

SUPPORTING STATEMENT - for
OMB Control Number 0584-0303
FNS 275 - SNAP Quality Control Regulations

Supplemental Nutrition Assistance Program - Quality Control

7 CFR Part 275

USDA, Food and Nutrition Service

1320 Braddock Place

Alexandria, Virginia 22314

Table of Contents

A1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY.....3
A2. PURPOSE AND USE OF THE INFORMATION.....5
A3. USE OF INFORMATION TECHNOLOGY AND BURDEN REDUCTION.....8
A4. EFFORTS TO IDENTIFY DUPLICATION.....9
A5. IMPACTS ON SMALL BUSINESSES OR OTHER SMALL ENTITIES.....9
A6. CONSEQUENCES OF COLLECTING THE INFORMATION LESS FREQUENTLY.....10
A7. SPECIAL CIRCUMSTANCES RELATING TO THE GUIDELINES OF 5 CFR 1320.5.....11
A8. COMMENTS TO THE FEDERAL REGISTER NOTICE AND EFFORTS FOR CONSULTATION...12
A9. EXPLAIN ANY DECISIONS TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS.....12
A10. ASSURANCES OF CONFIDENTIALITY PROVIDED TO RESPONDENTS.....13
A11. JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE.....13
A12. ESTIMATES OF THE HOUR BURDEN OF THE COLLECTION OF INFORMATION.....13
A13. ESTIMATES OF OTHER TOTAL ANNUAL COST BURDEN.....21
A14. PROVIDE ESTIMATES OF ANNUALIZED COST TO THE FEDERAL GOVERNMENT.....21
A15. EXPLANATION OF PROGRAM CHANGES OR ADJUSTMENTS.....23
A16. PLANS FOR TABULATION, AND PUBLICATION AND PROJECT TIME SCHEDULE.....24
A17. DISPLAYING THE OMB APPROVAL EXPIRATION DATE.....24
A18. EXCEPTIONS TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19.....24

Appendices

- A. Food and Nutrition Act of 2008, as amended (QC Sections pgs. 105-111)
- B. Agriculture Improvement Act of 2018 (QC provisions, pgs. 161-162)
- C. FNS – 74A QC Related New Investment Plan
- D. FNS – 74B QC New Investment Plan Progress Report
- E. Excel Burden Chart
- F. Burden Narrative

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.

This is a revision of a currently approved data collection. The Department is also requesting a three-year renewal with this revision. FNS published an interim final rule titled, *AE64-Supplemental Nutrition Assistance Program: Non-Discretionary Quality Control provisions of Title IV of Public Law 115-334*, in the Federal Register on August 13, 2021(86 FR 44575) and a subsequent technical correction on September 2, 2021 (86 FR 49229).

The interim final rule added reporting requirements for the use of third-party contractors for QC. The collection already includes the quality control (QC) sample plan, use of third-party contractors for QC, QC arbitration, good cause for appealing QC error rates, and QC related new investment requirements of the Supplemental Nutrition Assistance Program's (SNAP).

a. Reporting

Section 11(d) of the Food and Nutrition Act of 2008, as amended (the Act), requires each State agency administering SNAP to submit a plan of operation specifying the manner in which the program is conducted. In addition to certain specific areas of program administration, Section 11(e) of the Act authorizes the inclusion of other provisions as required by regulation.

The legislative basis for the operation of SNAP's QC system is provided by Section 16 of the Act. Section 16 requires the U.S. Department of Agriculture (USDA) to establish a system that enhances payment accuracy and improves administration by determining payment error rates, liabilities and performance bonuses. Section 16(c) allows the Department to require a State agency to report any data deemed necessary for determining these factors. Two of the items covered by

this burden, the sampling plan and arbitrations of State-Federal differences must be completed prior to determination of the payment and case and procedural (formerly known as negative) error rates, the national average payment and case and procedural error rate, any liability amounts established.

Part 275 of SNAP regulations implements the QC legislative mandate. The QC system is designed to provide a basis for determining each State agency's error rate through a review of a sample of (SNAP QC) cases. QC data serves as an objective measure of program operations at the State level and is essential to the determination of a State agency's liability for excessive overpayments.

