

Appendix E

WIC Burden Narrative

This document explains the calculation of the burden hours and responses for the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) under OMB #0584-0043, as revised to reflect adjustments and program changes. The resulting recalculations are highlighted below in bold, and are also reflected in the attached spreadsheet.

REPORTING REQUIREMENTS

AFFECTED PUBLIC: STATE AND LOCAL AGENCIES (INCLUDING INDIAN TRIBAL ORGANIZATIONS AND US TERRITORIES)

1. Section 246.4 requires that by August 15 of each year, as a prerequisite for the receipt of funds from the Food and Nutrition Service (FNS), the State agency must submit all substantive changes to its State Plan (to include local agencies annual nutrition education plan approval) to FNS for approval. FNS estimates that each State agency needs 134.62 burden hours annually to update its State Plan. **Thus, 89 WIC State agencies x 134.62 hours per State Plan = 11,981.18 total annual burden hours for this provision. This represents a decrease of 134.62 burden hours from the previous submission (previous annual burden hours estimated for this provision was 12,115.80 – 11,981.18 = 134.62) because the total number of State agencies decreased 90 to 89. This decrease is due to a program adjustment.**
2. Section 246.5(b) requires each organization interested in being authorized as a local agency to submit an application to the State agency. After receipt of the application the State agency is required to 1) provide written notification if an application is complete and identify the additional information needed, or 2) provide written notification of approval or disapproval. The average local agency agreement is for two years; there are 1,808 local agencies; therefore, FNS estimates each year the State agency will process 904 (1808 divided by 2) local agency applications. Each application requires two burden hours to complete. **Thus, 904 local agencies x 2 burden hours per application = 1,808 annual burden hours for this provision. This represents a decrease of 29 hours since the last submission, from 1,837 to 1,808 hours, because the total number of local agencies decreased from 1,837 to 1,808. This decrease is due to a program adjustment.**
3. Section 246.6 requires the State agency to enter into a signed agreement with each local agency, health and human service agency, and private physician that performs WIC functions. The average local agency agreement is for two years; therefore, FNS estimates each year that half of all local agencies (904) sign agreements with the State agency. Each agreement requires 1.5 burden hours to complete. **Thus FNS estimates 1,356 annual burden hours for this provision (904 local agencies x 1.5 burden hours per agreement). This represents a decrease of 21.75 hours, from 1,377.75 to 1,356 hours since the last submission because the total number of local agencies decreased. This decrease is due to a program adjustment.**
4. Section 246.7(f)(2)(iii)(A) allows the State agency to extend the 10-day period of notification of eligibility for special nutritional risk applicants to 15 days when the local agency provides written justification of the need for such an extension. Currently, all State agencies have developed policies under which such an extension may be provided. FNS estimates that each year one-sixth or 301.3 of all local agencies make written requests for such extensions. Each request for an extension requires 15 minutes (0.25

hours) to complete. **FNS estimates 75.33 annual burden hours for this provision (301.3 local agencies x 0.25 burden hours per request). This represents a slight decrease of 1.18 hours, from 76.50 to 75.33 hours since the last submission because the total number of local agencies has decreased. This decrease is due to a program adjustment.**

5. Section 246.7(i) requires that pertinent certification data be collected and recorded by the local agency on a form (or forms) provided by the State agency (usually in the form of computer software) and that participants be notified of their rights and responsibilities, including notification of termination for failure to pick up food instruments, notification of disqualification and notification of expiration of each certification period. FNS estimates that the collection of certification data and the provision of appropriate notifications require ten minutes (0.167 hours) per participant.

FNS estimates 545,710.58 annual burden hours for the certification of women (1,633,864 women x 2 certifications/year = 3,267,728 total annual responses ÷ 1,808 = 1,807.37 certifications per local agency. 3,267,728 total annual responses x 0.167 hours per response = 545,710.58). This is a decrease of 79,216.82 hours for the certification of women, from 624,927.82 to 545,711 hours, due to a decrease in the number of women participants. This decrease is due to a program adjustment.

FNS estimates 882,727.68 annual burden hours for the certification of children (3,523,863 children x 1.5 certifications/year = 5,285,794.5 total annual responses ÷ 1,808 local agencies = 2,923.56 per local agency. 5,285,794.5 total annual responses x 0.167 hours per response = 882,727.68). This is a decrease of 132,542.01 hours for the certification of children, from 1,015,270.01 to 882,728 hours, due to a decrease in the number of child participants. This decrease is due to a program adjustment.

FNS estimates 285,970.97 annual burden hours for the certification of infants (1,712,401 infants ÷ 1808 local agencies = 947.12 per local agency x 1808 local agencies = 1,712,401 x 0.167 hours per response = 285,970.97). This is a decrease of 32,582.68 hours for the certification of infants, from 318,553.65 to 285,970.97 hours, due to a decrease in the number of infant participants. This decrease is due to a program adjustment.

