT**

**OMB CLEARANCE NUMBER 0584-0587**

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- Appendix A: Legal Authority Card Replacement CFR**
- Appendix B.1: Public Comment Shyla Patera**
- Appendix B.2: Public Comment Stephanie Pestowski**
- Appendix B.3: Public Comment Jean Public**
- Appendix B.4: Public Comment Mattie Davis**
- Appendix C: Burden Narrative**
- Appendix D: System of Records Notice**

## **A1. Circumstances That Make Collection of Data 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 information collection request (ICR). The Food and Nutrition Act of 2008 (the Act), as amended, 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 SNAP benefits. Information collected is limited to that necessary for the administration and enforcement of the SNAP Program.

Further, FNS regulations at 7 CFR 274.6(b)(5) allow State agencies to deny a request for a replacement SNAP EBT card until the household makes contact with the State agency if the requests for replacement cards are determined to be excessive. The State agency may determine the threshold for excessive card replacements, not to be less than four replacement cards in a 12-month period.

Finally, FNS regulations at 274.6(b)(6) require State agencies to monitor EBT card replacement requests and send notices to households when they request four cards within a 12-month period. The State agency shall be exempt from sending this Excessive Replacement Card Notice if it adopts the card withholding option in accordance with 7 CFR 274.6(b)(5) and sends the requisite Withholding Replacement Card Warning Notice on the fourth replacement card request.

## **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 the actual use the agency has made of the information received from the current collection.*

The purpose of this information collection is to issue notices regarding multiple requests for EBT replacement cards and excessive EBT card replacement, with the intent to discourage SNAP benefit trafficking and identify possible trafficking and fraud in the SNAP program (See Appendix C Burden Narrative).

## **A3. Use of Improved Information Technology to Reduce Burden**

*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.*

In compliance with E-Government Act of 2002 (E-Gov), State agencies have the authority to use the technology that best suits the needs of their individual or unique systems of operation to comply with the reporting and recordkeeping requirements contained in this submission. FNS has made every effort to provide for electronic submission as an alternative to paper submission in compliance with the E-Gov. FNS provides funding to support the development of electronic systems through Federal matching of States' administrative costs. However, for this ICR, there is no information that will be collected electronically.

#### **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 is no similar information collection. Every effort has been made to avoid duplication. For SNAP purposes, States are required to limit collection to information necessary to comply with the SNAP statutory requirements and to protect program integrity without imposing undue burden on respondents.

FNS solely administers and monitors the SNAP program, no other entity has the responsibility to monitor, issue or reissue EBT cards to SNAP participants.

#### **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.***

State agencies administer SNAP at the State level and collect the necessary data to ensure correct eligibility determinations and delivery of benefit. All State agencies deliver the same program benefits and perform the same function regardless of population size. Thus, they maintain the same kinds of information on file. Of the 53 SNAP State agency respondents, none are small entities.

## **A6. Consequences of Less Frequent Data Collection**

*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.*

This is a mandatory and ongoing information collection request. The information is collected for the purpose of administering an ongoing program. Collecting data less frequently would not allow FNS to comply with statutory and regulatory requirements or ensure integrity and would result in a direct violation of the Act. Further, without this information collection, benefits could be over-issued, under-issued, or trafficking allowed to continue if the necessary information is not collected or actions are not taken timely.

## **A7. Special Circumstances Relating to the Guidelines of 5 CFR 1320**

*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*

- *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 that cause this information collection to be conducted in a manner that is inconsistent with 5 CFR 1320.5.

#### **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 three 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.*

A notice was published in the Federal Register on November 6, 2019, Volume 84, pages 59764-59765. Four comments (included with this request Appendices B1-B4) were received. One concern was that this collection will limit opportunities for those who may struggle with food security, however FNS believes limiting card replacements will not have this affect and that limiting card replacements will reduce EBT fraud.

Additional comments were made that stated four card replacements were too many. However, FNS believes four issuances of an EBT card replacement a year is sufficient. The final two comments were not relevant to the proposed information collection request.

