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DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Agency Information Collection Activities: Proposed Collection; Comment Request—Food Stamp Program Repayment Demand and Program Disqualification

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this Notice invites the general public and other public agencies to comment on proposed information collections. This Notice of Proposed Information Collection announces the intent of the Food and Nutrition Service to request an extension of OMB approval for the information collection requirements associated with initiating collection actions against households who have received an overissuance in the Food Stamp Program. In addition, this Notice announces the Food and Nutrition Service's intent to request an extension of OMB approval for the information collection requirements associated with intentional Program violation determinations.

DATES: Written comments must be submitted on or before January 3, 2005, to be assured consideration.

ADDRESSES: Send comments to Jane Duffield, Chief, Payment Accuracy Branch, Food and Nutrition Service, USDA, 3101 Park Center Drive, Room 822, Alexandria, Virginia 22302.

Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information,

including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

All comments will be summarized and included in the request for Office of Management and Budget approval of the information collection. All comments will become a matter of public record.

FOR FURTHER INFORMATION CONTACT: For initiating collection action, contact Leslie Byrd. For intentional Program violation (IPV) determination, contact Greg Fortine. Both may be reached at (703) 305-2383.

SUPPLEMENTARY INFORMATION:

Title: Repayment Demand and Program Disqualification.

OMB Number: 0584-0492.

Form Number: None.

Expiration Date: November 30, 2004.

Type of Request: Revision of a currently approved collection.

Abstract: Section 13(b) of the Food Stamp Act of 1977, as amended (7 U.S.C. 2022(b)), and Food Stamp Program (FSP) regulations at 7 CFR 273.18 require State agencies to initiate collection action against households that have been overissued benefits. To initiate collection action, State agencies must provide an affected household with written notification informing the household of the claim and demanding repayment. This process is automated in most State agencies. For initiating collection action on an overissuance, we are increasing the estimated annual reporting and recordkeeping burden for State agencies and households from 116,400 hours to 132,199 hours. The reason for the increase is to reflect the higher number of claims that were established in fiscal year (FY) 2003.

Note that for recipient claims, this **Federal Register** notice only covers the reporting and recordkeeping burden for initiating collection action. The burden associated with reporting collections and other claims management information on the FNS-209 report is covered under currently approved OMB number 0584-0069. The burden associated with referring delinquent

claims and receiving collections through the Treasury Offset Program is covered under currently approved OMB number 0584-0446.

FSP regulations at 7 CFR 273.16 require State agencies to investigate any case of suspected fraud and, where applicable, make an IPV determination either administratively or judicially. Notifications and activity involved in the IPV process include:

- The State agency providing written notification informing an individual suspected of committing an IPV of an impending administrative disqualification hearing or court action.
- An individual opting to accept the disqualification and waiving the right to an administrative disqualification hearing or court action by signing either a waiver to an administrative disqualification hearing or a disqualification consent agreement in cases of deferred adjudication.
- Once a determination is made regarding an IPV, the State agency sends notification to the affected individual of the action taken on the administrative disqualification hearing or court decision.

Despite an increase in FSP participation, IPV activity has experienced a slight decline. Therefore, we are decreasing the State agency and household annual reporting and recordkeeping burden for the activities related to IPV disqualifications from 34,254 hours to 26,712 hours.

One of the factors used by a State agency to determine the appropriate disqualification penalty to assign to an individual is whether or not the individual was found to have committed any prior IPV's. The way that State agencies make this determination is by accessing and checking the Disqualified Recipient Subsystem (DRS). DRS is an automated system developed by the Food and Nutrition Service to improve Program efficiency. DRS contains records of disqualifications in every State. State agencies are responsible for updating the system and checking it to determine the appropriate length of each disqualification. An estimate of the annual burden associated with the DRS process reflects a decrease from 11,907 to 7,418 hours per year.

Summary of Estimated Burden

The net aggregate change from the existing to the proposed annual burden

for this entire Proposed Collection is an increase of 3,769 hours. For initiating collection action on an overissuance, we are increasing the estimated annual burden for State agencies and households from 116,400 hours to 132,199 hours to reflect the higher number of claims established in FY 2003. The IPV—related State agency and household annual burden, is decreased from 34,254 hours to 26,712 hours to

reflect the lower number of disqualifications. An estimate of the annual burden associated with the DRS process reflects a total decrease from 11,907 to 7,418 hours per year.

Affected Public: State and local government, and food stamp households.

Estimated Number of Respondents: 818,668.

Number of Responses per Respondent: From 1 to 5.

Total Number of Annual Responses: 1,600,981.

Estimated Time per Response: 0.1074 hours.

Estimated Total Annual Burden: 166,329 hours.

Dated: October 27, 2004.

Roberto Salazar,

Administrator, Food and Nutrition Service.

