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DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

7 CFR Parts 271 and 273

[FNS–2016–0037]

RIN 0584–AE33

Supplemental Nutrition Assistance Program (SNAP): Employment and Training Program Monitoring, Oversight and Reporting Measures

AGENCY: Food and Nutrition Service (FNS), USDA.

ACTION: Final rule.

SUMMARY: The final rule implements the employment and training (E&T) provisions of the Agricultural Act of 2014. This section provided the Department additional oversight authority of State agencies' administration of the Supplemental Nutrition Assistance Program (SNAP) E&T program; required the Department to develop reporting measures and required State agencies to report outcome data to the Department. It also required the Department to monitor and assess State agencies' effectiveness of E&T programs and provided the Department with the authority to require State agencies to make improvements to their programs as necessary. Finally, State agencies are required to submit reports on the impact of certain E&T components, and in certain States, the E&T services provided to able-bodied adults without dependents (ABAWDs). The final rule will strengthen the E&T program through the collection of information to

determine the overall effectiveness of the E&T program in reaching the goal of assisting participants in obtaining the skills necessary to obtain and retain employment.

DATES:

Effective date: This rule will become effective January 17, 2025.

Implementation date: State agencies must implement all provisions of this rule no later than October 1, 2025.

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SUPPLEMENTARY INFORMATION:

List of Acronyms or Abbreviations Used in This Supplementary Discussion

In the discussion of the provisions in this rule, the following acronyms or abbreviations stand in for certain words or phrases:

Phrase	Acronym, abbreviation or symbol
Able-bodied Adults without Dependents	ABAWDs
Code of Federal Regulations	CFR
Employment and Training	E&T
Federal Register	FR
Federal Fiscal Year	FFY
Food and Nutrition Act of 2008, as amended	The Act
Food and Nutrition Service	FNS
Secretary of the U.S. Department of Agriculture	Secretary
Section (when referring to Federal Regulations)	§
Supplemental Nutrition Assistance Program	SNAP
U.S. Department of Agriculture	The Department
U.S. Department of Labor	DOL
Workforce Innovation and Opportunity Act	WIOA

Summary Overview

The final rule implements the E&T provisions of section 4022(a)(2) of the Agricultural Act of 2014 (Pub. L. 113–79). The Department published an interim final rule (IFR) on March 24, 2016 (81 FR 15613), that became effective May 23, 2016, and received 43 comments, 36 of which were substantive.

After the release of the IFR the Department conducted various activities to provide guidance to State agencies on the implementation of the reporting measures. These activities included release of an implementation memo,

two-part series of questions and answers and a webinar.¹

The final rule incorporates changes from the interim final rule that includes specifying the information the Department will use in assessing the effectiveness of State's E&T programs; adding educational reporting measures for attainment of a credential or certificate and measurable skill gains; reporting of employment and earnings measures and educational measures by distinct participant characteristics, such as by race and/or ethnicity; and adding

¹ Interim rule: SNAP Employment and Training Program Monitoring, Oversight and Reporting Measures (<https://www.fns.usda.gov/snap/fr-032416>).

reporting measures for States operating mandatory E&T programs. The final rule also changes the due date of the State agency's submission of the E&T Annual Report from January 1 to April 15.

The final rule establishes information sources that the Food and Nutrition Service (FNS) will use for assessing the effectiveness of E&T programs in preparing E&T participants for employment, including skill attainment and employment retention. The rule specifies the authority of FNS to require a State agency to modify its SNAP E&T State Plan to improve outcomes if determined through an assessment that the E&T outcomes are inadequate.

The final rule requires State agencies to identify an outcome reporting measure for every component that is designed to serve at least 100 participants a year in annual E&T State Plan.

The final rule also requires State agencies to submit an E&T Annual Report by April 15 each year that contains the following:

- Employment and earnings reporting measures that consist of four consecutive quarters of data from the two previous Federal Fiscal Years (FFY);
- Educational reporting measures that consist of data from the FFY ending the preceding September 30th;
- Employment and earnings reporting measures and educational reporting measures for each of the seven (7) participant characteristics;
- States that serve mandatory E&T participants will report on the number of SNAP participants required to participate in E&T and referred to E&T and the number and percentage of SNAP participants that were deemed ineligible for SNAP benefits due to failure to comply with E&T requirements;
- Number and percentage of E&T participants for the FFY ending the preceding September 30th by nine (9) participant characteristics;
- Component measures identified in the States' E&T State Plan for components that are designed to serve at least 100 participants a year; and
- States that have committed to offering at-risk ABAWDs, defined as an able-bodied adult without dependents who are at risk of losing SNAP eligibility due to time-limited participation, a slot in a qualifying activity and received an additional allocation of funds will report on:
 - The monthly average number of individuals in the State who meet the conditions of an at-risk ABAWD;
 - The number of individuals the State offers a position in a work program or workfare program;
 - The monthly average number of individuals who participate in such programs; and
 - A description of the types of employment and training programs the State agency offered to at-risk ABAWDs and the availability of those programs throughout the State.

The final rule specifies that State agencies may be required to submit the E&T Annual Report in a standardized format specified by FNS.

The final rule will also reinstate regulatory language in 7 CFR 273.24(a) for the definition of a workfare program for the purposes of meeting the ABAWD

work requirement. This definition was inadvertently removed during a prior rulemaking.

The Department would note that this final rule does not address any changes to ABAWD work requirements as a result of the Fiscal Responsibility Act of 2023 (Pub. L. 118–5). Those changes will be addressed through separate rulemaking.

The Department discusses the changes from the interim final rule, as well as a summary of comments and explanation of each of the final regulatory changes in more detail below.

Summary of Changes From Interim Final Rule

- The interim final rule codified the authority of FNS to require a State agency to modify its E&T State Plan to improve outcomes. The final rule includes language that specifies the information sources that FNS will utilize in assessing the effectiveness of a State's E&T program.
- The interim final rule specified a January 1 due date for State agencies' submission of the E&T Annual Report. The final rule changes that due date to April 15.
- The interim final rule established a reporting measure for the completion of an educational, training, work experience or on-the-job training component. The final rule removes and replaces this measure with two educational measures aligned with Workforce Innovation and Opportunity Act (Pub. L. 113–128) (WIOA) programs, for attainment of a credential or certificate, and measurable skill gains.
- The interim final rule required State agencies to disaggregate each of the reporting measures by four (4) key participant characteristics, *e.g.*, of the 100 E&T participants in unsubsidized employment in the second quarter after completion of participation in E&T, 90 had the characteristic of a mandatory E&T participant. The final rule modifies this disaggregation by requiring the reporting of the employment, earnings, and educational measures for each of the key participant characteristics, *e.g.*, of the 90 mandatory E&T participants who completed participation in E&T, 60 mandatory E&T participants are in unsubsidized employment in the second quarter after completion of participation in E&T. The final rule also introduces three (3) additional key participant characteristics, race and/or ethnicity and mandatory E&T participants deemed ineligible due to failure to comply with mandatory E&T.
- The interim final rule required State agencies to report the number and percentage of all E&T participants that

participated during the reporting fiscal year by seven (7) participant characteristics, such as gender, age, etc. The final rule is modifying this requirement by adding race and/or ethnicity to the participant characteristics.

Summary of Comments and Explanation of Revisions

FNS received thirty-six (36) relevant and non-duplicative comments. Thirty comments came from advocacy organizations and six comments from State SNAP agencies or State Workforce agencies. Generally, the comments were supportive of the interim final rule and believed that the reporting measures would greatly improve employment and training efforts in States. However, many of the supporters made recommendations for improvement or sought clarification of specific provisions.

General Comments

Many commenters raised general or cross-cutting issues about the overall impact of the interim final rule. We address these issues in this section, followed by comments on each section of the interim final rule.

A. Additional Reporting Requirements

Twenty-seven (27) commenters, while supportive of the interim final rule, believed that additional reporting requirements should be added to adequately evaluate the effectiveness of and need for change to States' E&T programs, specifically for States that serve mandatory E&T participants. Commenters urged that additional reporting measures be added to capture the following:

- The number and percentage of individuals required to participate in E&T;
- The number and percentage who were exempted from participation in E&T;
- The number and percentage who were sanctioned before participating in E&T; and
- The number and percentage of those who were sanctioned after beginning participation in E&T.

Some commenters further suggested that States should be required to report on the sanctioned individuals' employment information and the number and percentage of individuals exempted from participation by exemption reason, noting exemptions as an important outcome in shaping an effective E&T program and remedying ineffective practices. In addition, one commenter proposed that States should report on the employment rates in the

second and fourth quarters after SNAP recipients are mandated to participate and suggested that States should be required to report on the number of mandatory E&T participants who receive a SNAP E&T assessment, as well as the number of those mandated to participate who are later found to be exempt. Three of the commenters urged that the final rule require States to report on the number of individuals who are assigned to SNAP E&T; the activity component to which they are assigned; and the number and percentage of individuals assigned to an activity who are sanctioned by the type of activity.

The Department appreciates the comments and agrees that to assess the effectiveness of a State's E&T program, particularly those that serve mandatory E&T participants, sanction data for those that fail to comply with E&T requirements is an important factor. For this reason, the Department added additional reporting requirements for States that serve mandatory E&T participants in the E&T Program Activity Report (FNS-583) (OMB Control No. 0584-0064; expiration date: 06/30/2027) through the final rule, *Employment and Training Opportunities in the Supplemental Nutrition Assistance Program*, published January 5, 2021 ("2021 final rule", 86 FR 358). As required in the 2021 final rule, the Department will collect via the FNS-583 report the number of SNAP applicants and participants required to participate in E&T by the State agency and, of those applicants and participants, the number who began participation in an E&T program, the number who began participating in an E&T component, and the number of mandatory E&T participants who were deemed ineligible for failure to comply with E&T requirements. This FNS-583 data is capturing every time an individual is subject to mandatory participation in E&T and the resulting actions. This results in a duplicated count if an individual has multiple certification periods and is subject to mandatory participation in E&T at each of those certification periods in a reporting fiscal year. The FNS-583 report also collects individual participation data and component participation.

To complement and enhance the FNS-583 data, in this final rule, the Department is modifying the regulation at 7 CFR 273.7(c)(17)(iv) by adding to the E&T Annual Report for States that serve mandatory E&T participants the reporting of the unduplicated number of SNAP participants who were required to participate in E&T, the unduplicated

number of those individuals who were referred to E&T and the unduplicated number and percentages of SNAP participants who were deemed ineligible for failure to comply with E&T requirements. The Department is adding these reporting elements to analyze the churn² of SNAP E&T participants as well as the difference in the number of individuals required to participate and referred to E&T. This change is responsive to the comments received through the IFR. The Department believes the data from the FNS-583 report and the E&T Annual Report, as well as information collected through management evaluations, will provide FNS and State agencies information to assess the effectiveness of a mandatory E&T program.

However, the Department does not believe that the other suggested reporting requirements, such as sanctioned individuals' employment information or the employment rates in the second or fourth quarters after being sanctioned, are necessary due to other changes being included for mandatory E&T programs, e.g. employment and earnings measures for participants deemed ineligible due to failure to comply with E&T, and believes that the additional burden these measures would place on State agencies outweighs their benefit in the overall determination of effectiveness of E&T programs. The Department is not addressing these suggested additional reporting requirements in this final rule.

B. Definitions

Eleven commenters stated that the interim final rule failed to define "completion of participation in E&T", with nine of the commenters noting that the final rule should clarify that completion of participation in E&T has the same meaning as "exit" used in WIOA programs. One commenter asked if, for States that serve mandatory E&T participants, completion of participation in E&T correlates with becoming exempt from work registration for reasons others than employment. One commenter asked if completion of participation in E&T includes a person who (1) participates but leaves an assignment before meeting all obligations of the assignment while remaining a SNAP participant; (2) leaves a component after becoming ineligible for SNAP; or (3) finds unsubsidized employment during component participation.

² Churn in SNAP is defined as when a household exits SNAP and then re-enters the program within 4 months. (Understanding the Rates, Causes, and Costs in Churning in the SNAP Program, November 2014).

The Department appreciates the comments and agrees that for clarity and consistency the term "completion of participation in E&T" should be defined in the regulations. For the purposes of capturing the reporting measures of employment and earnings, completion of participation in E&T is defined as an E&T participant who has not received any E&T services for at least 90 days with no plans for future services, as discussed in the SNAP E&T Program Monitoring, Oversight and Reporting Measures Questions and Answer, Part II, released May 15, 2017. This timeframe and definition align with the definition of "exit" in WIOA programs as provided in Training and Employment Guidance Letter No.10-16, Change 3.³ The Department clarifies that for States serving mandatory E&T participants, completion of participation in E&T does not in any way relate to participants becoming exempt from work registration for reasons other than employment, unless an E&T participant stops participating in E&T as a direct result of the exemption status. Thus, completion of participation in E&T could include participants who leave an assignment before meeting all the obligations of the assignment while remaining a SNAP recipient, or participants who leave a component when becoming ineligible for SNAP or for participants who find unsubsidized employment during component participation, if those individuals do not receive any E&T services for at least 90 days. Under 7 CFR 271.2 the Department is codifying the definition of "completion of participation in E&T" to mean that an E&T participant has not received any E&T services for at least 90 days and no future services are planned.

Twenty-five commenters noted that the Department defines an "E&T participant," for the purposes of reporting, as an individual who is placed in and begins an E&T component. The commenters stated that this definition fails to adequately capture many individuals in SNAP who are required to participate in E&T activities and that the regulation as written would not capture the outcomes of SNAP participants who are required to participate in E&T but are disqualified before they begin an E&T component.