FNS consults with Regional Offices regarding any proposed changes as the result of regulatory changes. Regional offices are in constant contact with State agencies which provides feedback on FNS processes and procedures that may impact them. For this specific Information Collection Renewal, FNS contacted one State agency official that works closely with Trafficking Controls and Fraud Investigations in each of the following States: South Dakota Department of Social Services (Alex Mayer, Program Administrator, alex.mayer@state.sd.us), Nebraska Department of Health and Human Services (Melissa Weyer, Division of Children and Family Services, Melissa.weyer@nebraska.gov), Missouri Department of Social Services (Dana Carrington, Chief of Investigations, Dana.Carrington@dss.mo.gov). These State agency contacts were sent the Federal Register Notice and asked to share any feedback on the information collected related to Trafficking Controls and Fraud Investigations to include their views on the frequency of collection, the clarity of instructions and recordkeeping, disclosure, and on the data elements to be recorded, disclosed, or reported. They have not submitted any feedback on the information collection as of January 21, 2020.



**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.*

No payments or gifts will be provided 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 complies with the Privacy Act of 1974 (5 USC 552a), which requires the safeguarding of individuals against invasion of privacy. The Privacy Act also provides for the treatment of records collected, used, maintained or disseminated by a Federal agency according to either the individual's name, social security numbers or some other identifier.

Section 11(e)(8) of the Act and 7 CFR 272.1(c) of the regulations limit the use or disclosure of information obtained from applicant households (such as names, social security numbers or other personal identifiers) or contained in the case files of participating households to persons directly connected with the administration of SNAP (i.e., 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 over issuance from Federal pay; and any Federal, State or local law enforcement officer if the member is a fleeing felon or a parole violator.) The application for benefits contains personal identifying information on individuals doing business with FNS. Therefore, FNS published a Privacy Act Notice System of Records Notice (SORN) March 31, 2000, entitled USDA/FNS-10: Persons Doing Business with the Food and Nutrition Service, in the Federal Register (65 FR 17251) to specify the uses to be made of the information collected (FNS plans to update this SORN).

**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.*

There are no questions of a sensitive nature included in this information collection.

**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.*

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

The estimated reporting burden for this collection, including the number of respondents, frequency of response, average time to respond and estimated man-hours, for two affected publics (53 State Agency eligibility workers and 238,644 Individuals/Households applying for SNAP benefits) are shown in the following table. The total annual responses are based upon card replacement data, adjusted for changes in SNAP caseload regarding the number of households having greater than four card replacements. Burden hours per response are based upon existing information on response time for the issuance of similar SNAP notices. There is no recordkeeping or third party disclosure burdens associated with this data collection.

SNAP information collection requirements described herein are imposed primarily on State agency eligibility workers. Standard wage rate categories used in determining annualized burden costs are based on the Bureau of Labor and Statistics (BLS) May 2019 Occupational Employment and Wages Statistics report which indicated a median wage rate of \$22.12 per hour for eligibility interviewers in government programs. States would incur an annualized

CFR	Title	Number of Respondents	Annual Reports	Total Annual Responses	Burden Hours per Response	Total Burden Hours	Hourly Cost to Respondent	Cost to Respondent
<b>State Agencies</b>								
274.6(b)(5)	Withhold Replacement Card Warning Notice	6	4,404.03	26,424.20	0.0334	88.256	\$ 11.06	\$ 9,761.11
274.6(b)(5)	Replacement Card Withheld Notice	6	2,202.02	13,212.10	0.0334	44.128	\$ 11.06	\$ 4,880.55