To help ensure that QC data is reliable and unbiased, paragraph 275.2 requires reporting requirements for State agencies hiring third party contractors for the quality control process using Federal funds. These requirements include notifying FNS when the State intends to hire a third-party contractor, the submission of the signed contract and tasks, the submission of completed deliverables by the contractor, and notification to FNS of any training sessions that would be held by the contractor. In addition, paragraph 275.11(a) requires each State agency to submit a QC sampling plan to the Food and Nutrition Service (FNS) for approval. The sampling plan is a part of the inclusive State Plan of Operation.

When a State agency disagrees with a Federal QC finding on an individual case selected for review, the regulations at 7 CFR 275.3(c)(4) provide that the State agency may request that the dispute be arbitrated by a FNS Arbitrator, subject to some limitations.

Paragraph 275.23(e)(7) provides a process for a State agency to seek relief from a QC liability that would otherwise be levied on the basis that the State agency had good cause for not achieving the payment error rate below the tolerance level. State agencies desiring such relief must file an appeal with the USDA's Administrative Law Judge in accordance with the procedures established under Part 283.

Section 16(c)(D)(i)(I) of the Act allows States in liability status to be offered a settlement agreement to invest fifty percent of a QC liability amount into SNAP administrative activities intended to reduce the State's SNAP error rates. Section 7 CFR 275.23(h) provides further detail explaining what needs to be included in the QC related new investment plans and progress reports.

b. Recordkeeping:

Section 11(a) of the Act mandates that State agencies shall keep "...such records as may be necessary to ascertain whether the program is being conducted in compliance with the provisions of this Act and the regulations issued pursuant to this Act..." The Act also specifies that these records "shall be preserved for such period of time, not less than three years, as may be specified in the regulations issued pursuant to this Act." SNAP regulations at 7 CFR 272.1(f) specify that program records are to be retained for a period of three years from the month of origin.

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.

Sampling Plan: All State agencies are required to select a QC sample of households from two universes:

- (a) The active universe of households that are participating in SNAP; and
- (b) The negative universe of households, whose participation was denied, suspended or terminated.

Each State agency is responsible for the design and selection of the QC samples, subject to the regulations at 7 CFR 275.11 and FNS approval. Each State agency must submit a QC sampling plan and subsequent modifications of sample design, frame, or procedures to FNS. States presently send their sampling plans mostly through email, though a handful still send their plans using the postal service. The sampling plan must include a complete description of the frame, the method of sample selection, and methods for estimating characteristics of the population and sampling errors. In addition, the sampling plan must include a description of its relationship, if any, to other federally mandated programs. All sampling procedures used by the State agency, including frame composition and construction, must be fully documented and available for review by FNS.

Third party contractors: State agencies that decide to hire third party contractors must ensure the guidance provided by those contractors follow all governing laws, regulations, and guidance for SNAP's quality control system. Any State agency wanting to request administrative funding must report the following for any contracts regarding QC: 1) notification of intent to hire; 2) submission of signed contract and tasks; 3) submission of completed deliverables; and 4) notification of training sessions. Failure to report will result in disallowance of fifty percent administrative funding reimbursement and may result in a finding of non-compliance if the contractor's activities do not follow all governing rules for QC.

Arbitration Process: The arbitration process at 7 CFR 275.3 (c)(4) provides a process for State agencies to dispute individual case findings when the State disagrees with Federal findings. State agencies may request arbitration for individual QC cases by filing this request within 20 calendar days of the date of receipt by the State agency of regional office findings. State agencies are required to submit all required documentation to the FNS National Arbitrator. Arbitration requests may be made over the phone, but there is no standard format required to submit the documentation and therefore documentation may be sent via fax, email or US Postal Mail. The arbitration process provides due process protection for the State agency for individual QC cases that are selected for Federal review. If the National Arbitrator rules that the findings in the individual case should be changed, this change may have an impact on the calculation for the State agency's payment and case and procedural error rate and on the national average payment or case and procedural error rate.

Under the Good Cause process at 7 CFR 275.23(f), a State agency may seek relief from a QC liability claim on the basis that the State agency had good cause for not achieving a payment error rate below tolerance. A State agency desiring such relief must file an appeal with the USDA's Administrative Law Judge in accordance with the procedures under Part 283. This process provides due process protection to the State agency for the QC liability. The outcome of this request could affect the validity and amount of a QC liability.