The Department appreciates the comments and agrees that the definition of an "E&T participant," for the

³ Training and Employment Guidance Letter No.10-16, Change 3 issued September June 11, 2024 (<https://www.dol.gov/sites/dolgov/files/ETA/advisories/TEGL/2023/TEGL%2010-16%20Change%203/TEGL%2010-16%2C%20Change%203.pdf>).

purposes of reporting, discussed in the interim final rule would exclude those individuals who were deemed ineligible for SNAP before they were placed in an E&T component. The interim final rule did not add the definition of an E&T participant. This determination of when an individual could be considered an E&T participant for reporting purposes, as discussed in the interim final rule preamble, was based on an existing definition under 7 CFR 271.2 for “placed in an employment and training (E&T) program”, which provided that a State agency may count a person as “placed” in an E&T program when the individual commences a component. As a result of the changes to the E&T program made through the Agricultural Improvement Act of 2018, the 2021 final rule made several changes to definitions under 7 CFR 271.2. The changes in the 2021 final rule modified definitions of an E&T program and E&T mandatory participant, added definitions for an E&T participant and an E&T voluntary participant, and removed the definition of “placed in an employment and training (E&T) program.” An “E&T program” is defined as a program operated by each State agency consisting of case management and one or more E&T components. The definition for an “E&T participant” is an individual who meets the definition of a mandatory or voluntary E&T participant. Because these definitions do not explicitly establish at what point an individual becomes an E&T participant for reporting on the E&T Program Activity Report (FNS–583) or E&T Annual Report, the Department is modifying the definition of an E&T participant under 7 CFR 271.2 to state that an “E&T participant” means an individual who meets the definition of a mandatory or voluntary E&T participant who is referred to E&T and begins at least one part of an E&T program, including orientation, assessment, case management services or a component. Because the purpose of the reporting measures is to measure the impact of the E&T services that an individual receives, the Department is not including mandatory E&T participants who do not appear for E&T services in the definition of an E&T participant. However, the modified definition will include individuals who do begin an E&T program including orientation, assessment, case management services, who were previously not being captured. Therefore, the Department is addressing in this final rule a modification to the definition of an “E&T participant” under 7 CFR 271.2.

One commenter suggested that the term “former E&T participant” be defined. The Department appreciates the comment and agrees that because the interim final rule under 7 CFR 273.7(c)(17) included the term former participant as one group of participants in the reporting measures that this term should be defined. Former participants are included in these measures to capture those individuals who began participation in an E&T program but who discontinued participation because they are no longer receiving SNAP benefits due to reasons such as failure to recertify. The Department is defining under 7 CFR 271.2 the term “former E&T participant” to mean an individual who is no longer participating in E&T services because the individual is no longer receiving SNAP benefits.

One commenter requested definitions for both the numerators and denominators for each of the reporting measures. The Department appreciates the comment and would note that the Department issued guidance⁴ through the SNAP E&T Outcome Reporting Interim Final Rule Questions and Answers Part II that was issued May 15, 2017, that provided such definitions and does not believe it necessary to define in regulations. For the measures of unsubsidized employment in the second or fourth after “completion of participation in E&T” the denominator includes those E&T participants who have completed participation, defined as not receiving services for 90 days, and the numerator consists of those participants who completed participation in E&T and have earned income in the second or fourth quarters after completion of participation in E&T. As these measures are generally aligned with measures in the WIOA program the Department wishes to retain some level of flexibility to accommodate changes that may be instituted in the WIOA programs. The Department is not including numerator and denominator definitions for these reporting measures in this final rule.

C. Delay Implementation

Two commenters noted that the interim final rule requires States to start collecting complex data elements and that State agencies would need to evaluate the system changes, regulatory changes and new directives they would need to implement to comply with the new reporting requirements. One commenter noted that the State agency

would need to seek State statutory changes to access employment and wage outcomes through quarterly wage reporting or the National Directory of New Hires. The commenters recommended that the implementation of the reporting measures be delayed to improve the quality, utility, and clarity of the information to be collected.

The Department recognizes that the introduction of outcome reporting measures might require changes to States’ data systems. However, the Department was statutorily required to issue an interim final rule implementing the provisions of section 4022 (c) of the Act within 18 months of enactment. The Department actively worked with State agencies to implement these provisions by conducting readiness assessments during FFY 2016 and FFY 2017 and offering grants for data systems annually beginning with FFY 2017. The Department also conducted a webinar for State agencies that included representatives from the Department of Labor on the use of quarterly wage record data.⁵ Because State agencies already collect participant characteristics, such as race and/or ethnicity for the SNAP program and some State agencies report educational measures such as attainment of credential or certificate for educational components in their E&T State Plans, the Department believes that most State agencies will be ready to implement these changes in the final rule. However, the Department is delaying implementation of all the provisions of this final rule until October 1, 2025, in order to allow States sufficient time to make necessary changes to implement the final rule and to ensure that the first Annual Report under the final rule will be comprehensive of all provisions.

D. Annual Report Timeframe

One commenter stated that the preamble for the interim final rule provided each measure under 7 CFR 273.7(c)(17) would be reported using the most recent data available during the reporting period. The commenter stated that the final rule should clarify that different measures will be reported for individuals in different time periods. The Department appreciates the comment and acknowledges that different measures contained within a State’s annual report may consist of information from different time periods, due to the lag time for measures such as employment and earnings; therefore, the Department is modifying the regulatory

⁴ SNAP E&T Outcome Reporting Interim Final Rule Questions and Answers Part II, issued May 15, 2017 (<https://fns-prod.azureedge.us/sites/default/files/snap/Clarification-SNAP-EandT-Outcome-Reporting-PartII.pdf>).

⁵ Webinar: SNAP E&T Outcome Reporting Requirements, August 23, 2017 (<https://www.youtube.com/watch?v=eP-PeKxdEd0>).

text in 7 CFR 273.7(c)(17) to indicate the time period to be reported for each section of the annual report. Due to the lag time in the employment and earnings reporting measures, as well as the lag time in the availability of quarterly wage records, for these measures State agencies will be required to report four (4) consecutive quarters of data from the two previous FFYs. This is consistent with the timeframe reported in annual reports as specified in guidance issued through the SNAP E&T Outcome Reporting Requirements—Questions and Answers (Q&A) Part II. The Department is aware that these lag times create a challenge for State agencies to provide four (4) quarters of data by the required January 1 due date of the annual report. To address this challenge the Department is modifying the due date of the Annual Report to April 15 under 7 CFR 273.7(c)(17). For educational measures added in this final rule for attainment of a credential or certificate and measurable skill gains, State agencies will report on data from the previous FFY. State agencies will report participant characteristics for those E&T participants served in the E&T program from the previous FFY, consistent with guidance⁶ issued under the IFR.

E. County-Administered E&T Programs

Two commenters stated that, for States with county-administered SNAP E&T programs, there should be a requirement that every county track and provide the same data to the State agency. They state that without this requirement the data will lack continuity and comparability between locations and the reports that the State agency provides to the Department will be incomplete. The Department appreciates the comment and would note that section 16(h)(5) of the Food and Nutrition Act of 2008, as amended (“the Act”), places the responsibility with the State agency for establishing component measures that will serve at least 100 individuals a year as well and for submitting the E&T Annual Report. In addition, section 11(a)(2) of the Act states that the responsibility of the agency of State government shall not be affected by whether the program is operated on a State-administered or county-administered basis. It is therefore the responsibility of the State agency to ensure that data is being tracked consistently, whether in a State-administered or county-administered

program. The Department is not including additional requirements for county-administered SNAP E&T programs in this final rule.

F. E&T 100 Percent Grants

One commenter noted that language included in the preamble to the interim final rule states that the Department retains the authority to consider outcome data as part of the scope of the impact for a State’s E&T program when evaluating requests for additional 100 percent funds. The commenter stated that the April 2016 SNAP E&T State Plan Handbook did not discuss the use of outcome data for these reviews and that the final rule should address whether the Department intends to use outcome data when reviewing additional funds requests and if so, how the Department envisions this working when outcome data will not be available until the out-years.

The Department appreciates the comments and clarifies that the 2021 final rule implemented changes to the Department’s process for reallocating unobligated or unexpended Federal E&T 100 percent funds to other State agencies requesting additional E&T funds, codified under 7 CFR 273.7(d)(1)(iii)(E). This change was necessitated by requirements at section 16(h)(1)(C) of the Act, as amended by the Agricultural Improvement Act of 2018, that introduced priorities for the reallocation of funds, including the requirement that the Department determines that the requests funded have the most demonstrable impact on the ability of participants to find and retain employment that leads to increased household income and reduced reliance on public assistance. The Department has provided guidance in the revised 2022 E&T State Plan Handbook⁷ and E&T Toolkit⁸ regarding the inclusion of information in State agencies’ requests for additional funds demonstrating that the planned use of the funds has a demonstrable impact on the ability of participants to find and retain employment that increases the household income. The rule under 7 CFR 273.7(d)(1)(iii) provides that in making reallocations the Department will consider, among other things, whether the employment and training programs and activities for which the State agency is requesting reallocated funds have the “most demonstrable impact on the ability of participants to find and retain employment that leads

to increased household income and reduced reliance on public assistance.” The Department must also consider the size of the request relative to the State agency’s E&T spending in prior years, the specificity of the State’s plan for spending the reallocated funds, and the quality of the program and scope of impact for the State’s E&T program. The Department considers the information provided by the State agency in their request as well as all performance data, including outcome data such as the reporting measures from prior E&T Annual Reports and E&T Program Activity reports, to fall within the factors already delineated in 7 CFR 273.7(d)(1)(iii). Therefore, it is not necessary to make a change in this final rule.

One commenter noted that State system interfaces currently do not allow for the automated collection of employment and earnings data. The commenter asked if the Department would provide funding to support State system infrastructure costs for ongoing support or system enhancements and if State agencies can direct Department funds for system costs to other agencies responsible for the interfacing system.

The Department notes that State agencies can use the E&T 100 percent Federal grant and 50 percent administrative funds to develop or enhance information management systems used for collecting and reporting E&T data. State agencies choosing to use their E&T funds, whether the 100 percent Federal grant or the 50 percent administrative funds, for system development or modifications should include the anticipated costs of data collection in the estimated operating cost within their annual E&T State Plan. Additionally, the Department periodically makes available additional grant opportunities, such as through E&T Data and Technical Assistance Grants, which are intended to support the development of State SNAP E&T data collection and reporting systems. Since the ability to use those funds for information management systems already exists, it is not necessary to specify available funds in this final rule.

Reporting Measures

Section 4022(a)(2) of the Agricultural Act of 2014 (Pub. L. 113–79) amended section 16(h)(5)(B)(i) and (ii) of the Act to require the Department to develop, in consultation with the Department of Labor (DOL), reporting measures that identify improvements in the skills, training, education, or work experience of members of households participating in SNAP. The measures were to be

⁶ SNAP E&T Outcome Reporting Interim Final Rule Questions and Answers Part II, issued May 15, 2017 (<https://fns-prod.azureedge.us/sites/default/files/snap/Clarification-SNAP-EandT-Outcome-Reporting-PartII.pdf>).

⁷ E&T State Plan Handbook (<https://www.fns.usda.gov/snap-et/state-plan-handbook>).

⁸ SNAP E&T Program Toolkit (<https://www.fns.usda.gov/snap-et/toolkit>).

based on common measures of performance for Federal workforce programs and include additional indicators that reflect the challenges facing the types of members of households participating in SNAP who participate in a specific E&T component. In the interim final rule, the Department, after consultation with DOL, established under 7 CFR 273.7(c)(17)(i)–(iv) that State agencies would report annual outcome data based on measures that were similar to the performance indicators for the core programs in the WIOA, but that reflected the intent of the Act, and the unique characteristics of the SNAP E&T program and its participants. Those reporting measures included:

- The number and percentage of E&T participants and former participants who are in unsubsidized employment during the second quarter after completion of participation in E&T;
- The number and percentage of E&T participants and former participants who are in unsubsidized employment during the fourth quarter after completion of participation in E&T;
- The median quarterly earnings of all the E&T participants and former participants who are in unsubsidized employment during the second quarter after completion of participation in E&T; and
- The total number and percentage of participants that completed a training, educational, work experience or on-the-job training component.

G. Data Sources, Methodology and Method of Collection

Regarding the measures required under 7 CFR 273.7(c)(17)(i) through (iv) one commenter asked if States are required to report on participants who enter E&T during the fiscal year or on individuals under certification in the fiscal year that enter and participate in E&T. The Department is clarifying that for the reporting measures of employment and earnings, due to the nature of these measures, State agencies are reporting on those E&T participants from the previous two FFYs who were referred to E&T, began at least one part of an E&T program including case management services or a component, and had obtained employment six months (second quarter) or one year (fourth quarter) after completion of participation in E&T. Therefore, the Department is modifying the regulatory text at 7 CFR 273.7(c)(17)(i) to indicate that for the reporting measures of employment and earnings State agencies shall report four (4) consecutive quarters of data from the two previous FFYs ending the preceding September 30.

One commenter noted that the E&T State Plan Handbook issued by the Department in April 2016 included options for data sources for reporting measures and State reporting measures not discussed in the interim final rule, including the use of sampling. The commenter stated that the final rule should identify the data sources that States may use to meet the reporting requirements. Another commenter had questions regarding the use of sampling as a data source. They asked if States that choose to use sampling for State- and Federal-reported outcomes will report both outcomes for the same sample of 500 cases, or does the Department expect the sample of 500 cases for State reported outcomes to be different than the sample of 500 cases for the reporting measures. The commenter also asked if States are required to report outcome data in the E&T State Plan or does the E&T plan contain a description of the reporting measures that will be reported for that fiscal year. Another commenter asked if there is a required source of data or methodology for calculating median earnings.

