



BILLING CODE: 3410-30-P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Agency Information Collection: Proposed Collection; Comments Request

Study of Third Party Processor Services, Fees, and Business Practices

AGENCY: Food and Nutrition Service, USDA

ACTION: Notice and Request for Comments

SUMMARY: The U.S. Department of Agriculture (USDA) invites public comment on a proposed collection of information that the USDA is developing for submission to the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995. The goal of the study is to understand the business practices of Third Party Processors (TPPs) and independent sales organizations (ISOs) that provide Electronic Benefit Transfer (EBT) processing services and equipment to authorized retailers participating in the Supplemental Nutrition Assistance Program (SNAP).

DATES: Comments regarding this proposed information collection must be received on or before [Date 60 days after date of publication in the Federal Register].

ADDRESSES: 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 shall 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 respondents,

including through the use of automated collection techniques or other forms of information technology.

Written comments may be sent to Rosemarie Downer, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Room 1014, Alexandria, VA 22302.

Comments may also be submitted via email to Rosemarie Downer at rosemarie.downer@fns.usda.gov or by fax to the attention of Rosemarie Downer at (703) 305-2576. Alternatively, comments will be accepted through the Federal eRulemaking Portal. Go to <http://www.regulations.gov> and follow the online instructions for submitting comments electronically.

All written comments will be open for public inspection at the Office of Food and Nutrition Service during regular business hours (8:30 a.m. to 5:00 p.m., Monday through Friday) at 3101 Park Center drive, Room 1014, Alexandria, Virginia 22302.

All responses to this notice will be summarized and included in the request for Office of Management and Budget approval. All comments will be a matter of public record.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of information collection instruments and instructions should be directed to Rosemarie Downer at (703) 305-2129 or rosemarie.downer@fns.usda.gov.

SUPPLEMENTARY INFORMATION:

Title: Study of Third Party Processor Services, Fees, and Business Practices

OMB Number: 0584-NEW

Expiration Date: Not yet determined

Type of Request: New collection

Abstract: This study seeks to understand the business practices of TPPs and ISOs that provide EBT processing services and equipment to SNAP retailers to (1) assess retailers' satisfaction with EBT products and services needed to participate in the SNAP program; and (2) develop a set of best practices to inform FNS's guidance for retailers on what to consider when selecting, contracting with, and working with EBT vendors (TPPs and ISOs). The study results will also provide FNS with the information needed to inform future FNS policies regarding requirements for vendors providing EBT equipment and services to authorized retailers and TPP services-related guidance for retailers.

The study relies on two data sources: (1) a survey of SNAP retailers regarding their business relations with EBT vendors as well as satisfaction with the equipment and services acquired, and (2) interviews with TPPs and ISOs about their business practices with SNAP retailers, products and services, including costs and recommendations for retailers seeking to acquire EBT products and services.

SNAP Retailer Satisfaction Survey: The survey will use a nationally representative sample of SNAP retailers, stratified by retail sales levels and urban/rural locations. The survey sample will include non-exempt retailers¹ that must pay 100% of the cost for EBT equipment and services.

¹ Retailers that are not exempt from the 2014 Farm Bill mandate and must pay 100% for EBT equipment and services includes Convenience Stores, Combination Grocery/Other, Super Store, Supermarket, Smaller Grocery Store, Medium Grocery Store, Large Grocery Store, Meat/Poultry Specialty, Bakery Specialty, Seafood Specialty,

The retailer survey sample will exclude retailers that operate in Guam, Puerto Rico, and the U.S. Virgin Islands.

An invitation to participate in the national survey will be mailed to sampled retailers. The target audience for this survey will be store managers or operations managers. Participants will have the option to respond either online or through an interactive voice response system. Participants who do not start the survey after 10 business days, will receive a mail reminder. The study will follow up with non-respondents via telephone 10 business days after the reminder mail drop. Telephone follow-ups will include five attempts to each number in the sample at different times of the day and days of the week.

TPP and ISO Telephone Interviews: Telephone interviews with TPPs and ISOs will follow a telephone interview protocol. Participants will receive an interview guide and an invitation letter describing the purpose of the study and how the data will be used. As the number and identity of TPPs and ISOs is not known, the study will use a snowball sampling approach to identify interviewees. Snowball sampling operates as a participant recruitment method in which research participants are asked to assist in identifying other potential respondents. Preliminary research estimates that there are 5 to 10 TPPs and 50 to 55 ISOs supporting the EBT market.

Affected Public: The study will include three respondent groups: non-exempt SNAP retailers, TPPs and ISOs in the EBT products and services market.

Estimated number of respondents: 1,500 SNAP retailers and up to 55 TPPs and ISOs.

Estimated Frequency of Response per Respondent: This is a one-time data collection for each respondent.

and Fruits/Vegetables Specialty. Retailers that are exempt from the 2014 Farm Bill mandate may continue to qualify for free EBT equipment and services until further notice.

Estimated Time per Response: The completed SNAP Retailer Survey response burden is estimated at 15 minutes per respondent. Each TPP or ISO interview is estimated to take a total of 1 hour and 30 minutes.

Estimated Total Annual Burden on Respondents: The total public reporting burden for this collection of information is estimated at 415 hours and approximately 1,565 responses. Table 1 below details the estimated burden for each type of respondent.

Table 1: Estimated total annual burden by respondent type for the Study of TPP Services, Fees, and Business Practices.

Respondent Type & Activity					RESPONDENTS					NON-RESPONDENTS					Grand Total Burden Hours
Affected Public	Respondent Description	Type of Survey Instrument	Instrument	Sample Size	Estimated Number of Respondents	Number of Responses per Respondent (Annually)	Total Annual Responses	Average Burden per Response (Hours)	Subtotal Estimated Annual Burden (Hours)	Estimated Number of Non-Respondents	Number of Responses per Respondent (Annually)	Total Annual Responses	Average Burden per Response (Hours)	Subtotal Estimated Annual Burden (Hours)	Grand Total Burden Hours
SNAP Retailer Survey															
	SNAP Retailers (operation managers)	Online survey, IVR, or telephone interview	Survey instrument	1500	1200	1	1200	0.25	300	300	1	300	0.1	30	330
Subtotal SNAP Retailers Survey				1500	1200	1	1200	0.25	300	300	1	300	0.1	30	330
EBT Vendors (TPPs and ISOs) Interview															
Business-for-Profit	EBT Vendors (store managers)	In-Depth Telephone Interview	Interview Protocol	65	55	1	55	1.5	82.5	10	1	10	0.25	2.5	85
Subtotal EBT Vendors Interview				65	55	1	55	1.5	82.5	10	1	10	0.25	2.5	85
GRAND TOTAL				1565	1255	---	1255	---	382.5	310	---	310	---	32.5	415

Dated: April 24, 2017.

 Jessica Shahin
 Acting Administrator
 Food

and

Nutrition

Service

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