6. Section 246.7 (j)(9) requires that when the State agency must suspend or terminate the program benefits of any participant during the participant's certification period due to shortages in program funds, the State agency must issue an advance notice to all affected participants. The State agency is also required to notify FNS prior to taking such action. FNS estimates that 4 State agencies may need to take such action per year. FNS further estimates that providing this notice to FNS would require five minutes (0.0835 hours). **FNS estimates the total annual burden for this notice to FNS to be 0.36 burden hours (4 State agencies per year x 0.0835 hours per notice). This decrease of 0.03 hours for notifying participants of shortages in program funding from 0.36 to 0.33 is due to a standardized conversion in calculation. The previous minute conversion**

was 0.09, the standardized conversion for five minutes is .0835 – this resulted in the slight decrease in burden hours. This decrease is due to a program adjustment.

7. Section 246.7(k) requires the State agency to ensure that Verification of Certification (VOC) cards are issued to participating migrants and to other participants who are likely to relocate during the certification period. Based on the number of participants with no priority reported, FNS estimates that 3% of participants receive VOC documentation. FNS further estimates that issuing VOCs requires five minutes (0.0835 burden hours). **FNS estimates the total annual burden for this provision to be 17,210 burden hours (6,870,128 participants x 0.03 participants receiving VOC documentation = 206,104 needing VOCs ÷ 1,808 local agencies = 114 participants provided VOCs per local agency x 1,808 local agencies = 206,103.84 responses x 0.0835 hours = 17,210). This is a decrease of 3,562.29 hours to provide verification of certification, from 20,771.96 to 17,210 hours, due to a decrease in the number of participants. This decrease is due to a program adjustment.**
8. Section 246.10(b)(1) requires State agencies to identify foods that are acceptable for use in the Program in accordance with program regulations. This includes identifying which foods, substitutions, brands and packaging the State will authorize for use in the Program. State agencies conduct such food reviews and submit food lists as part of their annual State Plan. FNS estimates that 40 burden hours are needed for each State agency to comply with this provision. **FNS estimates 3,560 total annual burden hours for this provision (89 State agencies x 40 burden hours per State agency). This a decrease of 40 hours, from 3,600 to 3,560, due to a decrease in the number of State agencies. This decrease is due to a program adjustment.**
9. Section 246.10(b)(2) requires each State agency to identify the brands of foods and package sizes acceptable for use in the Program in their States. Each State agency must also include a list of acceptable foods and their maximum monthly allowances. In accordance with the implementation of the Electronic Benefits Transfer (EBT)-Related Provisions of Public Law 111-296 Final Rule on March 1, 2016, a State agency must provide an updated Authorized Product List (APL) which includes each product's Universal Product Code (UPC). State agencies are required to provide the APL files quarterly. FNS estimates an annual reporting burden of 1.79 hours. The time estimated for a State agency to compile and submit an APL is 30 seconds (0.0083 hours). A State agency will submit an APL 4 times per year x 54 State agencies (average per year) = 216 x 0.0083 = 1.79 hours. This has not changed since the last submission.
10. Section 246.10(d)(1) requires local agencies to obtain medical documentation in order to provide participants with infant formula not covered by the State agency's infant formula rebate contract. FNS estimates that 1 percent (0.01) of all infant certifications require an additional two minutes (0.0334 hours) for the documentation required to issue an infant formula that is not covered by the State agency's infant formula rebate contract. **FNS estimates 572 total annual burden hours for this provision (17,124.01 infants ÷ 1,808 local agencies = 9.47 infants per local agency x 1,808 local agencies = 17124.01 infants x 0.0334 burden hours = 572). This is a slight increase of 9.85 hours since**

the previous submission, from 562.15 to 572, due to a standardized conversion in calculation. The previous minute conversion was 0.03, the standardized conversion for one minute is .0334 – this resulted in the slight increase in burden hours. This increase is due to a program adjustment.

11. Section 246.11(d)(2) requires each local agency to develop and submit an annual nutrition education plan to the State agency. FNS estimates that 40 burden hours are needed for each local agency to comply with this provision. **FNS estimates 72,320 total annual burden hours for this provision (1,808 local agencies x 40 hours per local agency = 72,320). This is a reduction of 1,160 hours since the last submission, from 73,480 to 72,320 hours, due to a slight decrease in the number of local agencies. This decrease is due to a program adjustment.**
12. Section 246.12(g)(4)(i) requires a State agency to annually collect information needed to determine whether currently authorized and new vendor applicants derive or may be expected to derive more than 50 percent of their annual food sales revenue from WIC food instruments. Based on the Vendor Cost Containment (VCC) Final Rule, FNS estimates that each State agency will need 4 burden hours to collect the information required to assess a vendor's status as an above-50-percent vendor.