The Department appreciates the comments and notes that FNS issued guidance in the SNAP E&T State Plan Handbook in April 2016 and most recently updated May 2022 which specified that State agencies would determine the data source and the collection methodology it would use to gather the information needed for the annual report. The Department expressed that its preference was for State agencies to use administrative data and provided a list of sources they may consider using. These sources included Quarterly Wage Records (QWR) available through State's Unemployment Insurance (UI) program, the National Directory of New Hires, State's management information systems, manual follow-up or follow-up surveys of E&T participants. This guidance also indicated that State agencies may use sampling as a data collection methodology, rather than tracking all E&T participants. The Department recognized that given the variation in State's E&T programs, including their data collection and tracking procedures, State agencies were in the best position to determine the appropriate data source and collection methodology to employ. However, for the reporting measures of employment and earnings, the Department indicated that the preferred source of data was QWR but understood that State agencies needed lead time to negotiate data agreements, or in some cases require

State regulatory or statutory changes granting them access to such data. For that reason, the Department indicated while State agencies moved toward the goal of using QWR for employment and earnings data, they could utilize any of the sources. State agencies indicate in their annual E&T State Plan the data sources they intend to use for reporting measures and component measures. For calculating the median quarterly wages in the second quarter after completion of participation in E&T, the methodology State agencies should employ is to arrange all individual quarterly earnings for participants in numerical order, from smallest to largest, and identify the wage that is in the middle of that list. Regarding the use of sampling, State agencies have discretion as to whether they employ different samples for reporting measures and State component measures, given that the nature and timeframe of the measures may differ. States choosing to use sampling as a collection methodology must also include details regarding the sample design in the E&T State Plan. The regulations under 7 CFR 273.7(c)(6)(xviii) specifies that in the annual E&T State Plan State agencies will provide a component measure for every component that is expected to include 100 or more participants, and those measures will be reported in the annual report specified in paragraph (c)(17). To maintain flexibility to account for variations among States, the Department is not changing in the final rule the data sources or collection methodology States may employ for the annual report.

One commenter noted that UI QWR data does not capture all earnings, such as out of State, Federal or informal employment. The commenter asked if it was feasible for the Department to collect data on employment or to match nationally on behalf of States against the State submission of participants who completed an E&T program. Another commenter noted that the final rule should provide an option for States to request that the Department calculate performance measures related to employment and earnings using the Department's access to national quarterly wage record data or National Directory of New Hires. They indicated that such an option would relieve States of some of the burden imposed on the State to perform such measures and calculations, ensure standardized measurement standards for States participating in such an option, and provide the Department a more robust platform to assess the E&T program. The commenter stressed this as an option

and would not support making this approach mandatory. One commenter stated that the Department should allow the use of automated data exchanges and State wage information to identify the employment status and quarterly wages of former E&T participants. They noted that they have observed that within the first year of reinstating the ABAWD work requirement in their State,⁹ E&T vendors reported that the actual employment rate for SNAP participants is significantly higher than the 37% employment rate identified by the State's data. The commenter noted that former E&T participants rarely verify their new employment status after reporting it since there is no incentive for them to do so and they believe that it is essential for States to be able to use wage matches through such sources as Work Number or Equifax to accurately report employment outcomes of E&T participants.

The Department acknowledges that the quarterly wage record data available through State's UI reporting does not capture all earnings, specifically Federal employment or the self-employed. As previously discussed, the Department is not requiring States to use a specific data source for the annual report. However, the Department believes that QWR data is the most reliable and efficient source of information pertaining to employment and earnings of E&T participants and suggest as a best practice the use of QWR data. Further, it would not be feasible for the Department to calculate performance measures related to employment and earnings because quarterly wage record data is not available from a single source at a national level, it resides within each State agency responsible for UI reporting. In addition, this would require the Department to collect individual case records on every E&T participant from each State agency and this would impose additional burden on State agencies. The Department does not collect individual case records in the SNAP program, including the SNAP E&T program. Therefore, the Department is not changing the data sources or method for collection in this final rule.

H. Employment and Earnings Measures

One commenter asked if the fourth quarter employment after completion of E&T was intended to be a proxy for

retention. This commenter also asked what if the employer or record from second and fourth quarters are different. The Department understands that the fourth quarter employment measure could be perceived as being a proxy for employment retention. However, the measure is a point in time measure and is only measuring whether an E&T participant is in unsubsidized employment twelve months after completing participation in E&T. Whether the E&T participant was included in the second quarter employment measure bears no relevance to the fourth quarter employment measure; therefore, the Department is not making a change in the final rule.

Three commenters stated that the timeline for reporting employment and earnings measures should consider the six-month lag time in the availability of quarterly wage records (QWR). They noted, for States using QWR information, reporting on fourth quarter employment after completion of E&T by the January 1 due date of the annual report would not be possible for any group completing components in FFY 2017 or thereafter. This lag time in the availability of the QWR gives States little time to perform the matches and analysis before the E&T Annual Report is due on January 1.

One commenter stated that the final rule should provide information addressing how States can request an extension or apply for a waiver of the requirement for States to submit an annual report to the Department on January 1 of each year.

The Department appreciates the comments and acknowledges that the timeframe of the employment and earnings measures as well as the six-month lag time in the availability of quarterly wage records (QWR) impacts State agencies' abilities to submit an E&T Annual Report that consists of four (4) quarters of data from only the preceding FFY on January 1. Therefore, the Department is modifying the regulatory text at 7 CFR 273.7(c)(17) to change the due date of the annual report to April 15. Additionally, the Department is modifying 7 CFR 273.7(c)(17)(i) to reflect that for the employment and earnings measures State agencies shall submit four (4) consecutive quarters of data from the two previous FFYs.

Regarding the quarterly median wage measure, one commenter noted that because the quarterly wage records reflect quarterly earnings and does not include a start date or the number of pay periods, individuals who are hired mid-quarter will appear to have lower wages than their actual hourly rate. The

Department appreciates the comment on the limitation of quarterly wage records to reflect the earnings of participants who may obtain employment mid-quarter. However, the Department was required to develop reporting measures, in consultation with the Department of Labor, that were based on common measures of performance for Federal workforce programs and the quarterly median measure is aligned with WIOA programs. The Department believes that, to account for the mid-quarter hires, as well as to ensure consistency, all States would need to modify their collection processes to include capturing the start date of employment for those individuals as well as the wage information. In order to ensure consistency in the State agencies reporting of participant wage information, this would require that all State agencies, as well as E&T providers devote staff time to collect the information necessary from the E&T participants or employers. This would place an undue burden on E&T participants and their employers to provide participant wage information. The Department believes that this burden far outweighs the benefits to account for those mid-quarter hires, therefore, the Department is not modifying the regulations regarding the quarterly median wage measure in this final rule.

One commenter questioned the practical utility of the employment and earnings measures and asked if employment and earnings six or twelve months after E&T participation correlate with the impact of the E&T intervention. Another commenter noted that the employment and earnings measures are reliant on systems outside of State SNAP agency and requires ongoing staffing effort to manually collect and compile the information, calling into question the effort and validity of such measures. The Department appreciates the comments and would note that the provisions of 4022(a) in the Agricultural Act of 2014 charged the Department with the responsibility to assess the effectiveness of SNAP E&T programs in preparing members of households participating in SNAP for employment, including the acquisition of basic skills necessary for employment; and increasing the number of household members who obtain and retain employment subsequent to participation in the SNAP E&T program. This section further required the Department, in consultation with the Department of Labor, to develop reporting measures that would identify improvements in the skills, training, education of SNAP

⁹ The American Recovery and Reinvestment Act of 2009 (ARRA) suspended the time limit for individuals subject to the work requirements under section 6(o)(2) of the Food and Nutrition Act, unless the individual did not comply with requirements of a program offered by a State agency. This provision under ARRA expired at the end of FFY 2011.

participants and that were based on common measures of performance for Federal workforce training programs. As noted previously, WIOA established common measures of performance to ensure consistency across all programs under WIOA. These common measures for employment and earnings specified the timeframe of second quarter and fourth quarter after exit from a WIOA program. The Department believes that the adoption of employment and earnings measures aligned with measures for workforce programs under WIOA meets the Department's obligation to assess States for the number of individuals who obtain and retain employment subsequent to participation in E&T programs. The Department is not modifying the provisions for the employment and earnings measures in this final rule.

One commenter stated that while the Department has developed standardized reporting measures as required in the Act, it has not, at least as stated in the guidance provided in the E&T Plan Handbook, standardized the methods states must employ to collect data on those measures. Given that employment outcomes are known to differ based on the modality of data collection, the commenter suggested the final rule should address how the Department plans to adjust for performance differences across States using differing data collection methodologies.

The establishment of reporting measures, as provided in section 16(h)(5)(B) of the Act, was for the purpose of identifying improvements in the skills, training, education or work experience of members of households participating in States' Supplemental Nutrition Assistance Programs. The Act did not require the Secretary to establish reporting measures with performance targets or to compare reporting measures across State agencies. Therefore, the Department is not making changes in the final rule in response to this comment.

I. Completion of Education, Training, Work Experience or OJT Components

One commenter stated that the reporting measures should also include a credential attainment measure consistent with the WIOA primary indicator on credential attainment. This includes measures such as the number and percentage of individuals assigned to E&T who obtain a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent during participation in or within 1 year after exit from SNAP E&T. The commenter noted that measuring credential

attainment is an important part of measuring skill-building outcomes. The Department agrees that the reporting measures should include educational measures that are aligned with WIOA.¹⁰ This includes measures such as credential attainment and measurable skill gain that are important factors to consider in assessing and evaluating the effectiveness of a State's E&T program in assisting E&T participants in obtaining skills necessary for employment. Measurable skill gains provide the Department and State agencies with an interim progress of participants who are enrolled in any educational or training program and is triggered by program enrollment rather than on completion of the program. Both measures are in practice by workforce development organizations. An analysis of State's FY 2021 E&T Annual Reports indicates that several State agencies already utilized these as component measures. Because of these factors, the burden on State agencies should be minimal. Therefore, the Department is creating two educational measures for attainment of credential or certificate and measurable skill gains under new 7 CFR 273.7(c)(17)(ii).

State agencies will be required to report the number and percentage of E&T participants enrolled during the preceding FFY in an educational or training program, excluding those in on-the-job training, customized training or transitional jobs, who attain a recognized post-secondary credential, certificate or a secondary school diploma, or its recognized equivalent, during participation in or upon completion of participation in E&T.

State agencies will also be required to report the number and percentage of E&T participants who, during the preceding FFY, were in an education or training program that will lead to a recognized postsecondary credential or employment and who are achieving measurable skill gains, defined as documented academic, technical, occupational, or other forms of progress, towards such a credential or employment. This measure is intended to capture E&T participants who are working towards attainment of a credential or employment but may not have had sufficient time to achieve the intended outcome during the reporting fiscal year. In essence, this measure is reporting E&T participants' progress toward attainment of a credential or

employment. Depending on the type of education or training program, documented progress could consist of one of the following:

- Documented achievement of at least one educational functioning level of a participant who is receiving instruction below the postsecondary education level.
- Documented attainment of a secondary school diploma or its recognized equivalent.
- Secondary or postsecondary transcript or report card for a sufficient number of credit hours that shows a participant is meeting the State unit's academic standards.
- Satisfactory or better progress report, towards established milestones, such as completion of one year of an apprenticeship program or similar milestones, from the training provider who is providing training.
- Successful passage of an exam that is required for a particular occupation or progress in attaining technical or occupational skills as evidenced by trade-related benchmarks such as knowledge-based exams.

One commenter, commenting on the collection of the total number and percentage of participants that completed an educational, training, work experience of on-the-job training measure, stated that the ability to capture completion of components, specifically an education or training component, is dependent upon a manual, individual-level process and would pose an undue burden on States without clear benefit. They asked what the Department hopes to deduce from this information. Another commenter noted that the ability to capture completion of components must be imbedded in the E&T case management system and would require additional system functionality and would further require direct reporting by participants and data entry by a worker. The commenter asked if the Department would require verification of completion and if documentation of completion would be included in management evaluations or other Federal reviews. One commenter sought clarification for the measure of completion of an educational, training, work experience or on-the-job training component. They asked that "completion" be defined, and a clarification of who is included in the denominator, if it is all E&T participants or only those participating in one of the components. One commenter stated that for the completion of educational, training, work experience or on-the-job training components a SNAP client has the potential to complete multiple E&T

¹⁰ Training and Employment Guidance Letter No.10-16, Change 3 issued September June 11, 2024 (<https://www.dol.gov/sites/dolgov/files/ETA/advisories/TEGL/2023/TEGL%2010-16%20Change%203/TEGL%2010-16%20Change%203.pdf>).

activities. They stated that the final rule should clarify whether States should count completion in each of the components or just one and if States should only be reporting completion in one component during the fiscal year, clarify, how States should determine the completion to be reported.

The Department acknowledges that capturing completion of components would necessitate some level of case management, whether through a manual process or through an automated system. However, separate and apart from any reporting requirements, recording when participants begin and complete any activity is a cornerstone of an effective employment and training program, ensuring participants are making progress toward individual goals as well as program goals. The Department would note at the time of the interim final rule, the Department established reporting measure for completion of an education, training, work experience or on-the-job training (OJT) component in 7 CFR

273.17(c)(17)(iv) of the interim final rule as a measure that was specific to the SNAP E&T program. This was done, partly because the Departments of Labor and Education were still in the process of finalizing their policies for the educational common measures of credential or certificate attainment and measurable skill gains, for the WIOA programs. The Department is not aware of other Federal agencies incorporating similar completion measures, and after reconsideration the Department does not believe “completion” is a meaningful measure. Therefore, considering the comments, the Department is removing the completion of education, training, work experience and on-the-job training reporting measure under 7 CFR 273.7(c)(17)(iv) and replacing with two educational measures for attainment of credential or certificate and measurable skill gains under new 7 CFR 273.7(c)(17)(ii).

J. Alignment of Measures With WIOA

Three commenters recommended that the Department fully align the proposed measures and reporting requirements with those established in WIOA and the final WIOA regulations to improve service integration and support evaluation of outcomes across programs. One of the commenters further stated that the Department should give States that choose to integrate services across the WIOA and SNAP E&T programs the option of using the common periods of participation with common exit used in WIOA programs. The Department appreciates the recommendation to fully align measures with those established in

the WIOA programs. The measures in the interim final rule were closely aligned but not identical to those measures in WIOA. Some of the variation was attributable to differences in the frequency of reporting and difference in data needs. At the time of the interim final rule the Department did not include educational measures that aligned with WIOA, partly because the Departments of Labor and Education were still in the process of finalizing their policy. The Department encourages and applauds coordination and collaboration between WIOA and SNAP E&T to serve E&T participants. WIOA guidance states that common exit occurs when a participant, enrolled in multiple DOL-administered partner programs, has not received services from any DOL-administered program in which the participant is enrolled, to which the common exit policy applies, for at least 90 days, and no future services are planned.¹¹ In SNAP E&T an individual’s eligibility for SNAP E&T services is directly tied to their eligibility and receipt of SNAP benefits, this means that an individual’s participation in SNAP E&T ends when they are no longer receiving SNAP benefits. The Department believes that it would place an undue burden on State agencies to apply the common exit principle for those individuals who may be co-enrolled in SNAP E&T and WIOA programs. Therefore, the Department is not making this change in this final rule.