The Act and Section 7 CFR 275.23(h) state that States with QC related liability settlement agreements must invest fifty percent of their own State money into SNAP administrative activities intended to reduce the State's SNAP error rates. Form 74A, QC-Related New Investment Plan and 74B, QC New Investment Plan Progress Report are used to ensure States

submit all required elements in SNAP's rules for writing new investment plans and progress reports. The information collected by the State in form 74A serves as the State's new investment plan submission. Form 74B is used to assist FNS in ensuring the State is fulfilling the error reduction plan they submitted using form 74A and to provide status on the plan's progress and outcomes upon completion. The documented challenges, successes, and outcomes of these plans to reduce errors will help FNS in creating a repository of practices that have assisted states in reducing errors.

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.

In compliance with the E-Government Act, 2002 (E-Gov), the items in this type of collection is not amenable to automated, electronic, mechanical or other technological techniques or other forms of information technology. However, for Sampling, States are encouraged to automate their sampling plans but are not mandated to do so. States presently send their sampling plans through e-mail to their regional office statisticians. The sampling plan must include a complete description of the frame, the method of sample selection, and methods for estimating characteristics of the population and sampling errors.

Arbitration- While FNS allows States to send information to the arbitrator via mail service or fax, all arbitrations have been sent via e-mail in the last 3 years.

Good Cause- Information exchanged between FNS, State agencies, and the administrative law

judge at USDA, are all sent via e-mail.

New Investment plans and progress reports- FNS requires all State agencies electronically send their new investment plans to their regional offices via e-mail. All back and forth between State agencies, the regions and the national office are also sent through e-mail chain.

Since electronic mail is the only form of submission for this collection, none of the information collected is considered to be electronic, according to the E-Gov Act.

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 duplication of effort since there is no similar data available. FNS is responsible for monitoring State QC systems. The sample plan, arbitration and good cause processes are unique to the QC system and are not elsewhere in SNAP. In addition, the new investment requirements are a direct result of whether a State is in liability status, resultant from findings using the QC system, and as such, duplication is not an issue with this information collection.

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.

There are no small business involved with this data collection. FNS determined the requirements for this information collection do not adversely impact small businesses or other small entities.

Smaller State agencies provide the same data as larger State agencies for this collection.

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.

This is an ongoing mandatory data collection. Sampling Plan: Less frequent collection could allow incorrect or inappropriate State agency sampling methodology to go undetected. Without a QC sampling plan FNS could not ensure program integrity. There would be no assurance that State agencies operate their QC system in compliance with the Act and SNAP regulations. This can potentially introduce a bias and adversely affect the integrity of the QC system. There are no technical or legal obstacles to reducing the burden for the sampling plan.

Third party contractors: Less frequent reporting or the elimination of the reporting burdens for State agency activity with third party contractors for QC purposes would result in State agencies not being allowed to request administrative funding for third party contracts working on QC. It may also allow incorrect or inappropriate QC activities in the QC system and there would be no assurance that contractors are providing State agencies with services that comply with the Act and SNAP regulations. This can potentially introduce a bias and adversely affect the integrity of the QC system. There are no technical or legal obstacles to reducing the burden for third party contractor activity notifications.

Arbitration and Good Cause: Less frequent reporting or the elimination of the reporting burdens

for the arbitration and good cause processes would not be in the interest of the State agencies. It would affect their ability to challenge individual case findings and QC system liabilities levied against them. Because of due process protections that these processes provide, there could potentially be technical or legal obstacles to eliminating these burdens.

New Investment: QC related new investment is required when States sign a settlement agreement to resolve their liabilities (money they owe USDA). Utilization of the forms assist in ensuring States fulfill their settlement agreement requirements. There are no technical or legal obstacles to reducing the burden for new investment.

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;**

SNAP regulations, in Section 272.1(f), specify that program records are to be retained for a period of three years from the date of fiscal or administrative closure. The date of an administrative closure could cause the case to be kept more than three years after the initial case review. This particularly impacts the arbitration component of this collection.

- **In connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
- **That includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies**

that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or

- **Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

There are no other special circumstances that require collection 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.

FNS has embedded a 60-Day Notice in the interim final rule titled, *AE64- Supplemental Nutrition Assistance Program: Non-Discretionary Quality Control provisions of Title IV of Public Law 115-334*, that was published in the Federal Register on August 12, 2021(86 FR 44575) and a subsequent correction on September 2, 2021(86 FR 49229). The Department received one comment. The comment was not germane to the content in the interim final rule, including this associated information collection.

