



May 24, 2023

WIC Association of New York State, Inc. has reviewed the recommendations to support the Modernization of WIC delivery services and is writing in strong support of USDA's proposed rule to support WIC online ordering and transactions and food delivery revisions, to meet the needs of a modern data driven program. We support revisiting WIC's vendor regulations to empower a more modern, equitable shopping experience for WIC families and urge USDA to take an expansive and comprehensive view that will ensure WIC is prepared to engage with an evolving and customer-oriented commercial retail marketplace. Advances in technology has and will continue to change the way Americans shop and pay for food - WIC participants must have equitable access to innovation.

As the leading NYS nonprofit organization supporting and enhancing the services of the WIC Program and its direction for the future, we represent 89 local WIC agencies and 4 Vendor Management organizations. Our working volunteer board of directors is made up of WIC directors, coordinators, vendor management, partner advocates, and participants who work together with providers, regional offices, and central office to ensure that WIC Agencies are supported and that WIC participants receive a high level of person centered and comprehensive care with their critically important WIC benefits and services.

WIC is the nation's premiere supplemental nutrition program. Streamlining the participant experience and improving the shopping experience will go a long way in helping more families with young children benefit from WIC's ability to support learning and development outcomes, reduce food insecurity, and alleviate poverty. Parents trust and turn to WIC based on its long record of improving health outcomes for babies and young children, which is rooted in a science-based process and expert advice from WIC counselors that prioritizes consumption of healthy foods.

We are writing in strong support of USDA's proposed steps to revisit WIC vendor regulations to modernize the shopping experience for WIC families. WIC's strong record of public health success depends on a collaborative partnership with retailers so that WIC families can readily access nutritious foods in their communities. Despite positive strides to roll out electronic-benefit transfer (EBT) technology over the past decade, WIC's transaction technologies remain woefully behind SNAP and the commercial marketplace. USDA must take bold steps to unleash State-driven innovations and thoughtfully reimagine WIC vendor

management so that WIC families can engage in a modern, accessible, and equitable shopping experience.

NYS WIC currently has the nation's 4th largest statewide caseload; since October 2022, we have topped 400,000 participants each month, most recently 419,000, the highest our caseload has been since 2018, but yet we are serving only about one-half of estimated eligible New Yorkers. NYS finalized the 1-year statewide rollout of eWIC in 2019, which helped launch the recent increase in participation, but rates have not kept pace with increasing participation rates and technology advances in SNAP and Medicaid. Our state is very culturally and geographically diverse, and the unmet need in many upstate areas and among ethnicities, especially among pregnant women and children, is even wider. If the modernization rule passes it will aid in obtaining even more access and option to vendors that may offer competitive prices and access to the (hopefully forthcoming soon) new food package's expanded cultural products for entire communities.

In NYS, while over 16,000 retailers accept SNAP benefits, less than 2,900 accept WIC. WIC vendors currently must have a single, fixed physical location, so for the many participants with transportation concerns, this results in real barriers to participation at all for some or fully redeeming monthly benefits for others. The proposed rule modernizes the shopping experience and removes barriers to healthy food access in food deserts and swamps, whether urban or rural.

We urge USDA to create a nationwide authorization and vendor monitoring system for Internet vendors. We applaud USDA for the creation of new vendor classifications that would allow for internet and mobile platforms. However, USDA's proposal suggests that a vendor will have to have dual authorizations for physical and internet store locations. If implemented, this dual store type would create undue burden for both vendors and WIC agencies. We have concerns about supporting small vendors during this transition to prevent them from falling off the program.

USDA should be sure to center equitable access to Internet platforms for WIC shoppers, including a one-month rollover of all unredeemed benefit (instead of only refunded benefit) and amending the equal-treatment requirement to allow retailers to provide preferential treatment for WIC shoppers. Even though many online WIC transactions are likely to be a mixed basket with other forms of payment, USDA must be mindful of the unique barriers faced by WIC's target population when determining fee structures. Targeted federal funding to support retailers in establishing online shopping platforms may be a more effective use of resources than allowing retailers to levy fees on WIC-only purchases.

We strongly support the proposed rule in the following areas that will improve participant access to healthy WIC foods and provide greater opportunity to introduce WIC children to a balanced diet of nutrient-dense foods:

- Ensure a rule that is flexible and adaptable to keep up with technology advances and aligns with and is equitable to the experience for the WIC shopper as for general public shoppers.
- Allow vendors to return benefits to a participants' balance and update the exchange policy to accommodate recalls.
- Align with SNAP rules such that vendors may NOT charge state agencies fees associated with online shopping.
- Ensure safeguards/protections for WIC shoppers against predatory fee structures associated with online shopping and encourage minimal fees.
- Allow state agencies to have the option to pay for WIC shopper fees with either 1. nonfederal funding at state agency discretion and/or 2. federal funding in situations where deemed necessary to meet special needs (participant access or other needs identified by state agency).
- As with current regulations, approve interstate vendors for online shopping, where a WIC shopper can make a purchase with a vendor from another state to support their needs.
- Adjust minimum stocking requirements based on vendor size to improve access and support nutrition security. For example, there should be case by case exceptions to minimum stocking requirements to allow for a wider variety of suppliers (i.e. dairies, bakeries, produce sellers).
- Create new WIC State agency staff positions of WIC Food Delivery Coordinator and WIC Customer Service Coordinator to reflect staffing needs of modern programs.
 - The proposed rule has equity among the smallest states' caseloads; should also have equity among the states with the largest caseloads. For example only six state agencies have caseloads of over 200,000 participants. Should there be a threshold number of either participants and/or vendors that would allow or require more than 1 of each of these positions in those states?
 - We are also concerned about funding for these state agency staff. The proposed rule assumes state agencies will pay for these positions out of their current NSA funds. In New York State, we are not able to staff appropriately at the state and local levels already. We are also concerned these new state positions may take away from local WIC agency's NSA funds.
- Authorize a streamlined and modernized WIC that keeps pace with the needs of working families' lives:
 - Encourage remote benefit issuance where possible: permit the remote issuance of electronic benefits within existing processing time limits and ensure participants are still offered nutrition education.
 - Expand definition of food instrument to allow for future, alternative payment options (i.e. beyond eWIC card – mobile payment).
 - Allow home delivery systems to ship foods to locations designated by participants to provide more equitable access to delivery to WIC shoppers in remote locations.

In conclusion, we support the changes proposed by USDA to improve, streamline, and modernize WIC transactions and food delivery and encourage USDA to finalize this rule as quickly as possible so that WIC can meet the needs of modern-day participants and future participants across the country.

Sincerely,

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