One commenter, while supportive of aligning reporting requirements between E&T and WIOA programs, suggested that the interim final rule should provide additional implementation time to allow States to align those standards. The commenter noted that SNAP E&T programs and WIOA programs are administered by different State agencies and have differences in vendors, outcome data tracking systems, eligibility and participant tracking systems. The commenter believed additional time is necessary to link the various systems and to align the reporting requirements. The Department appreciates the comment and acknowledges that State agencies need additional time to implement measures that are aligned with WIOA. Therefore, the Department will delay implementation of the educational reporting measures specified under the new 7 CFR 273.7(c)(17)(ii) until October 1, 2025.

¹¹ Training and Employment Guidance Letter No.10–16, Change 3 issued September June 11, 2024 (<https://www.dol.gov/sites/dolgov/files/ETA/advisories/TEGL/2023/TEGL%2010-16%20Change%203/TEGL%2010-16%2C%20Change%203.pdf>).

K. Performance Standards

One commenter asked if the Department intended to apply performance standards for outcome measures of employment, earnings and completion of education, training, work experience or on-the-job training. The Department would like to clarify that the provisions of section 16(h)(5)(A) of the Food and Nutrition Act of 2008, as amended by the Agricultural Act of 2014, required the Department to assess the effectiveness of States’ E&T programs in preparing members of households participating in SNAP for employment, including the acquisition of basic skills necessary for employment, and in increasing the number of household members who obtain and retain employment after participation in SNAP E&T and to implement reporting measures to assist in making the determination of effectiveness. It was not the intent of the Department to apply performance standards or targets, or to compare the effectiveness of one State’s E&T program to other States due to State flexibility in the design of their E&T program, such as the participants targeted for services, services to be delivered and the areas of the State for services, as well as the differences in labor markets and targeted occupations.

Disaggregated Characteristics of E&T Participants in Reporting Measures

Section 16(h)(5)(B)(ii) of the Act, as amended by the Agricultural Act of 2014, requires that the reporting measures developed by the Department include additional indicators that reflect the challenges facing the types of members of households participating in SNAP who participate in a specific employment and training component. In the interim final rule, the Department identified three participant characteristics that it believed were the most important to understand the challenges to employment faced by SNAP E&T participants and former participants who are included in the reporting measures. Those characteristics included whether the participants were voluntary or mandatory participants; participants who had received a high school degree (or GED) prior to being provided with E&T services; and were able-bodied adults without dependents (ABAWDs). The interim final rule required States to report the number and percentage of E&T participants reported in each of the reporting measures, a disaggregation of the number, and percentage of those participants and former participants by each of the three characteristics.

In the interim final rule, the disaggregated characteristics for the reporting measures, such as employment in the second or fourth quarters after completion of participation in E&T, reflect the composition of the outcome group. For example, the number of individuals in unsubsidized employment in the second or fourth quarter after completion of participation in E&T who are voluntary participants. The denominator is the number of individuals in unsubsidized employment in the second or fourth quarter after completion of participation in E&T and the numerator is the number of individuals who met one of the three characteristics.

Two commenters requested the Department clarify that the disaggregated characteristics in the interim final rule require reporting the outcomes of the disaggregated groups, not simply of the composition of the group that is used to determine these outcomes. The denominator would then be the total amount of individuals who meet the characteristic, and the numerator would be the number of individuals who meet that characteristic who are in unsubsidized employment in the second or fourth quarter after completion of participation in E&T. For example, the number and percentage of all voluntary participants in unsubsidized employment during quarter two after completion of E&T participation. One of the commenters noted that reporting employment, earnings and credential attainment outcomes for subpopulations will provide valuable information on the effectiveness of different SNAP E&T strategies.

The Department agrees that the disaggregated characteristics for the reporting measures, such as employment in the second or fourth quarters after completion of participation in E&T, should reflect the outcome observed for each characteristic, rather than the composition of the outcome group. The Department further agrees that this change would provide valuable information on the effectiveness of SNAP E&T observed by each participant characteristic. As a result, the Department is modifying the regulation for the disaggregated characteristics of the reporting measures to reflect the outcomes observed by each characteristic under renumbered 7 CFR 273.7(c)(17)(iii).

One commenter stated that individuals assigned to but not participating in E&T should be treated as a subpopulation for reporting purposes, just as are voluntary or

mandatory participants, and participants achieving or not achieving a high school degree or its equivalent. The Department appreciates the suggestion that individuals assigned to but not participating in E&T should be treated as a subpopulation for reporting purposes. We agree that this is an important factor in evaluating the effectiveness of an E&T program, and the Department has recently modified the E&T Program Activity Report (FNS–583) to capture additional reporting elements for States that serve mandatory E&T participants through the 2021 final rule. The Department believes the role of outcome measures is to measure the impact of interventions received by participants, so covering individuals who never participated in E&T is not helpful for those outcome measures. However, the Department agrees that outcome measures should reflect those individuals who were required to participate in E&T, referred to E&T, began participating in an E&T program but who were subsequently deemed ineligible for SNAP due to failure to comply with E&T requirements. The Department believes that it is appropriate and would add value to add a characteristic for mandatory E&T participants who are deemed ineligible for SNAP due to a failure to comply with E&T requirements and therefore are adding this as a new characteristic under 7 CFR 273.7(c)(17)(iii).

The Department remains committed in our efforts to advance racial equity and support for underserved communities, as demonstrated in Executive Order 13985 and the USDA Equity Plan. The Department is adding race and/or ethnicity of E&T participants as additional participant characteristics to be reported by State agencies. This is outlined in the race/ethnicity data collection requirements in 7 CFR 272.6(g). As the regulations at 7 CFR 272.6(g) and (h) require State agencies to collect race and ethnicity data on participating households and report the data to FNS, the Department does not believe reporting measures by race and/or ethnicity will cause any additional burden on the part of the State agencies. The Department will use the participant characteristic information collected through the E&T Annual Reports, such as the race and ethnicity data, in conjunction with other data of SNAP participants to better understand and help identify potential equity concerns at various stages of the SNAP E&T service delivery process. This information will be used by the Department in assessing State's effectiveness of the E&T program in

meeting the needs of all E&T participants.

State Component Measures

Section 4022(a)(2) of the Agricultural Act of 2014 amended section 16(h)(5)(B)(ii) of the Act to require each State agency to identify in its annual E&T State Plan appropriate reporting measures for each proposed component that serves a threshold of at least 100 participants a year. The State agencies are then required to report on those measures in their E&T Annual Reports to the Department. This section of the Act provided several measures that State agencies could consider, such as the percentage and number of program participants who received E&T services and are in unsubsidized employment subsequent to the receipt of those services. Other examples include State agency-developed measures of a participant's interim progress toward achieving goals of a specific component and the number and percentage of program participants who are meeting program requirements in a component of the State agency's E&T program. Section 16(h)(5)(C)(iii) also charged the Department with the oversight responsibility to ensure that reporting measures are appropriate to identify improvements in skills, training, work and experience for participants in an E&T program component. The interim final rule established under 7 CFR 273.7(c)(6)(xviii) the requirement that State agencies include in the E&T State Plan a reporting measure for every component that is expected to include 100 or more participants and include those measures in the E&T Annual Report. The rule included the list of suggested measures specified in the Act that State agencies could consider adopting. The Department chose a threshold of 100 participants a year to be consistent with the minimum specified in the Act. The Department would clarify that the intent of component measures is to measure the effectiveness of the intervention provided through the component so the ideal measure would be closely tied to the time of the intervention. For example, an appropriate measure for supervised job search is to measure E&T participant's attainment of unsubsidized employment upon completion of the component. To fulfill the Department's oversight responsibility, the Department will work with State agencies through the State Plan approval process to ensure that the State identified measures approved in the State Plan are appropriate for each component.

One commenter noted that the interim final rule allows States to establish their

own component reporting measures subject to the Department's review and approval as part of the SNAP E&T State Plan review process. However, the rule is silent on the criteria by which component measures will be approved. The commenter suggests that the final rule provide that the Department will presumptively approve State component measures which are chosen from those measures suggested in the regulations and set forth the criteria under which the Department will deem other proposed measures appropriate. One commenter stated that, given the flexibility in determining state-designed reporting measures for components provided in the Act and interim final rule, it is essential that the Department defer to the States when reviewing and approving reporting measures in E&T State Plans. The commenter noted that with less than 100 days between the effective date of the interim final rule and the date the State's FFY 2017 E&T plans were due, the States are best situated to determine how they can effectively collect and report data with very little time to plan. One commenter stated that the final rule should describe what flexibility will be provided to change or adjust reporting measures for individual components after approval as part of the annual SNAP E&T Plan, and if a change is approved what measures the State will be required to include in the annual report.

The Department agrees that State agencies are best suited to determine an appropriate component measure that they can collect effectively and efficiently. The primary criteria for a component measure are that the measure be an outcome-based measure and not a process measure. The measure should be relevant to the given component and should be closely tied to the time of when the component was utilized for participants. For example, a measure of a measurable skill gains would not be applicable for a supervised job search component. The regulations under 7 CFR 273.7(c)(8) provide that if a State agency modifies or alters the nature or location of its components or the number or characteristics of persons served, a State Plan amendment must be submitted to the appropriate FNS Regional Office for approval at least 30 days prior to the planned implementation. This requirement extends to any proposed change in a component measure. If the proposed change is approved the State agency would be required to include the revised measure in that year's E&T Annual Report.

One commenter stated that the SNAP E&T Handbook published by the

Department on April 25, 2016, appears to include requirements for county-level reporting measures for State supervised, county administered States, while the interim rule does not. They stated they do not believe that the statute provides the Department the authority to require measures below the State level because section 4022(a)(2) states that the Secretary will monitor E&T programs "carried out by State agencies" and "shall develop State reporting measures." They do not believe that county-administered States should be held to additional reporting requirements that are not required of State-administered programs. The commenter proposed that the final rule specifically preclude county-level measurement. The commenter recommended that in the absence of such a prohibition, the Department should also provide information to address whether county-level reporting measurements were considered when the Department estimated States' administrative burden in complying with the requirements outlined in the interim rule.

The Department would like to clarify that the table of components offered by each county included in the April 2016 E&T State Plan Handbook was provided as an option that county-administered States may use in completing the E&T State Plan. It was not intended to indicate that additional reporting requirements were placed on county-administered programs. Rather, it was intended to assist State agencies in compiling the data collected from their counties. That optional table has since been modified to remove reporting measures by county. Further, the Department notes that section 11(a)(2) of the Food and Nutrition Act of 2008, as amended, specifies that the responsibility of the agency of State government shall not be affected by whether the program is operated on a State-administered or county-administered basis. Thus, the Act specifically places the responsibility with the State agency for establishing component measures in the annual E&T State Plan and reporting of those measures in the annual report.

Twenty (20) commenters recommended that States should be required to report employment in the second and fourth quarters after completion of E&T and the median quarterly earnings in the second quarter for any component that is expected to include 100 or more participants, in addition to any State measures. Three of the commenters further stated that States should be required to report the completion of any component. The

commenters stated that such information at the component level will allow States to assess the effectiveness of various approaches and redirect resources toward components with the greatest likelihood of helping SNAP participants improve their employability.

The Department appreciates the comments but notes that section (16)(h)(5)(B)(iii) of the Act provides flexibility in identifying appropriate reporting measures for every component that serves at least 100 participants a year in the annual E&T State Plans, with the Department's approval. The interim final rule under 7 CFR 273.7(c)(6)(xviii) provided several examples of measures that State agencies could choose, such as the number of program participants that obtain unsubsidized employment subsequent to receipt of the component. States also can identify other measures in addition to the examples provided in the regulation. The Department would note that the intent of individual component measures is to measure the impact of a particular component. The Department does not believe that outcome measures of the E&T program, such as the reporting measures for employment and earnings six or twelve months after an individual's participation in an E&T program, which could consist of multiple components would be useful in measuring the effectiveness of a single component. However, the Department encourages State agencies to consider the full range of measures, including those measures that would provide an interim benchmark for participant's progress toward achieving goals of a specific component.

One commenter stated that the final rule should address how the States are to be required to track component completion after a person is no longer a SNAP recipient. The commenter explained that currently there is no requirement in place for individuals to report their employment or training status upon completing a SNAP E&T component and that it would be very costly and difficult to obtain this information. The Department wishes to clarify that SNAP regulations do not require States to track component completion after a person is no longer a SNAP recipient. Under 7 CFR 273.7(c)(6)(xviii) States have the discretion to identify an appropriate component measure.

One commenter noted States would need additional time to develop evaluation plans and establish effective collaboration with E&T vendors and other stakeholders to develop a comprehensive evaluation plan for each

proposed component serving at least 100 participants a year. They indicated that adequate planning and development time would ensure that collected data accurately measure intended outcomes. The commenter recommended delaying the implementation of reporting requirements. The Department appreciates the comment and acknowledges that adequate planning and development time is essential for ensuring accurate data collection procedures. The interim final regulations were published in the **Federal Register** on March 24, 2016, effective May 23, 2016, and States were required to identify component measures for components that served at least 100 participants annually in the FY 2017 E&T State Plan. While the Department realizes this only allowed States approximately six months to establish data collection procedures for component measures, guidance was issued in the Supplemental Nutrition Assistance Program—section 4022 of the Agricultural Act of 2014—Questions and Answer (Part I), issued July 26, 2016, that indicated that the Department would work with individual States as needed to allow additional lead time for the States to finalize reporting measures and data sources.

In conclusion, the Department codifies the regulatory text in 7 CFR 273.7(c)(6)(xviii) as indicated in the interim final rule.