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 outside persons did not occur for the information collection component for the interim-final rulemaking.

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 were made 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.

With the interim final rule, none of the changes associated with this ICR require an update to the recent privacy clearance by the FNS privacy officer on Sept 25, 2020, who assessed the following for this ICR: The personally identifiable information (PII) related to the collection is minimal (names, emails, phone numbers) and limited to that of State Agency representatives. Records including forms and communications (email, mail, or fax) associated with the collection respective to the State Agencies are not judged to be subject to the Privacy Act per the Food and Nutrition Service Privacy Officer because PII will not be used routinely to retrieve them. Therefore, no additional Privacy Act language is required on forms or in communications or will be provided via Privacy Act Statements, under the Privacy Act of 1974, or other privacy advisories.

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.

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.

Reporting Burden:

The total annual burden for this information collection is 2,825 annual burden hours and 234 annual responses for reporting and recordkeeping.

Sampling Plan: Fifty-three State agencies are required to have an acceptable sampling plan in place for each annual reporting period. The number of annual responses from each State agency will vary depending upon the revisions needed in a State agency's sampling plan. We estimate that one revision will be needed per State agency per year.

FNS estimates that the number of hours per response will vary from 5 to 30 hours, depending upon the extent of the revision to the sampling plan. If the current sampling plan meets the State's needs and includes all required information as identified in SNAP regulations, State agencies may simply submit the existing plan. Otherwise, the plan must be modified as necessary. FNS estimates the average annual reporting burden is 1,060 hours. No change from the previous approval.

Third party contractors: Due to interim-final rulemaking, the QC system will require States to notify FNS about its intent to hire third party contractors for QC purposes, send FNS the signed contracts that are awarded, send FNS information on the third party contractor's completed deliverables to FNS, and notify FNS of training sessions that will be hosted by 3rd party contractors in the event the State agency intends to request federal reimbursement for administrative expenses associated with the third party contract. There are four reporting

components for third party contactors: 1) notification of intent to hire; 2) submission of signed contract and tasks; 3) submission of completed deliverables; and 4) notification of training sessions. FNS estimates 3 State agencies be required to report one time on all four reporting components totaling 12 reports a year and 3.99 total reporting hours. These are new reporting requirements for this collection.

Arbitration: Fifty-three State agencies participate in the QC System. The number of annual requests for arbitration of Federal findings for cases in which the State agency disagrees with the Federal finding will vary from year to year and by State agency. On average, FNS estimates 12 State agencies will request arbitration for 3 cases per year, totaling 36 arbitrations a year. This estimate is based on the actual number of cases arbitrated over the past 3 years and the actual number of States that submitted requests for arbitration. The number of hours per arbitrated case will vary depending on how long the State generally takes to prepare a case and the complexity of the case. Based on operational experience with these cases and the comments received, we estimate that it takes an average of 34 hours per response. This results in an estimated reporting burden relating to the arbitration process of 1,224 hours. This amount has not changed since the previous approval.

Good Cause: Fifty-three State agencies participate in the QC System. The number of good cause requests by State agencies will be driven by the number of State agencies that are subject to QC liabilities and fail to pay or settle the claim. Over the past three years only 2 state agencies appealed their QC error rate liabilities and requested good cause. Based on this, we estimate that 1 State agency will submit one good cause request per year. The number of hours for preparing a good cause request could vary greatly since the grounds for the request will differ

according to State circumstances. We estimate a State agency will take about 160 hours to process a good cause request, therefore making a 160 hour good cause annual burden for the last three years. This amount has not changed since the previous approval.

New Investment Plan (FNS 74A) and Progress Report (FNS 74B): Based on the number of State agencies subject to the QC-related new investment requirement over the last three years, we estimate 9 state agencies will submit 1 new investment plan. We also estimate a State agency will take approximately 32 hours to complete FNS Form 74A. This estimate includes determining root causes of a State agency's error rate, exploring methods to address those causes, and writing up the plan to address those causes. In addition, we estimate it will take approximately 5 hours per respondent to complete FNS Form 74B, the plan's progress report, which updates FNS on the status of the activities in the State agency's plan twice times a year. Based on this, approximately 18 progress reports will be submitted annually. As a result, we estimate the annual reporting burden for nine State Agencies to complete a new investment plan to be 288 hours and 90 hours for the progress reports. This amount has not changed since the previous approval.