FNS annually provides each State agency with a report comparing WIC redemptions to redemptions of the Supplemental Nutrition Assistance Program (SNAP) for each of its SNAP-authorized vendors; most WIC-authorized retail vendors are also SNAP-authorized. If a vendor's SNAP redemptions exceed its WIC redemptions, the vendor is considered to be a regular vendor, not an above-50-percent vendor. The latest "The Integrity Profile (TIP)" report shows that 3,691 WIC authorized vendors have more WIC redemptions than SNAP redemptions. These are the only WIC authorized vendors from which WIC State agencies need to obtain further documentation.

Regarding the 3,691 authorized vendors whose above-50-percent status must be assessed, there are about 41 such vendors per each State agency (3,691 authorized vendors ÷ 89 State agencies = 41.47 vendors per State agency). **FNS estimates 14,764 burden hours for State agencies (89 x 41.47 vendors = 3,691, 3,691x 4 hours = 14,764) for this provision. This is an increase of 4,456 hours, from 10,308 to 14,764 hours, due to an increase in the number of vendors reported as having WIC redemptions that exceed SNAP redemptions (despite a decrease in the number of State agencies). This increase is due to a program adjustment.**

13. Section 246.12(g)(4)(ii)(B) requires State agencies to collect the shelf prices for WIC-approved foods from authorized retail vendors twice annually. Based on the VCC Final Rule, FNS estimates 2 hours per response for this provision. Approximately, 10 State agencies have been granted exemptions from collecting vendor shelf prices; 79 State agencies (89 State agencies – 10 State agencies = 79 State agencies) will each need to collect vendor shelf prices for 521 vendors biannually (41,164 / 79 State agencies = 521 vendors x 2 hours = 1,042.13 responses per State agency). **FNS estimates 164,656 annual burden hours for this provision (79 State agencies x 1,042.13 responses per**

State agency = 82,328 responses x 2 times per year). This is a decrease of 14,240 hours, from 178,896 to 164,656 hours, due to a decrease in the number of vendors and State agencies. This decrease is due to a program adjustment.

As noted above, §246.12(g)(4)(ii)(B) states that FNS may grant State agencies exemptions from the requirement to collect shelf prices. Approximately 10 State agencies currently have exemptions; FNS also estimates that 5 State agencies will request an exemption each year and that requesting an exemption under this provision will require 8 burden hours per response (previously this required 16 hours). The hours needed to prepare the exemption request have been reduced since FNS has streamlined this process since the last submission, a reduction of 8 burden hours from the previous submission. **FNS estimates 40 hours (5 State agencies x 8 annual burden hours) for the exemption requests. This is a decrease of 8 hours due to a program change and an increase of 32 hours due to adjustments due to expected increase in State agencies requesting this exemption. This is a combined increase of 24 hours (32 – 8), from 16 to 40 hours, due to an expected increase in State agencies requesting this exemption (despite the program adjustment reducing the hours to respond).**

14. Section 246.12(i)(1) requires the State agency to conduct annual retail vendor training to assure that retail vendors have knowledge of program rules and procedures. FNS estimates that developing the content of retail vendor training materials requires 8 hours per State agency. **FNS estimates 712 hours for developing the training (89 State agencies x 8 burden hours = 712). This decrease of 8 hours, from 720 to 712 hours, is due to a decrease in the number of State agencies. This decrease is due to a program adjustment.**

Additionally, FNS estimates that it will take 2 hours to provide training to each vendor, for an estimated 82,328 annual burden hours (41,164 vendors ÷ 89 State agencies = 462.52 responses per State agency. 89 State agencies x 462.52 = 41,164 responses x 2 burden hours = 82,328). This is a decrease of 7,120 hours, from 89,448 to 82,328 hours, since the previous submission due to a decrease in the number of vendors and State agencies. This decrease is due to a program adjustment.

15. Section 246.12(j)(4) requires that each year the State agency conduct compliance investigations of five percent or 2,058 retail vendors. State agencies use a variety of resources to conduct compliance investigations, including State agency staff, contractor staff, local agency staff, law enforcement and staff of other WIC State agencies. For each compliance investigation, the State agency is required to conduct either two compliance buys or one inventory audit per retail vendor. FNS estimates that it takes one burden hour to conduct a compliance buy and two burden hours to conduct an inventory audit, which results in a total of two burden hours per compliance investigation (either 2 compliance buys x 1 hour or 1 inventory audit x 2 hours). **FNS estimates 4,116.4**

annual burden hours for this provision (41,164 retail vendors x .05 = 2,058.2 responses; 2,058.2 x 2 burden hours per compliance investigation = 4,116.4). This represents a decrease of 356 hours since the previous submission, from 4,472.40 to 4,116.40 hours, due to a decrease in the number of vendors. This decrease is due to a program adjustment.