E&T Participant Characteristics

Section 16(h)(5)(C) of the Act, as amended by the Agricultural Act of 2014, charges the Department with the responsibility for conducting oversight of State E&T program activities and lists four specific oversight activities. One of the activities includes ensuring that program activities are appropriate to meet the needs of the individuals referred by the State agency to an E&T program component. Additionally, as stated previously, section 16(h)(5)(B)(ii) of the Act required that reporting measures include additional indicators that reflect the challenges facing the types of members of households participating in SNAP who participate in a specific E&T component. Because the SNAP work registrant population, like the general SNAP population, is very diverse and faces a myriad of challenges to employment, such as measurable educational attainment, the Department believed that to have a better understanding of the effectiveness of SNAP E&T it must have a more complete picture of the population that is being served in E&T. For that reason, in the interim final rule the Department

required State agencies to report the number and percentage of all E&T participants on seven characteristics. Those participant characteristics included the participants who:

- Are voluntary vs. mandatory;
- Have achieved a high school degree (or GED) prior to being provided with E&T services;
- Are ABAWDs;
- Speak English as a second language;
- Are male vs. female; and
- Belong in the following age ranges: 16–17, 18–35, 36–49, 50–59, 60 or older.

One commenter stated that it is unlikely that the six participant characteristics information would be useful in understanding the effectiveness of E&T programs, absent an effective way to establish relationship between participant characteristics, assignments, and outcomes. The commenter further stated that the Department did not have specific statutory authority to require reporting of participant characteristics and suggested more useful information on participant characteristics and the availability of appropriate assignments could be more efficiently obtained through specific research studies. Another commenter stated that the collection of reliable educational levels is problematic, and the utility of collecting is unclear. The commenter stated that SNAP eligibility systems do not collect educational attainment or an indicator for “speaks English as a second language” and that it’s unclear what FNS intends to do with this information. The commenter also stated that the language of “prior to being provided with E&T services” is unclear and asked if SNAP E&T funds must be used to pay for the full cost of a service to be considered “provided” and how this applies to referrals to E&T.

The Department appreciates the comments but disagrees that participant characteristics are not useful in understanding the effectiveness of E&T programs. Based on widely reported research and data, women, minorities and individuals with lower education levels face additional obstacles to employment and lower earnings. To understand the overall effectiveness of a program it is important to consider the demographics of the population that is receiving the services, as well as the challenges that face participants that have less than a high school diploma or equivalency prior to participation in E&T or participants that speak English as a second language. The Department further disagrees that the Department does not have the statutory authority to require reporting of participant characteristics. Section 16(h)(5)(B)(ii) of

the Act provided broad discretion to the Department in creating reporting metrics by requiring the inclusion of additional indicators that reflect the challenges facing the types of members of households participating in SNAP E&T. Additionally, the Act charges the Department with oversight responsibility for ensuring that program activities are appropriate to meet the needs of the individuals referred by the State agency to an E&T program component. The inclusion of reporting participant characteristics was in direct response to this requirement specified in the Act, so the Department is retaining the participant characteristics reporting and as described earlier, adding race and/or ethnicity as a participant characteristic.

The interim final rule at 7 CFR 273.7(c)(17)(v) required States to include in the annual report the number and percentage of E&T participants who met the characteristic of having obtained a high school diploma (or GED) prior to being provided with E&T services. The Department agrees with the comment that the term “prior to being provided with E&T services” is unclear. For that reason, to add clarity, the Department is modifying the regulatory language in 7 CFR 273.7(c)(17)(v) for this characteristic to read “E&T participants who obtained high school diploma and equivalency prior to referral to E&T.”

One commenter asked for the participant characteristic of education attainment prior to participation in E&T, for States not already tracking this information, how are States expected to capture data for anyone that participates in FFY 2017 or after. The Department appreciates the comment and notes that the Department allowed State agencies who were not already collecting participant’s educational attainment prior to participation in E&T in their automated systems to report that characteristic as “unknown,” until such time as the State agency could modify their collection procedures to capture this characteristic. Given the guidance, it is not necessary to make this change in the final rule.

Two commenters inquired how participants should be reported if the characteristic, such as ABAWD status, changes multiple times during a reporting year. The Department issued guidance in the SNAP E&T Outcome Reporting Interim Final Rule: Questions and Answers Part II¹² on May 15, 2017, that State agencies should capture and report on a participant’s characteristic at

¹² SNAP E&T Outcome Reporting Interim Final Rule: Questions and Answers Part II.

the time the individual begins an E&T program within the reported fiscal year. No change is required in this final rule.

One commenter noted that all references to high school degree or GED should be replaced with “high school diploma or equivalency.” The commenter stated that GED is a trademarked name and is only one of several types of high school equivalency exams being used. The Department appreciates the suggestion and is therefore providing a change in the regulatory language under the renumbered 7 CFR 273.7(c)(17)(iii)(F) and 7 CFR 273.7(c)(17)(v)(C) to reference high school diploma or equivalency.

Monitoring, Evaluating and Assessing State’s E&T Programs

The Agricultural Act of 2014 amended section 16(h)(5)(A) of the Act to require the Department to monitor and assess the effectiveness of E&T programs carried out by State agencies in preparing members of households participating in SNAP for employment, including the acquisition of basic skills necessary for employment, and increasing the number of household members who obtain and retain employment subsequent to participation in E&T. The Act also established in section 16(h)(5)(C)(i)–(iii) of the Act specific Department oversight activities of E&T programs, that included ensuring:

- Compliance with Federal E&T program rules and regulations;
- That program activities are appropriate to meet the needs of the individuals referred by the State agency to an E&T program component;
- That reporting measures are appropriate to identify improvements in skills, training, work, and experience for participants in an E&T program component.

Section 16(h)(5)(C)(iv) of the Act also specified Department oversight responsibilities for evaluating the compliance of States that receive an additional allocation for ensuring the availability of work opportunities for ABAWDs. This section provided the Department the authority to require any information from these States that were determined appropriate for evaluating compliance. This included requiring a report by the States on the number of individuals meeting ABAWD criteria; the number offered a work opportunity; the number who participated in such opportunities; and a description of the types of opportunities available throughout the State.

Section 16(h)(5)(E) of the Act, as amended by the Agricultural Act of

2014, gives the Department the authority to require a State agency to make modifications to the State’s E&T State Plan to improve outcomes if the Department determines that the E&T outcomes are inadequate.

The SNAP regulations at 7 CFR 275.3(a) already requires FNS to conduct management evaluations (ME) reviews of targeted areas of SNAP program areas each year, including E&T. FNS identifies target areas each year based upon a number of considerations, including recent policy changes, risk to Federal funds and risk to program access. For example, FNS may identify program access as an area that the regional offices are required to review in every State, and nutrition education as an area to be reviewed on an at-risk basis, as necessary. This affords FNS maximum flexibility to target resources to those current areas of vulnerability or agency priorities.

In previous years, FNS has not required its regional offices to perform an ME of each State’s E&T program. FNS has required its regional offices to review E&T programs in States that operate third-party partner programs, or that have combined Federal and non-Federal budgets over a certain threshold. As part of its general monitoring and oversight responsibilities, FNS will meet the requirement of the Act by continuing to perform MEs of States’ E&T programs but will also continue to establish in guidance which target areas to focus attention each year.¹³

In addition, under existing authority FNS is required to review and approve State agencies’ E&T plans and budgets. Through this process, FNS ensures that individual components are structured to meet the needs of participants and that the reporting measures for individual components with more than 100 projected participants required by this rule are appropriate to measure the impact of the components on participants.

The interim final rule under 7 CFR 273.7(c)(16) established that FNS may require a State agency to make modifications to its SNAP E&T State Plan to improve outcomes if FNS determines that the E&T outcomes are inadequate.

Two commenters provided remarks on the Department’s monitoring, evaluating, and assessing of States’ E&T programs. One commenter stated that they were concerned the rule discussed

consequences for inadequate performance without any indication as to how performance expectations would be set and what would be considered inadequate. Another commenter stated that the final rule should address how the Department would monitor State E&T programs, assess their effectiveness, and determine that the State agencies’ E&T outcomes are inadequate. The commenter asked what standards the Department will use to determine differential performances across States.

The Department appreciates the comments. As stated previously, section 16(h)(5)(A) of the Act charges the Department with the responsibility to assess the effectiveness of E&T programs in preparing members of SNAP households for employment, including the acquisition of skills necessary for employment, and increasing the number of household members who obtain and retain employment subsequent to participation in E&T programs. Section 16(h)(5)(C) of the Act also requires the Department to evaluate State agencies’ E&T programs on a periodic basis to ensure compliance with Federal E&T program rules and regulations; that program activities are appropriate to meet the needs of individuals referred by the State agency to an E&T program; and that reporting measures are appropriate to identify improvements in skills, training, work experience for participants in an employment and training program component. As mentioned previously, the interim final rule under 7 CFR 273.7(c)(16) established that FNS may require a State agency to make modifications to its SNAP E&T State Plan to improve outcomes if FNS determines that the E&T outcomes were inadequate. When the Department’s oversight responsibilities for the assessment of effectiveness of E&T programs is considered, the Department believes that the term ‘outcomes’ may be mistakenly assumed to refer only to the reporting measures rather than to outcomes of the overall assessment of E&T programs’ effectiveness. The reporting measures from the E&T Annual Report are just one tool the Department will utilize to assess the effectiveness of a State agency’s E&T program. Other information the Department will also use includes, but is not limited to, E&T State Plans, E&T Program Activity Reports (FNS–583), and ME reviews. Because State agencies have great flexibility in the design of their E&T program, in terms of targeted population, location of services, range of components, as well as differing labor

¹³ Fiscal Year 2023 State Management Evaluation Target Areas (<https://www.fns.usda.gov/snap/fiscal-year-2023-state-management-evaluation-target-areas>).

markets, the Department does not intend to set a benchmark or a threshold for inadequate performance but will rather assess and evaluate each State agency, taking into consideration attributes of a State's E&T program. As discussed further in this section the Department is developing a framework for assessing State's E&T programs. The attributes of a State's E&T program, such as targeted populations and differing labor markets is considered within the design of the framework. The Department does not believe it necessary to include these attributes in the regulations. However, to provide transparency and clarity, the Department is modifying the regulatory text at 7 CFR 273.7(c)(16) to include the sources of information the Department will use to determine the effectiveness of a State's E&T program, such as E&T State Plans, ME reviews, E&T Program Activity Reports, E&T Annual Reports and other factors the Department determines appropriate to the assessment. The Department is also amending this section to stipulate FNS' responsibility to assess that program activities are appropriate to meet the needs of individuals referred by the State agency to an E&T program.

One commenter stated they appreciated that the Department would consider unemployment rates together with other important factors when looking at the unique challenges SNAP E&T participants face. The commenter encouraged the Department to consider a broad array of labor market indicators, including the Bureau of Labor Statistics alternative measures of labor market underutilization. They noted that labor market demand, not only a mismatch of skills to available jobs, is a key driver of the unemployment and underemployment problems many SNAP participants face. One commenter stated that it is critical that any attempt to use long-term data to determine the efficacy of an E&T program take into consideration any external influences that may have an impact on the job retention of an E&T participant but is not caused by the overall effectiveness of the training services received from an E&T vendor. This caution will ensure that States, stakeholders, and advocates are focusing on variables that are within the control of the E&T program, and not those that are outside the program's control. The Department appreciates the comments and agrees that when evaluating the effectiveness of State's E&T programs, external factors, such as the alternative measures of labor market underutilization, are important to consider when looking at the challenges

SNAP E&T participants face. As previously mentioned, the Department is adding regulatory text to 7 CFR 273.7(c)(16) to clarify the information the Department will use in evaluating the effectiveness of States' E&T programs.

Currently, under 7 CFR 273.7(c)(16), FNS may require a State agency to make modifications to its SNAP E&T State Plan to improve outcomes if FNS determines that the E&T outcomes were inadequate. FNS will evaluate the effectiveness of SNAP E&T programs in several categories, such as intentional program design, integrated eligibility, deliberate program operations, and meaningful outcomes. FNS is amending 7 CFR 273.7(c)(16) to reflect these considerations. FNS will develop a framework with more detail which will be issued in guidance but anticipates each assessment category will contain various factors that may influence how effective programs are administered. For example, under deliberate program operations, factors may include component availability, component utilization, and whether the components offered are appropriate to meet the needs of the State's targeted population. One factor alone will not indicate whether a State's program is effective, but all the factors when viewed in their totality will provide a roadmap for needed areas of improvement. This assessment is not intended to provide a benchmark or performance target. Nor is the assessment intended to compare one State's E&T program against another. Rather, when determining effectiveness, FNS will consider whether the State's E&T program is designed and implemented with the purpose of meeting the needs of SNAP participants and assisting participants in gaining the skills necessary to obtain and retain employment.

If through this effectiveness assessment of a State's E&T program, which includes, but is not limited to information collected through ME reviews and corrective action plans, and program activity reports, the State is found to have inadequate outcomes, such as inappropriate components for the targeted population the State serves in E&T, FNS will provide technical assistance to the State agency and make recommendations for modifications to the State's E&T State Plan. Depending upon the impact of the inadequate outcome on E&T participants, such as a high rate of individuals being deemed ineligible for SNAP benefits due to failure to comply with E&T requirements, FNS may require State agencies to amend their plan within that

FFY. For other instances the State agency may be required to make the necessary modifications no later than in the E&T State Plan submitted for the next FFY. E&T State Plans are due at least 45 days before the start of a FFY as provided under 7 CFR 273.7(c)(8). The Department is modifying the regulation under 7 CFR 273.7(c)(16) to clarify that the modifications must be made before FNS will approve State E&T Plans.

As a consequence for a State agency's failure to modify their E&T State Plan according to the recommendations by FNS to improve the effectiveness of the State's E&T program, FNS will employ the current authorities provided in the regulations under 7 CFR 272.2(e) to deny the State agency's E&T plan and under 7 CFR 273.7(d)(1)(ii)(B) that states a State agency's receipt of its 100 percent Federal E&T grant is contingent on FNS' approval of the State agency's E&T plan. This regulation further stipulates that non-receipt of an E&T grant does not release a State agency from its responsibility to design and operate an E&T program. Additionally, FNS will follow the procedure provided under 7 CFR 276.4 regarding suspension and disallowance of administrative funds due to FNS determination of the efficiency and effectiveness of State agencies administration of SNAP. Under this process, FNS will provide advance warning to the State agency that their failure to modify their E&T State Plan can result in FNS rescinding the prior approval of the State agency's E&T State Plan and the State agency may be at risk of having administrative funds, including the 100 percent E&T Federal grant and E&T 50 percent reimbursement funds, suspended or disallowed until the State comes into compliance.