Recordkeeping Burden:

Sampling Plan: All 53 State agencies are required to maintain records of their sampling plans for the recordkeeping requirement. We estimate that the burden is 1½ minutes (0.0236 hours) per record resulting in a total annual burden of about 1.25 hours. This amount has not changed since the previous approval.

Third party contractors: Since State agencies require recordkeeping for State contracts, no

federal recordkeeping requirement is necessary for this collection.

Arbitration: Each State agency is required to maintain records for the recordkeeping requirement. On average, we estimate that 12 State agencies will maintain records of three cases per year and the time it takes is 1½ minutes (0.0236 hours) per record resulting in a total annual burden of approximately .8496 hour. This amount has not changed since the previous approval.

Good Cause: Each State agency is required to maintain records for the recordkeeping requirement. Based on operational experience we estimate that 1 State agency will maintain one record per year. We estimate the burden is 1½ minutes (0.0236 hours) per record resulting in a total annual burden of about 0.0236 hour. This amount has not changed since the previous approval.

New Investment Plan (FNS 74A) and Progress Report (FNS 74B): Each State agency is required to maintain records for the recordkeeping requirement. For the new investment plan we estimate that 9 State agencies will maintain one record per year. The estimated burden is 1½ minutes (0.0236 hours) per record resulting in an annual burden of about 0.2124 hour. For the progress report we estimate two records will be kept per respondent per year, resulting in a current burden of approximately 0.4248 hour. This amount has not changed since the previous approval.

The overall estimated reporting burden for this collection is 2,826 hours and the overall estimated Recordkeeping burden for this collection is 2.7612 hours. Therefore, the total estimated reporting and recordkeeping burden for this collection is 2,828.7512 hours.

The only change from this revision since the last approval is the addition of four third party contractor reporting requirements due to rulemaking, which increased the burden by 3.99 reporting hours. See tables below.

275 Regs Reporting OMB 0584-0303									
Reg. Section	Affected Public	Description of Activity	Estimated Number of Respondents	Estimated responses per respondent	REVISED Total Annual responses	REVISED Number of Burden Hours Per Response	REVISED Estimated Total Burden Hours	Previous Submission Total Hours	Difference Due to Program Changes
275.11(a)(1)-(a)(2)	State Agencies	Sampling Plan	53	1	53	20	1060	1060	0
275.2(c)(1)(i)	State Agencies	Use of 3rd Party Contractors-Notification of intent to hire	3	1	3	0.25	0.75	0	0.75
275.2(c)(1)(ii)	State Agencies	Use of 3rd Party Contractors-Submission of signed contract and tasks	3	1	3	0.5	1.5	0	1.5
275.2(c)(1)(iii)	State Agencies	Use of 3rd Party Contractors-Submission of completed deliverables	3	1	3	0.5	1.5	0	1.5
275.2(c)(1)(iv)	State Agencies	Use of 3rd Party Contractors-Notification of training sessions	3	1	3	0.08	0.24	0	0.24
275.2(d)(4)	State Agencies	Arbitration Process	12	3	36	34	1224	1224	0
273.23(f)	State Agencies	Good Cause Process	1	1	1	160	160	160	0
275.23(h)	State Agencies	New Investment Plan Template Form FNS 74 A	9	1	9	32	288	288	0
275.23(h)(4)	State Agencies	New Investment Progress Report Template Form FNS 74 B	9	2	18	5	90	90	0
SUB-TOTAL REPORTING BURDEN			53	2.4339622	129	21.90689922	2825.99	2822	3.99

275 Recordkeeping OMB 0584-0303										
Reg.	Affected	Description of	Estimated	Estimated	REVISED	REVISED	REVISED	Previous	Difference	Differenc

Section	Public	Activity	Number of Respondents	responses per respondent	Total Annual responses	Number of Burden Hours Per Response	Estimated Total Burden Hours	Submission Total Hours	Due to Program Changes	Due to Adjustm
275.4	State Agencies	Sampling Plan Record Retention	53	1	53	0.0236	1.2508	1.2508	0	0
275.4	State Agencies	Arbitration Process Record Retention	12	3	36	0.0236	0.8496	0.8496	0	0
275.4	State Agencies	Good Cause Process Record Retention	1	1	1	0.0236	0.0236	0.0236	0	0
275.4	State Agencies	New Investment Plan Template Form FNS 74 A Record Retention	9	1	9	0.0236	0.2124	0.2124	0	0
275.4	State Agencies	New Investment Progress Report Template Form FNS 74 B Record Retention	9	2	18	0.0236	0.4248	0.4248	0	0
Grand Total RECORDKEEPING			53	2.20754717	117	0.118	2.7612	2.7612	0	0