16. Section 246.12(o) requires the State agency to develop and implement procedures to document the handling of complaints by participants and vendors. FNS estimates that 10,000 complaints are received a year from participants and vendors nationwide. FNS further estimates it takes one hour to process each complaint. The total annual burden estimated for this provision is 10,000 burden hours (10,000 complaints ÷ 89 State agencies = 112.36 complaints per State agency. 89 State agencies x 112.36 = 10,000 responses x 1 hour per complaint = 10,000). This has not changed since the last submission.

17. Section 246.12(q) requires the State agency to identify the disposition of all food instruments as either issued or voided and as either redeemed or unredeemed. Many State agencies currently track their food instrument inventories and disposition through their management information systems (MIS). FNS estimates it takes 40 hours to identify the disposition of all food instruments. **The total annual burden estimated for this provision is 3,560 burden hours (89 State agencies x 40 burden hours). This decrease of 40 hours, from 3,600 to 3,560 hours, is due to a decrease in the number of State agencies. This decrease is due to a program adjustment.**

18. Section 246.14(d) requires the State agency to seek FNS approval of costs for automated data processing systems (ADP), capital expenditures over \$25,000 and management studies performed by outside agencies, departments and consultants. FNS estimates that each year it receives an average of 10 requests for such approvals and that each request requires 160 burden hours for the State agency to document and submit. In addition, FNS estimates that an additional 10 State agencies will seek approval each year during this reporting period for EBT implementation. **The total annual burden estimated for this provision 3,200 annual burden hours (20 requests per year x 160 hours per request). This results in a decrease of 8,000 hours, from 11,200 to 3,200 hours due to an increase in the number of State agencies transitioning and already transitioned to EBT. This decrease is due to a program adjustment.**

19. Section 246.16(d) requires the State agency to allocate WIC funds to local agencies based on claims submitted at least quarterly by the local agency. FNS estimates that State agencies distribute funds to 1,808 local agencies 4 times per year. Each distribution of funds requires two burden hours to complete. **FNS estimates the total annual burden for this provision to be 14,464 annual burden hours (1,808 local agencies x 4 distributions per year) / 89 State agencies = 81.26 distributions per State agency x 89 State agencies = 7,232 total distributions x 2 burden hours = 14,464 annual burden**

hours). **This results in a decrease of 232 hours since the last submission, from 14,696 to 14,464 hours, due to a decrease in the number of local agencies and the closing of one State agency. This decrease is due to a program adjustment.**

20. Section 246.17(c)(1) requires FNS to provide written notification of disqualification to all 89 State agencies that fail to comply with Program requirements. This provision also requires the State agency to provide written notification to local agencies that it determines have failed to comply with Program requirements.

FNS estimates that 10 local agencies will be disqualified per year. FNS further estimates that preparing and providing a written notice of disqualification requires 8 burden hours per notice. **FNS estimates the total annual burden for this provision to be 80 burden hours (10 local agency disqualifications per year ÷ 89 State agencies = 0.11 response per State agency. Therefore, 89 State agencies x 0.11 = 10 responses x 8 hours per notice = 80). Although the number of State and local agencies has decreased, this burden has not changed since the previous submission because the estimated number of local agencies that will be disqualified per year remains the same.**

21. Section 246.19(a)(2) requires the State agency to develop and submit a corrective action plan in response to an FNS management evaluation (ME) report. FNS' goal is to conduct Target Area MEs on a three year cycle with 1/3 (approximately 30) of State agencies being evaluated per year ($0.33 \times 89 = 29.37$ State agencies per year). This timeframe has changed from the previous submission. Previously, Targeted MEs were conducted on a four year cycle, with this revision it is a 3 year cycle. FNS estimates that each corrective action plan takes approximately 30 hours to develop. The burden hours have decreased (from 40 hours to develop a corrective action plan to 30 hours) as FNS has moved to streamline targeted MEs. **FNS estimates 881.1 annual burden hours for this provision ($0.33 \times 89 = 29.37$ State agencies x 30 hours per corrective action plan = 881.1). This is a decrease of 18.9 hours, from 900 to 881.10 hours. There is a 10 hour reduction due to a program change (due to streamlining the corrective action and a change in the ME cycle time frame) and a 8.90 hour reduction due to program adjustment (reduced number of State agencies). This decrease is due to both a program change and an adjustment.**

22. Section 246.19(b)(5) requires the State agency to review target areas specified by FNS during local agency reviews. Section 246.19(b)(3) requires the State agency to conduct monitoring reviews of each local agency at least once every two years, which means that each year half (0.5) of all local agencies will be reviewed. FNS estimates that the State agency will be required to address targeted areas during local agency reviews once every four years (0.25). FNS further estimates that it takes two hours for the State agency to address targeted areas during local agency reviews and report the results of the targeted reviews to FNS. **FNS estimates 452 total annual burden hours for this provision (1,808 local agencies ÷ 89 State agencies = 20 local agencies x 0.5 local agencies to be reviewed = 10 local agencies per State agency to be reviewed x 0.25 every four years = 2.54 Local agencies to be reviewed in targeted areas, 2.54 local agencies to be reviewed in targeted areas x 89 State agencies = 226 total local**

agencies to be reviewed in targeted areas x 2 burden hours = 452 annual burden hours). This is a reduction of 7.25 hours, from 459.25 to 452 hours, since the last submission due to a decrease in the number of local agencies and one State agency. This decrease is due to a program adjustment.