Procedural Matters

Executive Order 12866, 13563, and 14094

Executive Orders 12866, 13563, and 14094 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility.

This final rule has been determined to be significant under Executive Order 12866, as amended by Executive Order

14094, and was reviewed by the Office of Management and Budget (OMB) in conformance with Executive Order 12866.

Summary of Total Cost Impacts

A regulatory impact analysis must be prepared for regulatory actions that are significant as defined by section 3(f)(1) of E.O. 12866, as amended by E.O. 14904. This final rule does not meet the definition of significant under section 3(f)(1) of E.O. 12866, as amended, and therefore the Department has prepared an economic summary of the rule, rather than a regulatory impact analysis.

This final rule makes changes to the interim final rule (IFR) published by the Department on March 24, 2016, and made effective May 23, 2016. The Department expects several of the final rule provisions to impact FNS or State administrative costs. This final rule is not expected to impact SNAP participants' benefit levels and is expected to minimally impact household burden. For this economic analysis, the Department compares the final rule's costs and savings to a pre-IFR baseline of burden costs, in addition to the currently approved information collection request (ICR) which already incorporates activities of the IFR since it was updated in 2022 (OMB #0584-0614, approved from December 29, 2022, through December 31, 2025). As such, comparisons to the current ICR indicate changes in burden caused by the final rule compared to the IFR.

The following provisions are expected to have measurable impacts:

Final rule provisions that are unchanged from the interim final rule (IFR): These provisions represent a change from the pre-IFR baseline, but no

change from the burden hours estimated under the IFR's provisions and the currently approved ICR.

- 7 CFR 273.7(c)(6)(xviii) requires State agencies to identify component measures in their E&T Plans.
- 7 CFR 273.7(c)(17)(i)(A)–(C) requires State agencies to report on employment and earnings measures in an E&T Annual Report, renumbered in this final rule.
- 7 CFR 273.7(c)(17)(vi) requires State agencies to report the component measures identified in its E&T Plan, renumbered in this final rule.
- 7 CFR 273.7(c)(17)(vii) requires ABAWD pledge States that have received additional allocation funds to report information regarding the use of those funds, renumbered in this final rule.
- 7 CFR 272.1(f) mandates E&T Annual Report recordkeeping requirements.

Final rule provisions that are revised or newly added: These provisions represent a change from the pre-IFR baseline and from the burden hours estimated under the IFR's provisions in the currently approved ICR.

- 7 CFR 273.7(c)(17)(ii)(A)–(B) requires State agencies to report on educational measures in an E&T Annual Report.
- 7 CFR 273.7(c)(17)(iii) requires State agencies to report on seven participant characteristics, a change from the four characteristics required in the IFR, for the employment and educational measures and earnings measures in 273.7(c)(17)(i) through (ii).
- 7 CFR 273.7(c)(17)(v) modifies the reporting requirements for E&T participant characteristics established by the IFR to include race and/or ethnicity.

• 7 CFR 273.7(c)(17)(iv) removes the IFR requirement for State agencies to report measures on completion of education, training, work experience, and on-the-job training. Additionally, the final rule adds required reporting for State agencies that serve mandatory E&T participants, which was not included in the IFR.

Below, table 1 provides a summary of the total effects of all provisions in the final rule, compared to the pre-IFR baseline. The *Baseline* column shows the annual costs for each final rule provision, prior to implementation of the IFR. The columns with *FY* headers show the effects of the final rule in that specific fiscal year. FY 2026 is the first implementation year and the first year in which the discount rate is applied. As noted previously, there are no anticipated impacts on SNAP benefit payments to households (transfers) and nominal burden-related costs to SNAP households. The cost for State agencies to conduct ongoing E&T program reporting and recordkeeping over five years (FY 2026 through FY 2030) is \$4.33 million. The cost for Federal (FNS) staff to review and analyze the E&T outcome data provided by State agencies over five years is about \$50,100. The total combined cost to State and Federal governments over five years, compared to pre-IFR policy, is approximately \$4.38 million. All costs, except for those in discounted cost impact rows of table 1, are adjusted annually for inflation using the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI–W) fiscal year-over-fiscal year projections from OMB's Economic Assumptions for the FY 2025 Midsession Update.

TABLE 1—SUMMARY OF TOTAL COST IMPACTS, COMPARED TO PRE-IFR BASELINE *
[Adjusted annually for inflation **]

	Pre-IFR Baseline:***	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	5-Year total
Costs Due to State Agency Burden (in 000s):							
Identifying State component measures	\$0	\$8.8	\$9.1	\$9.3	\$9.5	\$9.7	\$46.3
Reporting employment and earnings measures	0	265.4	271.5	277.8	284.2	290.7	1,389.5
Reporting State component measures	0	88.5	90.5	92.6	94.7	96.9	463.2
Additional reporting for ABAWD pledge States	0	8.3	8.5	8.7	8.9	9.1	43.7
E&T Annual Report recordkeeping	0	4.4	4.5	4.6	4.7	4.8	23.2
Reporting educational measures	0	353.9	362.0	370.4	378.9	387.6	1,852.7
Reporting 7 participant characteristics for measures	0	44.2	45.3	46.3	47.4	48.4	231.6
Reporting E&T participant characteristics	0	44.2	45.3	46.3	47.4	48.4	231.6
Mandatory E&T program reporting	0	8.3	8.5	8.7	8.9	9.1	43.7
Total	0	826.2	845.2	864.6	884.5	904.8	4,325.5
Discounted Cost Impact (in 000s):							
7 percent	0	768.4	768.4	768.4	768.4	768.4	3,841.9
3 percent	0	801.4	801.4	801.4	801.4	801.4	4,007.1
Costs Due to Federal Burden (in 000s):							
Reviewing and analyzing E&T outcome data	\$0	9.6	9.8	10.0	10.2	10.5	50.1
Discounted Cost Impact:							
7 percent	\$0	8.9	8.9	8.9	8.9	8.9	44.5
3 percent	0	9.3	9.3	9.3	9.3	9.3	46.4

* Totals may not sum due to rounding.

** Estimates (excluding those in the discounted cost impact rows) were adjusted for inflation using BLS' CPI-W, from the Office of Management and Budget's Economic Assumptions in the FY 2025 Midsession Update.
 *** Prior to the IFR taking effect on May 23, 2016.

The final rule's provisions will result in substantial benefits for FNS, State SNAP E&T programs, and SNAP E&T participants. Currently, research on the effects of SNAP E&T is limited and participant outcomes have not been quantified on a large scale. The improved reporting requirements finalized in this rule will allow FNS and State agencies to better measure and monitor the effectiveness of E&T programs and strategically improve those programs. FNS can use these data to assess which practices work well in SNAP E&T and share those best practices across State agencies. The final rule also allows FNS to require State agencies to modify their E&T State Plan if the data show inadequate outcomes in their E&T program. By improving E&T programs, participants will be better prepared for employment by acquiring the necessary skills to obtain and retain employment upon completion of E&T.

FNS expects State agencies will not incur implementation costs in excess of those incurred as a result of the IFR. The implementation costs associated with this final rule include one-time costs for developing new or modifying existing data collection systems for E&T programs. FNS expects State agencies will incur a small increase in recurring burden costs in excess of those incurred as a result of the IFR. We estimate an increase of 740 total hours from the burden hours included in the currently approved ICR due to the addition of reporting on educational measures and

State agencies that serve mandatory E&T participants. As a result, annual State E&T reporting and recordkeeping will cost an additional \$61,764 per year in FY 2026 dollars,¹⁴ compared to the estimated costs in the current ICR. However, the Department acknowledges that there are uncertainties which could affect State burden (see *Uncertainties* section). Compared to a pre-IFR baseline, ongoing State agency burden as a result of the final rule are estimated to be approximately 186.8 hours per State, or 9,899 total hours annually.

The Department funds SNAP E&T programs through E&T grants and additional grants for State agencies that pledge to serve all individuals who are subject to the SNAP work requirement for able-bodied adults without dependents (ABAWDs) and are at-risk of losing eligibility due to time-limited participation. The Department allocates these funds annually to State agencies based on the percentage of work registrants and time-limited participants in each State. State agencies may use their 100-percent federally funded E&T grants to pay for all costs associated with the implementation of this final rule. As such, the Department estimates the net cost to State agencies for these activities will be \$0. However, the Federal government will provide 50-percent reimbursement for administrative costs that exceed the State agencies' E&T grants.¹⁵

State Agency Implementation Costs

State agencies may find it necessary to implement system modifications to report on new measures that were not required in the IFR, including educational measures and mandatory E&T program measures. However, the Department estimates the new measures will not add to the overall implementation burden costs associated with the IFR included in the currently approved ICR (see table 2, below). This assumes that State agencies would rely on government entities with which they already have data matching or sharing agreements, such as with State Unemployment Insurance agencies for the matching of quarterly wage records, as well as other existing sources to obtain administrative data, including SNAP eligibility systems. The Department acknowledges that the actual number of hours to implement this final rule will vary by State agency (see *Uncertainties* section).

According to the Bureau of Labor Statistics data at time of analysis, the fully loaded median hourly rate for functions performed by State agency workers for SNAP is \$77.03 in 2023 dollars.¹⁶ Using this hourly rate and CPI-W projections from OMB to adjust for inflation, the one-time implementation costs associated with all provisions in the final rule, in comparison to the pre-IFR baseline, will total an estimated \$2.3 million in FY 2026.

TABLE 2—IMPLEMENTATION COSTS
 [In FY2026 dollars]

Number of respondents	Hours per response	Total annual burden hours (IFR)	Total annual burden hours (final rule)	Difference (IFR – final rule)	Total start-up costs
53	520	27,560	27,560	0	\$2,300,278

State Agency Ongoing Costs and Savings

The Department notes that States will be permitted to cover the burden-related costs associated with this final rule with 100-percent federally funded E&T grants. Therefore, the Department does

not expect State agencies to directly incur ongoing costs because of the final rule. All costs in this section are in FY 2026 dollars and are expected to increase annually due to inflation.

Provisions that are unchanged from the interim final rule (IFR) to the final

rule: Burden hours identified in this section are included in the currently approved ICR and are unchanged by the final rule. Costs noted in this section are relative to the pre-IFR baseline.

Identifying State component measures in E&T State Plan. State agencies are

¹⁴ Based on a \$57.92 median hourly wage for Computer and Information Systems Managers (11–3021) in May 2023 and multiplied by 1.33 for a fully loaded wage of \$77.03. Base wage derived from BLS Occupational Employment and Wage Statistics data (found here: https://www.bls.gov/oes/current/naics4_999200.htm#11-0000) and inflated using OMB's FY 2025 Mid-Session CPI-W projections in future years.

¹⁵ Due to the uncertainties around States' decisions to use their E&T grants to fully fund implementation of this rule, the Department cannot quantify costs to the Federal government with more specificity.

¹⁶ Based on a \$57.92 median hourly wage for Computer and Information Systems Managers (11–3021) in May 2023 and multiplied by 1.33 for a fully loaded wage of \$77.03. Base wage derived from BLS Occupational Employment and Wage Statistics data (found here: https://www.bls.gov/oes/current/naics4_999200.htm#11-0000).

required to identify in their E&T State Plan an outcome reporting measure for every component that serves at least 100 participants annually. Each State SNAP agency is estimated to spend two hours annually to identify component measures (106 total hours, annually), with a total annual cost of \$8,847. There is no change in burden hours from the currently approved ICR.

Reporting employment and earnings measures. State agencies are required to report on employment and earnings measures for E&T participants and former participants in their E&T Annual Report. Fifty-three State agencies are expected to spend 60 hours annually to report these measures (3,180 total hours, annually), with a total annual cost of \$265,417. There is no change in burden hours from the currently approved ICR.

Reporting State component measures: State agencies are required to report component measures for E&T components serving at least 100 participants a year. Each State agency is expected to spend 20 hours per year on this requirement (1,060 total burden hours, annually), with a total annual cost of \$88,472. There is no change in burden hours from the currently approved ICR.

Additional reporting for ABAWD pledge States. State agencies that have committed to offering at-risk ABAWDs participation in a qualifying activity and have received additional funds are required to report on the use of those funds. Ten State agencies¹⁷ are each expected to spend 10 hours on this requirement (100 total hours, annually), with a total annual cost of \$8,346. There is no change in burden hours from the currently approved ICR.

Recordkeeping for E&T Annual Report: State agencies are required to conduct recordkeeping for the E&T Annual Report. Each State agency is expected to spend one hour on this task per year (53 total hours, annually), with a total annual cost of \$4,424. There is no change in burden hours from the currently approved ICR.

Provisions that are revised or new in the final rule: Costs and savings identified in this section differ from those caused by the IFR, which are included in the currently approved ICR. Costs and savings in this section are discussed relative to the currently approved ICR and the pre-IFR baseline.

New requirement to report educational measures, replacing requirement to report E&T annual measures in IFR. State agencies will be

required to report on new educational measures for attainment of a credential or certificate and measurable skill gains for all E&T participants enrolled in education or training programs. These measures align with Workforce Innovation and Opportunity Act (WIOA) programs and replace the previous reporting measures in the IFR that required State agencies to report on completion of education, training, work experience, and on-the-job training. Each of the 53 State agencies are expected to spend 80 hours annually reporting these measures (4,240 total hours, annually) with a total annual cost of \$353,889. Because the reporting requirements that are being replaced represent 3,600 total burden hours in the currently approved ICR, this change in the final rule results in a net increase of 640 annual burden hours and a net annual cost increase of \$53,417.

Modified requirement to report participant characteristics for reporting measures. State agencies are required to report on four participant characteristics for each employment, earnings and educational measures under the IFR. The final rule adds three additional participant characteristics for the reporting measures: race and/or ethnicity, and mandatory E&T participants deemed ineligible due to failure to comply with mandatory E&T. Each State agency is expected to spend 10 hours annually on this requirement (530 total burden hours, annually), with a total annual cost of \$44,236. The requirement to report on four participant characteristics, which has become seven characteristics in this final rule, was previously included with another requirement in the IFR (See *Modified requirement to report E&T participant characteristics*, in the next paragraph of this section). That requirement was approved for a total of 1,060 burden hours in the currently approved ICR. The 530 total burden hours for this requirement were transferred from those 1,060 burden hours and do not reflect new burden hours.