Reg. Section	Affected Public	Description of Activity	Estimated Number of Respondents	Number of Reports Annually By State	Number of Total Annual Records	Estimated Time Per Record	Estimated Total Record Keeping Hours	Previous Submission Total Hours	Difference Due to Program Changes	Differen Due to Adjustm
Grand Total REPORTING & RECORDKEEPING			53	4.41509434	234	12.08868034	2828.7512	2824.7612	3.99	0

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

To estimate public cost, FNS consulted with the U.S. Department of Labor’s May 2019

Occupational and Wage statistics (<https://www.bls.gov/oes/2021/may/oes210000.htm>). The average hourly wage for Social Workers is at \$27.83 and \$47.81 for Statisticians. However, since State agencies only pay 50 percent of their administrative costs, \$13.92 and \$23.91 were used in our calculations for each, respectively. We are also adding 33% to salary to include

fringe benefits to determine the annualized State costs, bringing the overall estimated annualized costs for State agencies to \$59,939.15. This increase of \$13,804.64 from the previous approval primarily due to the increase in wages used since the last collection was submitted for approval and the addition of the four rule related reporting additions to the collection for provisions around third party contractors.

Annualized Reporting Costs – States

Type of Respondent	Requirement	Responses Per Year	Hours Per Response	Wage-50% Cost Per Hour	Total Reporting Cost
State Agencies	Sampling Plan	53	7	\$23.91	\$8,868.76
State Agencies	Use of 3rd Party Contractors-Notification of intent to hire	3	0.25	\$13.92	\$10.44
State Agencies	Use of 3rd Party Contractors-Submission of signed contract and tasks	3	0.5	\$13.92	\$20.87
State Agencies	Use of 3rd Party Contractors-Submission of completed deliverables	3	0.5	\$13.92	\$20.87
State Agencies	Use of 3rd Party Contractors-Notification of training sessions	3	0.08	\$13.92	\$3.34
State Agencies	Arbitration	12	34	\$13.92	\$5,677.32
State Agencies	Good Cause	1	160	\$13.92	\$2,226.40
State Agencies	New Investment Plan Form FNS 74 A	9	32	\$13.92	\$4,007.52
State	New Investment Plan Progress Report FNS 74B	9	5	\$13.92	\$626.18
Reporting Cost					\$21,461.69
Fringe (+33%)					\$7,082.36
Total With Fringe					\$28,544.05

Annualized Recordkeeping Costs – States

Type of Respondent	Requirement	Responses Per Year	Hours Per Response	Wage-50% Cost Per Hour	Total Wage cost	Fringe benefit increase G*33%	Total Reporting Cost
State Agencies	Sampling Plan	53	1.2508	\$23.91	\$1,584.72	\$522.96	\$2,107.68
State Agencies	Arbitration	36	0.8496	\$13.92	\$425.60	\$140.45	\$566.05

State Agencies	Good Cause	1	0.0236	\$13.92	\$0.33	\$0.11	\$0.44
State Agencies	New Investment Plan Form FNS 74A	9	0.2124	\$13.92	\$26.60	\$8.78	\$35.38
State Agencies	New Investment Plan Form FNS 74 B	18	0.4248	\$13.92	\$106.40	\$35.11	\$141.51
Total Recordkeeping Cost					\$2,143.65	\$707.40	\$2,851.05
Total Reporting and Recordkeeping State Costs					\$31,395.10		

A13. Estimates of other total annual cost burden.

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

There are no capital/start-up or ongoing operation/ maintenance costs associated with this information collection.

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 annual cost to the Federal Government to collect and use the information for the 275 regulations is estimated to be \$93,565.28. This cost includes (1) the cost of printing reporting forms; (2) State agencies' total costs for reporting and recordkeeping with fringe benefits; (3) the cost for regional office staff to do their part in reviewing the State agencies' 275 collection submissions; and (4) the cost for national office FNS personnel to do their part in reviewing the State agencies' 275 collection submissions and to gather, create, and approve this information collection package. FNS base salaries are from the GSA salary tables from the Office of Personnel Management (OPM) https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2022/GS_h.pdf. These costs are operational costs only as there are no automation costs for these functions.