23. Section 246.20(a)(2) requires the State agency to develop and submit a corrective action plan to FNS addressing the findings of USDA Office of the Inspector General (OIG) State or local agency audits. FNS estimates that OIG performs one audit of WIC State and local agencies each year. FNS further estimates that each audit response requires 40 hours to complete. Thus FNS estimates the total annual burden for this provision to be 40 burden hours (1 audit per year x 40 hours per audit response). This has not changed since the last submission.

AFFECTED PUBLIC: INDIVIDUALS & HOUSEHOLDS:
APPLICANTS FOR PROGRAM BENEFITS

1. Sections 246.7(i) requires that certification data including income and nutritional risk be collected from all participants and recorded by the local agency on a form(s) provided by the State agency (usually in the management information system (MIS)). WIC Program regulations permit local agencies to accept an applicant's documented participation in certain other means-tested programs as evidence of income eligibility for the WIC Program. This provision helps to reduce the administrative burden on WIC local agency staff and eliminates duplication for program applicants. The income eligibility is established by applicants providing written documentation to the local agency either in the form of a benefit letter, identification card or in the form of an MIS check. Applicants or certain family members that receive Medicaid, SNAP, TANF or State-administered programs with income criteria at or below 185 % of the federal poverty guidelines are not subject to the standard WIC income eligibility determination.

Nutritional risk is determined by a competent professional authority on the staff of the local agency through a nutritional assessment. This determination may be based on referral data submitted by a competent professional authority not on the staff of the local agency. At a minimum, height or length and weight measurements and a hematological test for anemia such as a hemoglobin or hematocrit shall be performed and/or documented in the applicant's file at the time of certification. In addition, medical/health history, dietary intake and environmental (e.g., homelessness and migrancy) information is collected to determine all relevant nutrition risk(s).

Though some information is collected for the entire household, some documentation (such as identification) is required for each WIC applicant. Additionally, infants less than six months of age may be certified through the month of their first birthday and children may be certified for one year.

FNS estimates that providing certification data to the local agency requires ten minutes (0.167 hours) on average per participant.

Monthly WIC participation is 6,870,128 (1,633,864 women, 1,712,401 infants and 3,523,863 children).

- Women are certified twice per year, thus FNS estimates 545,710.58 hours for this provision (1,633,864 participants x 2 times per year = 3,267,728 x 0.167 hours per response). **This results in a decrease of 20,089.13 hours due to a decrease in the number of women participants. This decrease is due to a program adjustment. This also results in an increase of 381,997.41 hours as the nutritional risk assessment was not previously included in this estimate. Under this revision, and future revisions, nutritional risk assessment data will be included in this estimate. This increase is due to a program change. The total difference since the previous submission is an increase of 361,908.28 hours.**
 - Children may be certified once or twice per year. More than half of WIC State agencies certify children once per year. FNS estimates 882,727.68 hours for this provision (3,523,863 participants x 1.5 times per year = 5,285,794.5 x 0.167 hours per response). **This results in a decrease of 33,790.53 hours due to a decrease in the number of child participants. This decrease is due to a program adjustment. This also results in an increase of 617,909.38 hours since the previous submission as the nutritional risk assessment was not previously included in this estimate. Under this revision, and future revisions, nutritional risk assessment data will be included in this estimate. This increase is due to a program change. The total difference since the previous submission is an increase of 584,118.85 hours.**
 - Infants are certified once per year, thus FNS estimates 285,970.97 hours for this provision (1,712,401 participants x 1 time per year = 1,712,401 x 0.167 hours per response). **This results in a decrease of 7,900.96 hours due to a decrease in the number of infant participants. This decrease is due to a program adjustment. This also results in an increase of 200,179.68 hours since the previous submission as the nutritional risk assessment was not previously included in this estimate. Under this revision, and future revisions, nutritional risk assessment data will be included in this estimate. This increase is due to a program change. The total difference since the previous submission is an increase of 192,278.72 hours.**
2. Section 246.10(d)(1) requires that medical documentation must be obtained from the parents or guardians of infant participants in order for the Program to provide these infants participants with infant formula not covered by the State agency's infant formula rebate contract. FNS estimates that one percent (0.01) of all infant certifications require an additional two minutes (0.0334 hours) for the documentation required to issue an infant formula that is not covered by the State agency's infant formula rebate contract. **FNS estimates 572 hours for this provision (17,124 infants x 0.0334 annual burden per response). This results in an increase of 10 hours since the previous submission, from 562.15 to 572 hours, due to the use of a standardized conversion to calculate. The previous minute conversion was 0.03, the standardized conversion for one**

minute is .0334 – this resulted in the slight increase in burden hours. This increase is due to a program adjustment.

This section also requires additional medical documentation for the issuance of the following supplemental foods: (ii) Any infant formula prescribed to a child or adult who receives Food Package III; (iii) Any exempt infant formula; (iv) Any WIC-eligible medical food; (v) Any authorized supplemental food issued to participants who receive Food Package III. FNS estimates that it takes an additional three minutes (0.0501 hours) for the documentation required for the issuance of these foods.

FNS estimates that approximately one percent of participants (6,870,128 participants x .01 = 68,701.28) will be issued supplemental foods under Food Package III; one percent of children (3,523,863 children x .01 = 35,238.63) will be authorized soy-based beverage or tofu under Food Package IV; and, one percent of women (1,633,864 women x .01 = 16,338.64) will be authorized tofu and cheese in excess of the maximum substitution rate under Food Packages V and VII. **FNS estimates 12,051.91 annual burden hours for this provision (68,701 participants + 35,239 children + 16,339 women = 120,278.55 participants x 0.0501 x 2 times per year). This is a decrease in 1,460.88 hours since the last submission, from 13,512.79 to 12,051.91 hours, due to a decrease in program participation. This decrease is due to a program adjustment.**

AFFECTED PUBLIC: BUSINESS: RETAIL VENDORS
(WIC-AUTHORIZED RETAIL VENDORS)

1. Section 246.12(g)(4)(i) requires State agencies to collect information needed to determine whether currently authorized vendors and new vendor applicants derive or may be expected to derive more than 50 percent of their annual food sales revenue from WIC food instruments. FNS estimates two vendor hours per response for this requirement.

FNS annually provides each State agency with a report comparing the WIC redemptions to the redemptions of the Supplemental Nutrition Assistance Program (SNAP) for each of its vendors which is authorized by SNAP. If a vendor's SNAP redemptions exceed its WIC redemptions, that vendor is considered to be a regular vendor, not an above-50-percent vendor. The most recent report shows that only 3,691 WIC authorized vendors have more WIC redemptions than SNAP redemptions. These are the only WIC authorized vendors from which WIC State agencies need to obtain further documentation.

FNS estimates 7,382 burden hours for vendors for this provision (3,691 vendors x 2 hours). This results in an increase of 2,228 hours, from 5,154 to 7,382 hours, due to an increase in the number of vendors whose WIC redemptions exceed their SNAP redemptions. This increase is due to a program adjustment.

2. Section 246.12(g)(4)(ii)(B) requires State agencies to collect the shelf prices for WIC-approved foods from authorized retail vendors twice annually unless they have received an exemption from this provision from FNS. FNS estimates that 79 WIC State agencies must collect shelf prices from vendors. FNS estimates that each vendor would need two hours to report shelf prices (one hour x 2 times per year).

FNS estimates 146,155.33 annual burden hours for this provision (41,164 vendors x (79/89) State agencies = 36,538.83 x 2 times per year = 73,077.66 x 2 burden hours per response). This results in a decrease of 2,924.67 hours since the previous submission, from 149,080 to 146,155.33 hours, due to a decrease in the number of vendors.

3. Section 246.12(h) requires the State agency to enter into written agreements with retail vendors. State agencies require the vendor to submit a signed vendor agreement with the completed application form. Retail vendor agreements can be for up to 3 years; therefore, FNS estimates that each year one-third of all retail vendors will submit application/agreement forms. FNS further estimates that each application/agreement form requires 1 hour for the vendor to complete. **FNS estimates 13,584.12 burden hours for this provision for vendors (41,164 retail vendors x 0.33 of all retail vendors per year = 13,584.12 x 1 per year = 13,584.12 x 1 hour per application = 13,584.12 annual burden hours). This results in a decrease of 8,778.88 hours since the previous submission, from 22,362 hours to 13,584.12 hours, due to the correction of an error (we now estimate that vendor agreements are generally for 3 years, rather than 2, as was previously reported), and due to a decrease in the number of vendors. This decrease is due to a program adjustment.**
4. Section 246.12(h)(8)(i) requires above-50-percent vendors to request approval from their WIC State agencies for incentive items which these vendors may provide to WIC participants or other customers. There are currently 973 above-50-percent vendors authorized by 10 WIC State agencies. Of these 10 State agencies, 4 allow above-50-percent vendors to give incentive items and will collect this information. FNS estimates that this reporting burden will involve 1 hour per response. **FNS estimates an annual reporting burden of 389.2 hours for vendors as a result of this provision (973 vendors x (4 above-50-percent vendors / 10 State agencies) x 1 hour per response = 389.2 annual burden hours). This results in a decrease of 469.8 hours since the previous submission, from 859 to 389.20 hours, due to a decrease in the number of above-50-percent vendors. This decrease is due to a program adjustment.**