Modified requirement to report E&T participant characteristics. The final rule is adding race and/or ethnicity to the list of E&T participant characteristics that State agencies are required to report as established in the IFR. Each of the 53 State agencies are expected to spend 10 hours annually on this requirement, with a total cost of \$44,236 annually. State agencies were previously expected to spend 20 hours on this requirement under the currently approved ICR because it included the required reporting on four participant characteristics for reporting measures.

However, this participant characteristics reporting requirement has been modified to seven participant characteristics and renumbered in the final rule (see *Modified requirement to report seven participant characteristics for reporting measures* in this section). Ten of the allotted 20 burden hours for this provision were transferred to the seven participant characteristics reporting requirement. Therefore, this modified requirement does not result in an overall change in annual burden hours compared to the currently approved ICR.

New requirement for mandatory E&T program reporting. State agencies that serve mandatory E&T participants will be required to report on the number of SNAP participants who were required to participate in E&T and were referred to E&T, and the number and percentages of SNAP participants who were deemed ineligible for failure to comply with E&T requirements. This is a new provision that was not included in the IFR. Each State agency that serves mandatory E&T participants is expected to spend 10 hours implementing this new requirement. On average, 10 State agencies serve mandatory E&T participants (resulting in 100 total burden hours, annually), with a total annual cost of \$8,346.

Annual Federal Government Cost

FNS National Office employees must review and analyze the outcome data provided by State agencies as required by this final rule. An FNS National Office analyst at a GS–13 Step 5 level is expected to spend two hours to review each of the 53 State agencies' outcome data once per year for a total annual cost of \$9,480, compared to the pre-IFR baseline.¹⁸ It is also estimated that an FNS National Office analyst at the GS–14 Step 1 level will spend one hour reviewing and approving the information, for a total annual cost of \$93.25. The combined Federal costs associated with FNS review and analysis of E&T outcome data is \$9,573 in FY 2026 dollars. The final rule does not cause a change in Federal burden hours compared to the currently approved ICR.

Annual Household Administrative Burden

The Department estimates that household burden due to the final rule will be minimal. A small number of E&T participants may face additional

¹⁷ The estimation of 10 ABAWD pledge States is based on the average number of participating States prior to the COVID–19 Public Health Emergency.

¹⁸ Based on fully loaded wage (multiplied by 1.33) in FY 2024. Hourly wage rates available here: https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2024/DCB_h.pdf.

reporting burden due to the need to contact these individuals to track outcomes. However, the Department expects State agencies to bear the primary burden of tracking and reporting E&T outcomes. The final rule does not cause a change in annual household administrative burden compared to the currently approved ICR.

Uncertainties

There is considerable variation in the size and scope of States' E&T programs. There is also significant variation in the structure and functionality of SNAP E&T data systems and State SNAP eligibility systems. This variability makes it difficult to anticipate the changes that State agencies might need to make to collect and report the required outcome data. For these estimates, the Department assumed that State agencies use a combination of methods to collect data, including using existing automated systems data, collecting new data, and collecting data for a sample of participants. Although the exact methods State agencies use could affect the cost, the Department expects that the total cost of the final rule will be minimal.

Additionally, there is uncertainty regarding how State agencies will fund costs associated with State agency burden hours in this final rule. State agencies will be able to use their 100-percent federally funded E&T grants to pay for all costs associated with this rule, so the Department anticipates that the net cost to State agencies will be \$0. However, State agencies may choose not to use their E&T grant funds or to use only a portion of the funds, in which case they would incur administrative expenses.

Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601–612) requires Agencies to analyze the impact of rulemaking on small entities and consider alternatives that would minimize any significant impacts on a substantial number of small entities. Pursuant to that review, it has been certified that this rule would not have a significant impact on a substantial number of small entities. This final rule would not have an impact on small entities because the provisions of this final rule apply to State agencies, which are not small entities as defined by the Regulatory Flexibility Act.

Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the Office of Information and Regulatory Affairs

designated this rule as meeting the criteria in 5 U.S.C. 804(2).

Unfunded Mandates Reform Act

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104–4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local and Tribal governments and the private sector. Under section 202 of the UMRA, the Department generally must prepare a written statement, including a cost benefit analysis, for proposed and final rules with “Federal mandates” that may result in expenditures by State, local or tribal governments, in the aggregate, or the private sector, of \$100 million or more in any one year. When such a statement is needed for a rule, section 205 of the UMRA generally requires the Department to identify and consider a reasonable number of regulatory alternatives and adopt the most cost effective or least burdensome alternative that achieves the objectives of the rule.

This final rule does not contain Federal mandates (under the regulatory provisions of Title II of the UMRA) for State, local and tribal governments, or the private sector of \$100 million or more in any one year. Thus, the rule is not subject to the requirements of sections 202 and 205 of the UMRA.

Executive Order 12372

This Supplemental Nutrition Assistance Program is listed in the Catalog of Federal Domestic Assistance under Number 10.551 and is subject to Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 2 CFR chapter IV.)

Federalism Summary Impact Statement

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. Therefore, under section 6(b) of the Executive Order, a federalism summary is not required.

Executive Order 12988, Civil Justice Reform

This final rule has been reviewed under Executive Order 12988, Civil

Justice Reform. This rule is intended to have preemptive effect with respect to any State or local laws, regulations, or policies which conflict with its provisions, or which would otherwise impede its full and timely implementation. This rule is not intended to have retroactive effect unless so specified in the Effective Dates section of the final rule. Prior to any judicial challenge to the provisions of the final rule, all applicable administrative procedures must be exhausted.

Civil Rights Impact Analysis

FNS has reviewed the final rule, in accordance with the Department Regulation 4300–004, “Civil Rights Impact Analysis” to identify and address any major civil rights impacts the final rule might have on minorities, women, and persons with disabilities. FNS specifically prohibits the State and local government agencies that administer the Program from engaging in actions that discriminate based on race, color national origin, sex (including gender identity and sexual orientation), religious creed, age, disability, and political beliefs. SNAP's nondiscrimination regulation can be found at 7 CFR 272.6(a). The final rule does not change these requirements. The final rule will require State agencies to collect and report outcome data on SNAP E&T programs and will not change work requirements or impact the population subject to work requirements. FNS will provide implementation guidance to State agencies through webinars or policy meetings for State agencies requesting technical assistance. FNS will also assist State agencies in improving the collection and analysis of State E&T data systems. FNS will provide information to program stakeholders, including State agencies and the general public, using a variety of communication methods: in-person, written and electronic, including ensuring that program information is generally available in multiple languages, and new materials on FNS' websites are compliant with section 508 of the Rehabilitation Act of 1973.

Executive Order 13175

Executive Order 13175 requires Federal agencies to consult and coordinate with Tribes on a government-to-government basis on policies that have Tribal implications, including regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on one or more Indian Tribes, on the relationship

between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes. This rule will not have substantial direct effects on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes. Thus, Executive Order 13175 does not apply to this action.

Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. Chap. 35; 5 CFR 1320) requires the Office of Management and Budget (OMB) approve all collections of information by a Federal agency before they can be implemented. Respondents are not required to respond to any collection of information unless it displays a current valid OMB control number.

In accordance with the Paperwork Reduction Act of 1995, this final rule will contain 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 this final rule.

Comments on this final rule must be received by January 17, 2025. 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 those who are to respond, including 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 for OMB approval. All comments will also become a matter of public record.

Title: SNAP: Employment and Training Program Performance Measurement, Monitoring and Reporting Requirements

OMB Number: 0584–0614.

Form Number: Not Applicable.

Expiration Date: December 31, 2025.

Type of Request: Revision of a currently approved collection.

Abstract: As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), FNS is submitting this information collection to OMB for its review and approval. The final rule will require State agencies to collect and report annually on: (1) the number and percentage of all E&T participants who are in unsubsidized employment during the second and fourth quarters after completion of participation in E&T; (2) Median quarterly wages of the E&T participants who are in unsubsidized employment during the second quarter after completion of participation in E&T; (3) educational measures for attainment of credential or certificates and measurable skill gains for all E&T participants enrolled in education or training programs; (4) employment, earnings and educational measures for each of seven unique participant characteristics; (5) certain unique characteristics of all E&T participants that participate in E&T during the preceding Federal fiscal year.

The final rule also requires State agencies to identify in the annual E&T State Plan appropriate reporting measures for each proposed component that is projected to serve a threshold of at least 100 participants a year and report on those measures in the E&T Annual Report. Additionally, the final rule requires that State agencies that have committed to offering all ABAWDs at risk of losing eligibility due to time-limited participation a slot in a qualifying activity and have received an additional allocation of funds, to report information regarding the use of those funds.

The information collection for the SNAP E&T Performance Measurement, Monitoring and Reporting Requirements is currently approved under OMB Control No. 0584–0614, expiration date December 31, 2025. The changes made to this information collection because of the final rule is described below. Once OMB approves the information collection request associated with this final rulemaking activity, the agency will publish a separate notice in the **Federal Register** announcing OMB approval.

Change from Interim Final Rule: The interim final rule established a reporting measure for the completion of an educational, training, work experience or on-the-job training component under 7 CFR 273.7(c)(17)(iv). The final rule removes and replaces this measure with two educational measures under the renumbered 7 CFR 273.7(c)(17)(ii).

The interim final rule required State agencies to disaggregate each of the reporting measures by four key participant characteristics under 7 CFR

273.7(c)(17)(vi). The final rule removes this disaggregation requirement and under the renumbered 7 CFR 273.7(c)(17)(iii) requires the State agencies to report the reporting measures of employment, earnings and educational measures for each of the key participant characteristics, including two additional key participant characteristics for race and/or ethnicity and mandatory E&T participants deemed ineligible due to failure to comply with mandatory E&T.

The interim final rule required State agencies to report the number and percentage of all E&T participants that participated during the reporting fiscal year for seven (7) participant characteristics under 7 CFR 273.7(c)(17)(v). The final rule modifies this requirement by adding race and/or ethnicity to the participant characteristics to be reported.

The final rule under 7 CFR 273.7(c)(17)(iv) adds additional reporting requirements for State agencies that serve mandatory E&T participants.

The Department received some comments on the cost and hour burden, as well as comments related to the underlying policy. One commenter noted that the regulations require several data elements that some State agencies currently do not collect that may require system implementation costs, including one-time capital costs, additional reporting costs for collecting and creating the required reporting measures and ongoing costs for operating and maintaining those system. The commenter suggested that the final regulations should explain how the Department determined that the interim rule did not meet the \$100 million threshold that would subject the regulation to the Federal Unfunded Mandates Reform Act (UMRA). The commenter also suggested that the final regulations should state the amount of additional funds the Department would make available to States to pay for these implementation costs. The Department appreciates the comment and would note that in determining the cost to implement the Department considered the analysis conducted of FY 2013 State agency E&T State Plans that indicated that thirty-six State agencies tracked the number of E&T participants that enter employment. The Department anticipated that some of the system implementation costs, including the one-time capital costs and the ongoing costs for collecting and reporting, could be paid for using the existing Federal grant funds States receive to operate E&T and that State funds in excess of

those grant funds are reimbursed at a 50 percent rate by the Federal government.

One State agency believed, based on their experience, that the burden estimate for rule implementation was underestimated by the Department. They noted that they had recently completely redesigned their E&T data system that resulted in 14,577 hours of contractor time and 9,400 hours of State agency staff time totaling approximately \$1.5 million. The commenter estimated that modifications to implement the new reporting requirements would require at least 4,000 hours of contractor time and 2,600 hours of State staff for an estimated cost of approximately \$546,000. The commenter believes that other States would likely need to invest a similar amount of time and money to comply with the new reporting requirements. The Department appreciates the commenter's experience in redesigning their E&T data system, the Department does not believe that this same experience would be borne by other State agencies, due to the different size and complexity of States' E&T programs. In determining the initial reporting and recordkeeping burden estimate, the Department relied on the analysis that indicated thirty-six State agencies had identified reporting measures and collected outcome data and that the remaining States would need to develop systems to collect and report the required data. The Department considered that in the first year that the interim final rule was published, State agencies would need to develop E&T data collection systems, modify existing system, or build interfaces between SNAP eligibility and SNAP E&T data collection systems. Several of the measures, such as employment, earnings, characteristics of E&T participants, State agencies could use a variety of sources to obtain administrative data, such as SNAP eligibility systems. The Department also anticipates that some State agencies would rely on government entities with

which they already had agreements and would need to renegotiate those agreements, such as with State's UI agencies for the matching of quarterly wage records.

One State agency stated that they estimated that ongoing reporting and maintenance would total 1,500 hours and that the Department's estimated burden of 231 hours is far below what States would need to spend in ongoing maintenance efforts. This State agency also stated that the burden for reporting participants who complete an educational or training program six months after completing the E&T program was underestimated by the Department. The commenter noted that they do not currently track completion of education or training programs, and this would require a manual process to contact participants six months after completing the E&T program. They estimate that this manual process would result in approximately 2,600 staff hours to collect a single data element and that this is not an efficient use of resources. The State agency acknowledged that the State's quarterly wage records could be used to report participant's employment and earnings after completion. However, they noted that not all individuals have wage information in this data source and that discrepancies in the Federal Employer Identification Number and self-employment contribute to the largest portion of unavailable wage matches for approximately 20 percent of participants. For those cases, the commenter estimates that a manual process to gather quarterly earnings information would result in approximately 750 hours of staff time. Lastly, the State agency noted that they estimate the overall burden to collect and report the required information would be approximately 3,600 hours annually. They do not believe that this is an efficient use of resource for their State E&T program. The Department appreciates the comments and experience of this State agency. The

Department again relied on the basis that a vast majority of State agencies already tracked E&T participants for various outcome measures, including obtainment of employment. The Department assumed that State agencies could use a combination of methods to collect the data including existing automated systems data, new data collection, and some contact with SNAP E&T participants. Further, the Department assumed that manual processes, such as contacting E&T participants would be minimal. As stated previously, given the variations of State's E&T programs, the Department does not believe the experience of this one State agency would equate into a similar experience by all State agencies.