274.6(b)(6)	Excessive Replacement Card Notice	47	4,515.31	212,219.80	0.0334	7,088.14	\$ 11.06	\$ 78,394.82
<b>Subtotal Loaded Wage Subtotal (Additional 33% of Subtotal)</b>		<b>53</b>	<b>4752.00</b>	<b>251,856.10</b>	<b>0.0334</b>	<b>8,411.98</b>		<b>\$ 93,036.48</b>
<b>Participating Households</b>								
274.6(b)(5)	Reading Withhold Replacement Card Warning Notice	26,424.20	1	26,424.20	0.0334	882.56	\$ 7.25	\$ 6,398.56
274.6(b)(5)	Reading Replacement Card Withheld Notice and making initial contact with State agency	*13,212.10	1	13,212.10	0.50	6,606.05	\$ 7.25	\$ 47,893.87
274.6(b)(6)	Reading Excessive Replacement Card Notice	212,219.80	1	212,219.80	0.0334	7,088.14	\$ 7.25	\$ 51,389.021
<b>Subtotal Loaded Wage Subtotal (Additional 33% of Subtotal)</b>		<b>238,644.00</b>	<b>1.06</b>	<b>251,856.10</b>	<b>0.06</b>	<b>14,576.75</b>		<b>\$105,681.45</b>
<b>Grand Total Grad Total including Loaded Wage</b>		<b>238,697.00</b>	<b>2.11</b>	<b>503,712.20</b>	<b>0.05</b>	<b>22,988.73</b>		<b>\$198,717.96</b>
								<b>264,294.85</b>

\*the 13,212 Individuals/Households SNAP participants are the same I/H accounted for in the 26,424 and therefore not double counted

administrative cost of \$22.12 per hour burden in the information collection. FNS reimbursed 50 percent of the administrative costs to the State agencies. This results in a reimbursement value of \$11.06 per burden hour which we use to assess the total cost to respondents.

The Federal minimum wage rate of \$7.25 per hour is used to calculate annualized costs for Individuals/Households applying for SNAP benefits. There are no reimbursable cost to SNAP participants.

#### **A13. Estimates of Other Annual Costs to Respondents**

**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 capital/start-up or ongoing annual operation/maintenance costs for this collection of information.

#### **A14. Estimates of Annualized Government Costs**

**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.**

The combined estimated total annualized cost to the Federal Government is \$136,398.61 with

fully loaded wages included. This cost includes \$132,147.43 reimbursable rate paid to state agencies + \$4,251.18 the total cost of Federal workers (\$1,264 for FNS Program Analyst and \$2,987.18 for FNS Branch Chief). The breakdown of the costs are identified below.

The Federal cost also includes the cost associated with the preparation of this information collection package. This includes Federal worker time at FNS for the following:

	Hours	Hourly Wage*	Total
GS-13 Program Analyst	20	\$63.20	\$1,264
GS-14 Branch Chief	40	\$74.68	\$2,987.18

**Cost of Federal workers:**

**\$4,251.18**

\*Wage rates determined in accordance with the Office of Personnel Management’s salary table for 2019 ([https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/DCB\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2019/DCB_h.pdf))

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The total cost to the Federal government takes the total State governmental costs: **\$264,294.85** minus 50% reimbursable cost attributed to the Federal government share is **\$132,147.43** plus cost of Federal workers staff hours to draft, review, approve, manage, maintain and implement this information collection = **\$4,251.18** gives a total

**cost to the Federal government: \$136,398.61**

**A15. Program changes or adjustments**

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

This is a revision of a currently approved information collection; the current overall burden inventory for this information collection is 21,941 total annual burden hours and 550,994 total annual responses. We are requesting 22,988.73 burden hours rounded to 22,989 (14,576.75 burden hours for individuals/households and 8,411.98 for State agencies) and 503,712.20 total annual responses (251,856.10 total annual responses for individuals/households and 251,856.10 total annual responses for State agencies). This request reflects an increase by 1,045.77 total annual burden hours and a decrease of -47,281.80 total annual responses rounded to -47,282. The revision reflects an adjustment due to the number of households contacting States who opt to follow our regulations at 274.6(b)(5) to withhold replacement cards, which requires some households to make contact with the State agency if they request excessive replacement cards.

	<b>Requested</b>	<b>Program Change Due to New Statute</b>	<b>Program Change Due to Agency Discretion</b>	<b>Change Due to Adjustment in Agency Estimate</b>	<b>Change Due to Potential Violation of the PRA</b>	<b>Previously Approved</b>
Annual Number of Responses	503,712	0	0	-47,282	0	550,994
Annual Time Burden (Hr)	22,989	0	0	1,048	0	21,941

Annual Cost Burden (\$)	0	0	0	0	0	0
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**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.**

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

**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.**

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

**A18. Exceptions to Certification Statement**

**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 tem 18 of OMB Form 83-I.