Estimates of Annualized Cost to Federal Government

Reporting and Recordkeeping Federal Cost for FNS 275 OMB 0584-0303

Activities	Hours Spent on Collection	Costs or Hourly Wage Rate	Responses per year	Cost	Fringe Benefits Cost for Staff (0.33)	Overall Base Cost w/ Fringe Benefits for Staff
1. Printing Cost	N/A	\$2,000.00	0.00	\$2,000.00	N/A	\$2,000.00
2. 50% Reimbursement Cost to States for reporting & recordkeeping administrative cost	N/A	\$0.00	0.00	\$30,687.70	\$10,126.94	\$40,814.64
3. Regional office Fed Costs				\$63,388.92	\$20,918.34	\$84,307.26
4. National Office Fed Costs				\$45,282.55	\$14,943.24	\$60,225.79
Grand Total Cost to Government				\$141,359.17	\$45,988.53	\$187,347.70

Requirement- Regional Offices	Total Responses Per Year	Hrs Per Response	Regional Office Respondents per Response	Regional Ofc Salary	Regional Office Salary Costs	Fringe benefits (33%)	TOTAL salary
Sampling Plan 13/1	53	24	1	\$38.92	\$49,506.24	\$16,337.06	\$65,843.30
Arbitration 13/1	36	5	1	\$45.99	\$8,278.20	\$2,731.81	\$11,010.01
Good Cause	1	0	0	\$0.00	\$0.00	\$0.00	\$0.00
New Investment Plan Form FNS 74A 13/1	9	8	1	\$38.92	\$2,802.24	\$924.74	\$3,726.98
New Investment Plan 74B 13/1	18	4	1	\$38.92	\$2,802.24	\$924.74	\$3,726.98
Total R.O Salary Costs					\$63,388.92	\$20,918.34	\$84,307.26

Requirement- National Office	Total Responses Per Year	Hrs Per Response	National Office Respondents per Response	National Ofc base hrly	National Office Base Salary Costs	Fringe benefits (33%)	TOTAL salary
Sampling Plan 13/1	53	0	0	\$38.92	\$0.00	\$0.00	\$0.00
Arbitration 14/1	36	18	1	\$45.99	\$29,801.52	\$9,834.50	\$39,636.02
Good Cause 13/1	1	50	4	\$38.92	\$7,784.00	\$2,568.72	\$10,352.72
New Investment Plan Form FNS 74A 13/1	9	4	2	\$38.92	\$2,802.24	\$924.74	\$3,726.98
New Investment Plan Form FNS 74B 13/1	18	1.5	1	\$38.92	\$1,050.84	\$346.78	\$1,397.62
a .Program Analyst GS 13 Step	1	80	1	\$38.92	\$3,113.60	\$1,027.49	\$4,141.09

1 Estimates of Annualized Cost to Federal Government for drafting, reviewing & approving ICR							
b. Program Branch Chief Estimates of Annualized Cost to Federal Government for drafting, reviewing & approving ICR 14/1	1	10	1	\$45.99	\$459.90	\$151.77	\$611.67
c. Program Division Director Estimates of Annualized Cost to Federal Government for drafting, reviewing & approving ICR 15/1	1	5	1	\$54.09	\$270.45	\$89.25	\$359.70
Total N.O Salary Costs					\$45,282.55	\$14,943.24	\$60,225.79

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 is a request to revise a current collection with program change due to interim final rulemaking. The currently approved burden inventory 53 States, 2,825 hours and 234 responses. Due to rulemaking this request reflects an increase of 3.99 (rounded to 4) total annual burden hours and an increase of 12 annual responses. The requested burden inventory is 2,828.7512 (rounded to 2,829) hours and 246 responses. The increase in burden for this collection is due to the addition of four State agency reporting requirements related to new rulemaking provisions around Third party contractors.

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.

There are no plans for tabulation and publication.

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.

FNS will be displaying the expiration date on the forms.

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.”

This information collection conforms to the requirement of 5 CFR 1320.9. There are no exceptions to the certification statement.