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Repayment Demand and Program Disqualification
Cost Computation for Information Collection Burden

0584-0492	Number of Respondents	(Revisions in Bold)		Annual Burden Hours	Cost to Public	Hours Attributed to an Adjustment	Hours Attributed to Pgm Change
		Average Annual Responses	Total Annual Responses				
Demand Letter for Overissuance							
	State agencies						
Existing	53	10,981	582,000	77,600	465,600		
Proposed	53	12,472	661,000	88,133	528,800	10,533	0
	Households						
Existing	582,000	1	582,000	19,400	99,910		
Proposed	661,000	1	661,000	22,033	113,472	2,633	0
Notice for Hearing or Prosecution							
	State agencies						
Existing	53	1,560	82,694	11,026	66,155		
Proposed	53	1,145	60,683	8,091	48,546	-2,935	0
	Households						
Existing	94,000	1	82,694	1,378	7,098		
Proposed	60,683	1	60,683	1,011	5,209	-367	0
Administrative Disqualification Hearing Waiver							
	Households						
Existing	26,091	1	26,091	870	4,479		
Proposed	26,571	1	26,571	886	4,561	16	0
Disqualification Consent Agreement							
	Households						
Existing	15,262	1	15,262	509	2,620		
Proposed	9,678	1	9,678	323	1,661	-186	0

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	Number of Respondents	Average Annual Responses	Total Annual Responses	Time per Response (in minutes)	Annual Burden Hours	Cost to Public	Hours Attributed to an Adjustment	Hours Attributed to Pgm Change
Action taken on Hearing or Court Decision								
<i>For IPV Finding</i>								
Existing	53	1,528	80,964	10	13,494	\$ 80,964		
Proposed	53	1,116	59,176	10	9,863	\$ 59,176	-3,631	0
Households								
Existing	80,964	1	80,964	1	1,349	\$ 6,949		
Proposed	59,176	1	59,176	1	986	\$ 5,079	-363	0
<i>For No Finding of IPV</i>								
Existing	53	33	1,730	5	144	\$ 865		
Proposed	53	28	1,507	5	126	\$ 754	-18	126
Households								
Existing	1,730	1	1,730	1	29	\$ 148		
Proposed	1,507	1	1,507	1	25	\$ 129	-4	25
Disqualified Recipient Subsystem (DRS) (See next Page for Details)								
Existing					11,907	\$ 71,437		
Proposed					7,418	\$ 44,509	0	7,418
Total Recordkeeping Burden (See next Page for Details)								
Existing					24,855	\$ 149,132		
Proposed					27,434	\$ 164,605	2,579	0
TOTAL BURDEN								
Total Existing	676,053	2.27	1,536,129	6.3	162,561	\$ 955,358		
Total Proposed	818,668		1,600,981		166,329	\$ 976,502	8,257	7,569
DIFFERENCE	142,615		64,852		3,769	\$ 21,144		
Summary Material								
<i>For line 13 of OMB 83-1</i>								
a. Number of respondents	818,668							
b. Total annual responses	1,600,981							
c. Total hours requested	166,329							
d. Current OMB Inventory	162,561							
e. Difference	3,768							
f. (1) Program Change	7,569							
(2) Adjustment	8,257							

Total Proposed Household Costs	\$ 130,112
Total Proposed State Costs	\$ 846,390
Total Proposed Fed. Costs	\$ 846,390

The number of responses are determined using FY 2003 data.

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	Number of Respondents	Average Annual Responses	Total Annual Responses	Time per Response (in minutes)	Annual Burden Hours	Cost to Public	Hours Attributed to an Adjustment	Hours Attributed to Pgm Change
Disqualified Recipient Subsystem Breakout								
<i>For DRS Reporting</i>								
Existing	53	1,560	82,694	5	6,891 \$	41,347		
Proposed	53	1,001	53,073	5	4,423 \$	26,537		4,423
<i>For Editing and Resubmission</i>								
Existing	53	31	1,654	10	276 \$	1,654		
Proposed	53	20	1,061	10	177 \$	1,061		177
<i>For Penalty Checks using VRU</i>								
Existing	22	1,411	31,050	5	2,588 \$	15,525		
Proposed	22	767	14,571	5	1,214 \$	7,286		1,214
<i>For Penalty Checks using Mainframe</i>								
Existing	31	1,666	51,644	2.5	2,152 \$	12,912		
Proposed	31	1,132	38,502	2.5	1,604 \$	9,626		1,604
			TOTAL DRS BURDEN		7,418 \$	44,509	0	7,418
RECORDKEEPING BURDEN								
<i>For Initiating Collection Action</i>								
Existing	53	10,981	582,000	2	19,400 \$	116,400		
Proposed	53	12,472	661,000	2	22,033 \$	132,200	2,633	
<i>For IPVs</i>								
Existing	53	3,088	163,658	2	5,455 \$	32,732		
Proposed	53	3,057	162,024	2	5,401 \$	32,405	-54	
			TOTAL RECORDKEEPING BURDEN					0
			Existing		24,855 \$	149,132		
			Proposed		27,434 \$	164,605	2,579	

For item 15:

Please note: Respondents consist of 53 State agencies and the households that receive either repayment demand or disqualification notices.