RECORDKEEPING REQUIREMENTS

**AFFECTED PUBLIC: STATE AND LOCAL AGENCIES
(INCLUDING INDIAN TRIBAL ORGANIZATIONS AND US TERRITORIES)**

1. Section 246.10(d)(1) requires medical documentation for the issuance of the following supplemental foods: (ii) Any infant formula prescribed to a child or adult who receives Food Package III; (iii) Any exempt infant formula; (iv) Any WIC-eligible medical food; (v) Any authorized supplemental food issued to participants who receive Food Package III. **FNS estimates that it will take one minute (0.0167 per record) for each clinic (10,000 clinics) to file the medical documentation provided by participants, for an estimated annual burden of 334 hours (10,000 clinics x 2 times per year x 0.0167 hours per clinic). This increase of 14 hours for medical documentation, from 320 to 334 hours, is due to a standardized conversion in calculation. The previous minute conversion was 0.016, the standardized conversion for one minute is .0167 – this resulted in the slight increase in burden hours. This increase is due to a program adjustment.**

2. Section 246.12(g)(10) requires WIC State agencies to annually provide authorized WIC retail vendors a list of State-licensed infant formula wholesalers, distributors and retailers, and FDA-registered infant formula manufacturers. FNS has provided the list of FDA-registered manufacturers to State agencies. A State agency would contact the licensing agency in its State to obtain a list of the other suppliers. A State agency could satisfy this requirement by linking its web site to the list of licensed suppliers on the web site of the State’s licensing agency. **The total annual burden hours for the list requirement is estimated at 4,450 (89 State agencies x 50 burden hours per response = 4,450 total annual burden hours). This results in a slight decrease of 50 hours, from 4,500 to 4,450 hours, due to a decrease in the number of State agencies. This decrease is due to a program adjustment.**

3. Section 246.12(h)(1)(i) requires the State agency to enter into written agreements with retail vendors. State agencies require the vendor to submit a signed vendor agreement with the completed application form. Retail vendor agreements can be for up to 3 years; therefore, FNS estimates that one-third of all retail vendors will submit applications each year. FNS further estimates that each application requires one hour to collect and record in the State agency’s recordkeeping system; most State agencies use an electronic MIS for this purpose. **FNS estimates 13,584.12 annual burden hours for this provision for State agencies (13,584.12 retail vendors x 1 burden hour per application/agreement). This results in a decrease of 8,777.88 hours since the previous submission, from 22,362 to 13,584.12 hours due to the decrease in the number of vendors. This decrease is due to a program adjustment.**

4. Section 246.12(h)(8)(i) requires WIC State agencies to establish a process for approving incentive items that above-50-percent vendors may provide to WIC participants or other customers. There are currently 973 above-50-percent vendors authorized by 10 WIC State agencies. Of these 10 State agencies, only 4 allow above-50-percent vendors to give incentive items and would need to collect this information and in turn would need to maintain the records. FNS estimates that this recordkeeping burden will involve one hour per response. **FNS estimates an annual burden of 389.2 hours as a result of this provision (973 vendors x (4 above-50-percent vendors / 10 State**

agencies) x 1 hour per response = 389.2 annual burden hours). This results in a decrease of 469.8 hours since the previous submission, from 859 to 389.20 hours, due to a decrease in the number of above-50-percent vendors. This decrease is due to a program adjustment.

