



OCT 14 2011

United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive

Alexandria, VA
22302-1500

SUBJECT: Supplemental Nutrition Assistance Program (SNAP) – The use of FNS provided data on retailer disqualifications to investigate suspicious recipient transactions

TO: Regional Directors
Supplemental Nutrition Assistance Program
All Regions

The purpose of this memo is to transmit guidance regarding the use of data that the Food and Nutrition Service (FNS) provides to States documenting retailer disqualifications as a potent source of evidence in recipient trafficking cases. FNS shares information with States regarding retail stores found guilty of trafficking Supplemental Nutrition Assistance Program (SNAP) benefits and therefore permanently disqualified from participation in the SNAP.

FNS provides the States copies of letters notifying retailers of their disqualification from SNAP and the data/evidence supporting the disqualification. The data and other information FNS shares with States contain household transactions that FNS has determined meet patterns indicative of trafficking.

State agencies, as outlined in 7 CFR 273.16(a)(1), are responsible for investigating any case of alleged intentional Program violation (IPV) and ensuring that appropriate cases are acted upon either through administrative disqualification hearings or referral to a court of appropriate jurisdiction. FNS believes that the information provided on household transactions that meet established trafficking patterns, constitute an alleged IPV and should be further investigated by the State. Using the retailer disqualification data, States can identify client households with suspicious transaction patterns to investigate and pursue for trafficking violations based on the amount of evidence gathered.

FNS understands that these data alone may not provide enough information to disqualify a client but expects States to use it to begin their investigations. We do believe these household transaction patterns, made further suspect when redeemed at disqualified stores, serve as a way for States to more efficiently focus their time and efforts investigating recipients suspected of trafficking.

On a case-by-case basis, FNS may have additional store-specific information available that can be provided to assist States in making cases against individuals believed to be involved in the trafficking of SNAP benefits. Longer term, FNS will work towards developing standardized processes for data sharing that can replace the need to operate on a case-by-case basis. In the near future, FNS intends to request Regional assistance in surveying States to obtain information that will help inform how to structure these processes.

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The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

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Please share this information with your States. If you have any questions about this policy, please contact Christine Daffan at 703-305-2473.

Sincerely,

A handwritten signature in black ink that reads "Laura Griffin". The signature is written in a cursive style with a large initial "L" and a long, sweeping underline.

Laura Griffin
Acting Director
Program Accountability and Administration Division