

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF AGRICULTURE

### Food and Nutrition Service

#### 7 CFR Parts 274, 276, 278, 279, and 280

RIN 0584-AD28

#### Food Stamp Program, Reauthorization: Electronic Benefit Transfer (EBT) and Retail Food Stores Provisions of the Food Stamp Reauthorization Act of 2002

**AGENCY:** Food and Nutrition Service, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** This action proposes to revise Food Stamp Program regulations pertaining to the standards for approval of Electronic Benefits Transfer (EBT) systems, the participation of retail food stores and wholesale food concerns, and the State agency liabilities and federal sanctions.

These proposed changes to the Food Stamp Program's regulations are put forth to implement sections 4108, 4110, 4113 and 4117 of the Food Stamp Reauthorization Act of 2002.

These changes will allow the U.S. Department of Agriculture (Department) to use delivery methods other than certified mail when notifying retailers or State agencies of adverse action; permit the Department to approve alternate methods of issuing food stamp benefits during disasters; eliminate the requirement that Federal costs for EBT systems cannot exceed the costs of the paper systems they replace; and allow group homes and institutions to redeem EBT benefits directly through banks rather than going through authorized wholesalers or other retailers.

**DATES:** The Department must receive comments on or before July 7, 2003 to assure consideration.

**ADDRESSES:** Submit comments to Lizbeth Silberman, Chief, Electronic Benefit Transfer Branch, Benefit Redemption Division, Food and Nutrition Service, USDA, 3101 Park Center Drive, Alexandria, Virginia,

22302. You may also datafax comments to Ms. Silberman's attention at (703) 305-1863, or e-mail them to her at [lizabeth.silberman@fns.usda.gov](mailto:lizabeth.silberman@fns.usda.gov). The Department will open all written comments for public inspection at the office of the Food and Nutrition Service during regular business hours (8:30 a.m. to 5 p.m., Monday through Friday) at 3101 Park Center Drive, Alexandria, Virginia, Room 403.

**FOR FURTHER INFORMATION CONTACT:** Address any questions regarding this rulemaking to Ms. Silberman at the above address or by telephone at (703) 305-2517.

#### SUPPLEMENTARY INFORMATION:

##### Executive Order 12866

This rule has been determined to be not significant and was not reviewed by the Office of Management and Budget under Executive Order 12866.

##### Executive Order 12372

The Food Stamp Program is listed in the Catalog of Federal Domestic Assistance under No. 10.551. For the reasons set forth in the final rule in 7 CFR part 3015, subpart V and related notice (48 FR 29115), this Program is excluded from the scope of Executive Order 12372, which requires intergovernmental consultation with State and local officials.

##### Executive Order 13132, Federalism

Executive Order 13132 requires Federal agencies to consider the impact of their regulatory actions on State and local governments. Where such actions have federalism implications, agencies are directed to provide a statement for inclusion in the preamble to the regulations describing the agency's considerations in terms of the three categories called for under section (6)(b)(2)(B) of Executive Order 13132. The Department has considered the impact of this rule on State and local governments and has determined that this rule does not have Federalism implications. This rule does not impose substantial or direct compliance costs on State and local governments. Therefore, under section 6(b) of the Executive order, a federalism summary impact statement is not required.

##### Regulatory Flexibility Act

This rule has been reviewed with regard to the requirements of the

Regulatory Flexibility Act (5 U.S.C. 601-612). Roberto Salazar, Administrator, Food and Nutrition Service, has certified that this proposed rule will not have a significant economic impact on a substantial number of small entities. Departmental Field Offices, retailers participating or applying to participate in the Food Stamp Program, State agencies that distribute food stamp benefits and group living homes are the entities affected by this change.

##### Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), this proposed rule contains information collections that are subject to review and approval by the Office of Management and Budget; therefore, FNS is submitting for public comment the changes in the information collection burden that would result from adoption of the proposals in the rule.

Comments on this proposed rule must be received by July 7, 2003.

Send comments to Office of Information and Regulatory Affairs, OMB, Attention: Lauren Wittenberg, Desk Officer for FNS, Washington, DC, 20503. Please also send a copy of your comments to Lizbeth Silberman, Chief, Electronic Benefit Transfer Branch, Benefit Redemption Division, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Alexandria, VA 22302. For further information, or for copies of the information collection, please contact Ms. Silberman at the above address.

Comments are invited on: (a) Whether the proposed collection of information is necessary for the 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 through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

All responses to this notice will be summarized and included in the request