5. Section 246.12(i)(4) requires the State agency to document the content of its vendor training and the participation of its vendors in the training. FNS estimates that documenting the content of and participation in vendor training takes the State agency two hours per year. **FNS estimates 178 annual burden hours for this provision (89 State agencies x 2 hours per year). This is a 2 hour decrease since the previous submission, from 180 to 178 hours, due to a decrease in the number of State agencies. This decrease is due to a program adjustment.**
6. Section 246.12(j)(6) requires the State agency to document the routine monitoring visits it conducts on its vendors. Section 246.12(j)(2) requires the State agency to conduct routine monitoring visits of five percent (0.05) of its vendors each year. **FNS estimates that each routine monitoring visit takes 30 minutes (0.5 hours) to document (reduction of 0.5 burden hours due to increased use of technology to document visits). FNS estimates 1,029.1 annual burden hours for this provision (41,164 vendors ÷ 89 State agencies = 462.52 x 0.05 = 23.13 annual routine monitoring requirement per State agency x 89 State agencies = 2,058.2 x 0.5 burden hour per visit = 1,029.1 annual burden hours). This results in a decrease of 1,207.1 hours since the previous submission, from 2,236.20 to 1,029.10 hours. This decrease is due a program change resulting in the decrease of 1,029.1 hours and to a program adjustment resulting in a decrease of 178 hours due to a decrease in the number of vendors and State agencies.**
7. Section 246.12(j)(6)(ii) requires the State agency to keep a record of the compliance investigations it conducts on its vendors. Section 246.12(j)(4) requires the State agency to conduct compliance investigations of five percent (0.05) of its vendors each year. For each compliance investigation, the State agency is required to conduct either two compliance buys or one inventory audit per vendor. FNS estimates that it takes one hour to document a compliance buy and two hours to document an inventory audit, which results in two hours per compliance investigation to maintain the associated records (either 2 compliance buys x 1 hour, or 1 inventory audit x 2 hours). **FNS estimates 4,116.4 annual burden hours for this provision (41,164 vendors ÷ 89 = 462.52 x 0.05 = 23.13 annual routine monitoring requirement per State agency x 89 State agencies = 2,058.2 x 2 hours = 4,116.4 annual burden hours). This results in a decrease of 356 hours since the previous submission, from 4,472.40 to 4,116.40 hours, due to a decrease in the number of vendors and State agencies. This decrease is due to a program adjustment.**
8. Section 246.12(l)(3) requires the State agency to notify a vendor in writing when an investigation reveals an initial violation for which a pattern of violations must be established in order to impose a sanction before another violation is documented, unless the State agency determines notifying the vendor would compromise an investigation.

Prior to imposing a sanction for a pattern of violations, a State agency would either provide a notice to the vendor or document in the vendor file the reason(s) that such notice would compromise an investigation. Approximately, 514 vendors investigated annually commit violations involving a pattern. **FNS estimates one hour per response for this activity, for an annual total of 514 burden hours (514 vendors / 89 State agencies = 5.78 vendors per State agency x 89 State agencies = 514 x 1 hour per notice action = 514 annual burden hours). This results in a decrease of 1,786 hours since the previous submission, from 2,300 to 514 hours, due to a decrease in the number of vendor violations. This decrease is due to a program adjustment.**

9. Section 246.23(c)(1) requires the State agency to maintain documentation on file regarding the disposition of cases involving improperly obtained or improperly disposed of benefits that result from participant violations. FNS estimates that this recordkeeping requirement takes the State agency five hours per year. **FNS estimates 445 annual burden hours for this provision (89 State agencies x 5 hours per year). This results in a slight decrease of 5 hours, from 450 to 445 hours, due to the decrease in number of State agencies. This decrease is due to a program adjustment.**
10. Section 246.25(a) requires both the State and local agency to maintain full and complete records regarding financial operations and food delivery systems. However, such recordkeeping actually occurs at the State agency level because of the use of centralized MIS systems. FNS estimates that this recordkeeping requirement takes the State or local agency two burden hours per month. **FNS estimates 45,528 total annual burden hours for this provision (89 State agencies + 1,808 local agencies = 1,897 x 2 hours per month x 12 months per year). This results in a decrease of 720 hours, from 46,248 to 45,528 hours, due to a decrease in the number of State and local agencies. This decrease is due to a program adjustment.**
11. Section 246.25(a) requires the State and local agency to maintain full and complete records regarding nutrition education. The local agency enters the data into a system hosted at the State agency level. FNS currently estimates annual participation of women and children is 5,157,727 (1,633,864 women + 3,523,863 children) and participation of infants is 1,712,401. FNS further estimates that it takes the State or local agency one minute (0.0167 hours) per participant to document the nutrition education contacts. Participants should receive nutrition education four times per year. **FNS estimates 344,536.16 annual burden hours for women and children (5,157,727 women and children x 4 times per year = 20,630,908 x 0.0167 hours = 344,536.16 annual burden hours). This burden has decreased by 51,188.07 hours since the previous submission, from 395,724.23 to 344,536.16, due to a decrease in women and child participants. This decrease is due to a program adjustment.**

FNS estimates 114,388.39 annual burden hours for infants (1,712,404 infants x 4 times per year = 6,849,604 x 0.0167 hours = 114,388.39 annual burden hours). This results in a decrease of 13,033.07 hours since the previous submission, from 127,421.46 to 114,388.39 hours, due to the number of infants decreasing. This decrease is due to a program adjustment.

12. Section 246.25(a) requires the State and local agency to maintain full and complete records regarding fair hearing procedures. Such recordkeeping actually occurs at the State agency level because most fair hearings are conducted at the State agency level. FNS estimates that documentation of the fair hearing procedures takes 15 minutes (0.25 hours) per State or local agency. FNS estimates 474.25 annual burden hours for this provision (1,808 local agencies + 89 State agencies = 1,897 x 0.25 hours per State or local agency). **This results in a decrease of 7.5 burden hours since the previous submission, from 481.75 to 474.25 hours due to a decrease in the number of State and local agencies. This decrease is due to a program adjustment.**