Respondents: State, local or Tribal governments.

Estimated Number of Respondents: 53.

Estimated Number of Responses per Respondent: One response per year for each State agency that administers the SNAP E&T program. State agencies will be required to report their outcome data annually.

Estimated Total Annual Responses: 53.

Estimated Time per Respondent: 25.32.

Estimated Total Annual Burden Hours on Respondents: 9,899.

Estimated Hourly Wage Rate (Fully-Loaded): \$75.25.

Estimated Total Annual Burden Cost on Respondents: \$762,519.97.

According to the Bureau of Labor Statistics as of May 2023, for Occupational Group (11-3021),¹⁹ has an hourly mean wage for functions performed by State agency workers for the SNAP program are estimated at \$57.92 median hourly wage per staff. Including 33% for fringe benefits the fully loaded hourly rate per staff is estimated at \$77.03 (\$57.92 * 33% = \$19.11 + \$57.92).

ESTIMATED INITIAL REPORTING AND RECORDKEEPING BURDEN HOURS

Description of activity	Number of respondents	Total annual responses	Number of burden hours per response	Total burden hours
One-time capital start-up and operating and maintenance costs	53	53	520	27,560

¹⁹ https://www.bls.gov/oes/current/naics4_999200.htm#11-0000.

FNS SNAP ET REPORTING MEASURES REPORTING ESTIMATE (OMB CONTROL NO. 0584-0614) FINAL RULE

Respondent category	Type of respondent	Instruments	Form	Number of respondents	Frequency of response	Total annual responses	Hours per response	Annual burden (hours)	Hourly wage rate (fully loaded)	Total annual cost of respondent burden
A	B	C	D	E	F	G = E × F	H	I = G × H	J	K = I × J
State/Local/Tribal Government.	State Agency Staff	Identifying State component measures in E&T State Plan under 7 CFR 273.7(c)(6)(xviii). Reporting of employment and earnings measures under renumbered 7 CFR 273.7(c)(17)(i)(A)-(C). ** NEW ** Reporting of Educational measures under renumbered 7 CFR 273.7(c)(17)(ii)(A)-(B). ** REMOVED ** Reporting of SNAP E&T Annual report completion of education, training, work experience or OJT under "old" 7 CFR 273.7(c)(17)(iv). ** REVISED ** Reporting of Employment and Earnings Measures and Educational Measures for 7 Participant Characteristics under renumbered 7 CFR 273.7(c)(17)(iii). ** New ** Mandatory E&T Program Reporting under 7 CFR 273.7(c)(iv). ** REVISED ** Reporting of E&T Participant Characteristics under 7 CFR 273.7(c)(17)(v). Reporting of State Component Measures under renumbered 7 CFR 273.7(c)(17)(vi). ABAWD Pledge States Additional Reporting under renumbered 7 CFR 273.7(c)(17)(vii).	Not Applicable .. Not Applicable .. Not Applicable .. Not Applicable .. Not Applicable .. Not Applicable .. Not Applicable .. Not Applicable .. Not Applicable ..	53.00 53.00 53.00 0.00 53.00 10.00 53.00 53.00 10.00	1.00 1.00 1.00 0.00 1.00 1.00 1.00 1.00 1.00	53.00 53.00 53.00 0.00 53.00 10.00 53.00 53.00 10.00	2 60 80 0 10 10 10 20.00 10.00	106.00 3,180.00 4,240.00 0.00 530.00 100.00 530.00 1,060.00 100.00	\$77.03 77.03 77.03 77.03 77.03 77.03 77.03 77.03 77.03	\$8,165.18 244,955.40 326,607.20 0.00 40,825.90 7,703.00 40,825.90 81,651.80 7,703.00
State Agency Reporting Burden Total				53.00	6.38	338.00	29.13	9,846.00	77.03	758,437.38

FNS SNAP ET REPORTING MEASURES RECORDKEEPING ESTIMATE (OMB CONTROL NO. 0584-0614) FINAL RULE

Respondent category	Type of respondent	Instruments	Form	Number of respondents	Frequency of response	Total annual responses	Hours per response	Annual burden (hours)	Hourly wage rate	Total annual cost of respondent burden
A	B	C	D	E	F	G = E × F	H	I = G × H	J	K = I × J
State/Local/Tribal Government.	State Agency Staff	SNAP E&T Annual Report record-keeping requirements under 7 CFR 272.1(f).	Not Applicable ..	53.00	1.00	53.00	1.00	53.00	\$77.03	\$4,082.59

FNS SNAP ET REPORTING MEASURES ICR BURDEN ESTIMATE SUMMARY (OMB CONTROL NO. 0584-0614) FINAL RULE

	Number of respondents	Frequency of response	Total annual responses	Hours per response	Annual burden (hours)	Hourly wage rate	Total annual cost of respondent burden
	A	B	C = A × B	D	E = C × D	F	G = E × F
Total Reporting Burden	53.00	6.38	338.00	29.13	9,846.00	\$77.03	\$758,437.38
Total Recordkeeping Burden	53.00	1.00	53.00	1.00	53.00	77.03	4,082.59
Total Burden for #0584-0614	53.00	7.38	391.00	25.32	9,899.00	77.03	762,519.97

Effect of State Agencies: The Department has estimated that the effect of State agencies will be two-fold. First a one-time capital cost for developing new or modifying existing data collection systems. And second, an annual reporting burden for collecting and reporting data for the required E&T Annual Report. States may also incur annual operating and maintenance costs for their data collection systems.

Prior to Implementation: In the first year that the final rule is published, States may need to modify E&T data systems, or their processes for data collection relating to collecting educational reporting measures.

E-Government Act Compliance

The Department is committed to complying with the E-Government Act, 2002 to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

List of Subjects

7 CFR Part 271

Administrative practice and procedures, Food stamps, Grant programs-social programs.

7 CFR Part 273

Administrative practice and procedures, Food stamps, Grant programs-social programs, Penalties, Reporting and recordkeeping.

Accordingly, 7 CFR parts 271 and 273 are amended to read as follows:

■ 1. The authority citation for parts 271 and 273 continues to read as follows:

Authority: 7 U.S.C. 2011-2036.

PART 271—GENERAL INFORMATION AND DEFINITIONS

■ 2. Amend § 271.2 by:

■ a. Adding in alphabetical order a definition for “Completion of participation in E&T”;

■ b. Revising the definition of “Employment and Training (E&T) participant”;

■ c. Adding in alphabetical order a definition for “Former E&T participant”.

The additions and revisions read as follows:

§ 271.2 Definitions.

* * * * *

Completion of participation in E&T means that an E&T participant has not received any E&T services for at least 90 days and no future services are planned.

* * * * *

Employment and Training (E&T) participant means an individual who meets the definition of a mandatory or voluntary participant who is referred to E&T and begins at least one part of an E&T program, including orientation, assessment, case management services or a component.

* * * * *

Former E&T participant means an individual who is no longer participating in E&T services because the individual is no longer receiving SNAP benefits.

* * * * *

■ 3. Amend § 271.8 by adding an entry in the table for “273.7(c)(17)” in numerical order to read as follows:

§ 271.8 Information collection/recordkeeping—OMB assigned control numbers.

7 CFR section where requirements are described	Current OMB Control No.
* * * * *	* * * * *
273.7(c)(17)	0584-0614
* * * * *	* * * * *

PART 273—CERTIFICATION OF ELIGIBLE HOUSEHOLDS

■ 4. Amend § 273.7 by revising paragraphs (c)(6)(xvii) and (c)(16) and (17) to read as follows:

§ 273.7 Work provisions.

* * * * *

(c) * * *

(6) * * *

(xviii) For each component that is expected to include 100 or more

participants, reporting measures that the State will collect and include in the annual report in paragraph (c)(17) of this section. Such measures may include:

(A) The percentage and number of program participants who received E&T services and are in unsubsidized employment subsequent to the receipt of those services;

(B) The percentage and number of participants who obtain a recognized credential, a registered apprenticeship, or a regular secondary school diploma (or its recognized equivalent), while participating in, or within 1 year after receiving E&T services;

(C) The percentage and number of participants who are in an education or training program that is intended to lead to a recognized credential, a registered apprenticeship an on-the-job training program, a regular secondary school diploma (or its recognized equivalent), or unsubsidized employment;

(D) Measures developed to assess the skills acquisition of E&T program participants that reflect the goals of the specific components including the percentage and number of participants who are meeting program requirements or are gaining skills likely to lead to employment; and

(E) Other indicators approved by FNS in the E&T State Plan; and

* * * * *

(16) FNS will assess the effectiveness of E&T programs in preparing E&T participants for employment, including obtaining of necessary skills and increasing the number of E&T participants who obtain and retain employment upon completion of participation in E&T. FNS will also assess that program activities are appropriate to meet the needs of individuals referred by the State agency to an E&T program. FNS may use all available information, including but not limited to, E&T State Plans, E&T Program Activity Reports, Annual Reports, and Management Evaluations. Based on this information, FNS will assess an E&T program’s effectiveness across various categories including, but not limited to, intentional program

design, integrated eligibility, deliberate program operations and meaningful outcomes.

(i) FNS may require a State agency to make modifications to its SNAP E&T plan to improve outcomes if FNS determines that the E&T outcomes are inadequate. FNS will consider these modifications in determining whether to approve a State's E&T plan.

(ii) [Reserved]

(17) The State agency shall submit an annual E&T report by April 15 each year that contains the following:

(i) Employment and Earnings Reporting Measures: State agencies shall report four consecutive quarters of data from the two previous Federal fiscal years ending the preceding September 30 for the following measures:

(A) The number and percentage of E&T participants and former participants who are in unsubsidized employment during the second quarter after completion of participation in E&T.

(B) Median quarterly earnings of the E&T participants and former participants who are in unsubsidized employment during the second quarter after completion of participation in E&T.

(C) The number and percentage of E&T participants and former participants who are in unsubsidized employment during the fourth quarter after completion of participation in E&T.

(ii) Educational Reporting Measures: State agencies shall report data for the Federal fiscal year ending the preceding September 30 for the following measures:

(A) *Attainment of a credential or certificate.* The number and percentage of E&T participants enrolled in an education or training program, excluding those in on-the-job training, customized training or transitional jobs, who attain a recognized postsecondary credential, certificate or a secondary school diploma, or its recognized equivalent, during participation in or upon completion of participation in E&T.

(B) *Measurable skill gains.* The number and percentage of E&T participants who, during the preceding Federal fiscal year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains, defined as documented academic, technical, occupational, or other forms of progress, towards such a credential or employment.

(iii) State agencies shall report the employment and earnings measures specified in paragraphs (c)(17)(i)(A) through (C) and educational measures specified in paragraphs (c)(17)(ii)(A)

and (B) for each of following participant characteristics:

(A) By Race and/or Ethnicity;

(B) Voluntary E&T Participants;

(C) Mandatory E&T Participants;

(D) Mandatory E&T Participants deemed ineligible due to failure to comply with mandatory E&T;

(E) E&T Participants who obtained high school diploma or equivalency prior to participation in E&T; and

(F) ABAWDs.

(iv) State agencies that serve mandatory E&T participants shall report for the Federal fiscal year ending the preceding September 30 the following:

(A) the unduplicated number of SNAP participants who were required to participate in E&T;

(B) of those required to participate the unduplicated number and percentage referred to E&T; and

(C) the unduplicated number and percentage of SNAP participants that were determined ineligible for failure to comply with E&T requirements.

(v) The number and percentage of E&T participants for the Federal fiscal year ending the preceding September 30 who:

(A) Are voluntary E&T participants;

(B) Are mandatory E&T participants;

(C) Have received a high school diploma or equivalent prior to being provided with E&T services;

(D) Are ABAWDs;

(E) Are English language learners;

(F) By Gender identity;

(G) Are within each of the following age ranges: 16–17, 18–35, 36–49, 50–59, 60 or older; and

(H) By Race and/or Ethnicity

(vi) Reports for the measures identified in a State's E&T plan related to components that are designed to serve at least 100 participants a year; and

(vii) States that have committed to offering all at-risk ABAWDs participation in a qualifying activity and have received an additional allocation of funds as specified in paragraph (d)(3) of this section shall include:

(A) The monthly average number of individuals in the State who meet the conditions in paragraph (d)(3)(i) of this section;

(B) The monthly average number of individuals to whom the State offers a position in a program described in § 273.24(a)(3) and (4);

(C) The monthly average number of individuals who participate in such programs; and

(D) A description of the types of employment and training programs the State agency offered to at risk ABAWDs and the availability of those programs throughout the State.

(viii) States may be required to submit the annual report in a standardized format based upon guidance issued by FNS.

* * * * *

■ 5. Amend § 273.24 by adding paragraph (a)(4) to read as follows:

§ 273.24 Time limit for able-bodied adults.

(a) * * *

(4) *Workfare program* means:

(i) A program under § 273.7(m); or

(ii) A comparable program established by a State or political subdivision of a State.

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Tameka Owens,

Acting Administrator and Assistant Administrator, Food and Nutrition Service.

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 1220

[Doc. No. AMS–LP–23–0079]

Soybean Promotion and Research: Adjustments to Representation on the United Soybean Board

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This final rule adjusts the number of members on the United Soybean Board (Board) to reflect changes in production levels that have occurred since the Board was last reapportioned in 2021. As required by the Soybean Promotion, Research, and Consumer Information Act (Act), membership on the Board is reviewed every 3-years and adjustments are made accordingly. These adjustments decrease Board membership for the State of North Dakota from four members to three members and increase Board membership for the State of New York from one member to two members, thus the total number of Board members will remain at 77. These changes will be reflected in the Soybean Promotion and Research Order (Order) and become effective with the Secretary of Agriculture's (Secretary) appointments for terms in 2025.

DATES: This final rule is effective as of December 18, 2024.

FOR FURTHER INFORMATION CONTACT: Jason Julian, Research and Promotion Division, at (202) 731–2149; or by email at jason.julian@usda.gov.

SUPPLEMENTARY INFORMATION: