Report on the WIC Task Force on Supplemental Foods Delivery
U.S. Department of Agriculture
Food and Nutrition Service
A Report to Congress
November 2021

The following report addresses actions taken by the U.S. Department of Agriculture's (USDA) Food and Nutrition Service (FNS) to comply with the Consolidated Appropriations Act, 2021 (P.L. 116-260, the Act), which directed USDA to establish a Task Force to study measures to streamline the redemption of WIC benefits in a manner that promotes convenience, safety, and equitable access to WIC supplemental foods for participants in the WIC program. The Act required the Task Force to study:

- online and telephone ordering and curbside pickup of, and payment for, WIC supplemental foods;
- online and telephone purchasing of WIC foods;
- home delivery of WIC foods;
- self-checkout for purchases of WIC foods; and
- other measures that limit or eliminate consumer presence in a physical store.

USDA established the Task Force in spring 2021, with the kickoff meeting conducted on March 24, 2021. The Task Force met weekly through September 30, 2021. Attendance to Task Force meetings was limited to Task Force members and select USDA FNS support staff. USDA staff attendees solely provided support and did not participate in development of the independent Task Force's report and recommendations.

The independent Task Force was required to submit a report to the USDA by September 30, 2021 that included:

- the results of the study required above, and
- recommendations with respect to such results.

Not later than 45 days after receiving the report, pursuant to the Act, the USDA must submit a report to Congress which includes:

- a plan with respect to carrying out the recommendations received, and
- an assessment of whether legislative changes are necessary to carry out such plan.

USDA must notify the Task Force of the submission of this report and USDA must publish both reports on its website. The Task Force report has been published here: https://www.fns.usda.gov/wic/food-delivery-task-force-recommendations-report. USDA will publish this report after submission to Congress.

Per the Act, the Task Force will terminate on the date the USDA submits the report to Congress. The Federal Advisory Committee Act (5 U.S.C. App.) does not apply to the Task Force.

WIC Task Force Membership

The Act limited Task Force membership to no more than 20 members and required membership from the following categories, including but not limited to: retailers of WIC supplemental foods, manufacturers of WIC foods, representatives of WIC State agencies, representatives of WIC local agencies, WIC participants and technology companies with specific experience. A maximum of three members from each category were allowed. The Task Force membership list is provided below.

Task Force Chair: Melinda R. Newport, MS, RD/LD, Director, Chickasaw Nation WIC
Task Force Co-Chair: Ellen M. Thompson, Vice President, Program Modernization Consulting, Maximus, Inc.

Organization/Agency	Stakeholder Category	Representative Name	Title
FIS (Fidelity National Information Services)	Technology Co.	Cary Jeffers	Director of Product Government Services, EBT
Maximus, Inc.	Technology Co.	Ellen M. Thompson	Vice President, Program Modernization Consulting and Task Force Co-Chair
GCOM - Three Sigma	Technology Co.	Jay Saunders	Senior Director, Product Management
		Proxy if Jay Saunders is unavailable: Krushanu Majmundar	HHS-Nutrition Practice Lead
Infant Nutrition Council of America (INCA, Representative of Infant Formula Manufacturers)	Manufacturer	Robert Rankin	Executive Director
Kellogg's	Manufacturer	Maria Caranfa, RDN, LDN	Sr. Wellbeing and Regulatory Business Partner
Walmart Inc.	Retailer	James Robert (Tres) Bailey, III, initial Walmart	Senior Director, Federal

Organization/Agency	**Stakeholder Category**	**Representative Name**	**Title**
		representative, and subsequently, Hannah Walker	Government Affairs Senior Director, Payments Policy & Strategy
Food Marketing Institute (Retailer Representative)	Retailer	Hannah Walker - initial FMI representative, and subsequently, Jennifer Hatcher	Vice President, Political Affairs Chief Public Policy Officer
Food City/KVAT Foods Inc.	Retailer	Hannah Smith	Representative
First Data Corporation/FISERV	Other Stakeholder Org.	Angela Milroy	Director, Product Management;
		Proxy if Angela Milroy is unavailable: Kimberly Ford	Senior Vice President, Government Relations
National WIC Association	Other Stakeholder Org.	Brian Dittmeier	Senior Director of Public Policy
Electronic Funds Transfer Association (EFTA), eGovernment Payments Council	Other Stakeholder Org.	Kurt Helwig	President and CEO
New Mexico Department of Health, Public Health Division/Family Health Bureau	State agency	Sarah Flores-Sievers, BS, MPA	WIC Director
North Carolina Department of Health and Human Services	State agency	Mary Anne Burghardt, MS, RD, LDN	WIC Director
Chickasaw Nation WIC	Indian Tribal Organization	Melinda R. Newport, MS, RD/LD	WIC Director & Task Force Chair
Inter-Tribal Council of Nevada	Indian Tribal Organization	Chuck Layosa	WIC Director
Southwest Region WIC (Las Cruces, NM)	WIC Local Agency	Candice Trujillo	Southwest Regional WIC Manager
Lincoln Community Health Center (Durham, NC)	WIC Local Agency	Holly Branch	WIC Nutrition Director/Lactation Educator
Not Shared for Privacy Purposes	WIC Participant	Not Shared for Privacy Purposes	Not Shared for Privacy Purposes
Not Shared for Privacy Purposes	WIC Participant	Not Shared for Privacy Purposes	Not Shared for Privacy Purposes

Task Force Recommendations
and USDA FNS' Assessment of Whether Legislative/Statutory Changes are Needed

A full list of Task Force recommendations is provided at https://www.fns.usda.gov/wic/food-delivery-task-force-recommendations-report.

The below tables are not intended to be all-inclusive, but rather list those Task Force recommendations where statutory changes may be required. The tables further provide the current statutory citations provided in the Child Nutrition Act of 1966, as amended (42 U.S.C. 1786), and applicable FNS notes. The tables do not reflect whether USDA FNS supports or does not support the Task Force's recommendations.

WIC Task Force Recommendations: Online Ordering Process (Report Section 3)

Task Force Recommendation	Current Statutory Citation	FNS Notes
Fees: WIC benefits shall not be used to pay for fees related to online ordering, a separate tender may be used to cover the cost of allowable fees. Note this is consistent with the approach used for SNAP online purchases. Additionally: 1. Retailers shall not impose fees for fulfilling an order but may charge for delivery 2. If a retailer has a policy that requires min. purchase amount for free delivery, the same policy may be applied to WIC participants. 3. A retailer may reserve the right to waive fees at their discretion, even if only for WIC participants 4. Only one fee shall be applied per order even if multiple tender types are used or if the items are required to be split between multiple deliveries or shipments 5. Information about fees shall be transparent and provided to the participant as early as possible during the shopping experience so that the participant knows if there are any min. purchase amounts for free delivery and considerations of the cost delivery, but no later than the selection of "delivery" as the method of receipt of food benefits.	**42 U.S.C. 1786(c)(1):** The Secretary may carry out a special supplemental nutrition program to assist State agencies through grants-in-aid and other means to provide, through local agencies, at no cost, supplemental foods, nutrition education, and breastfeeding support and promotion to low-income pregnant, postpartum, and breastfeeding women, infants, and children who satisfy the eligibility requirements specified in subsection (d) of this section. The program shall be supplementary to….	Currently, 42 U.S.C 1786(c)(1) references the provision of supplemental foods at "no cost" to participants.

Task Force Recommendations: Regulatory (Report Section 4)

Current Regulatory Citation	Current Regulatory Language (proposed regulatory language changes shown in next column).	Task Force Recommendation and/or Recommended Language Change	Current Statutory Citation	FNS Notes
Vendor Authorization, revise definition (7 CFR 246.2)	"*Vendor authorization* means the process by which the State agency assesses, selects, and enters into agreements with stores that apply or subsequently reapply to be authorized as vendors."	The Task Force encourages exploring the option for a national authorization process, with State opt-ins, that could streamline multistate authorization for virtual vendor platforms. "*Vendor authorization* means the process by which the State agency assesses, selects, and enters into agreements with stores that apply or subsequently reapply to be authorized as vendors. Vendor authorization is inclusive of the State agency decision to opt-in to a nationwide authorization of virtual platforms approved by FNS."	**42 U.S.C. 1786(c)(1):** The Secretary may carry out a special supplemental nutrition program to assist State agencies through grants-in-aid and other means to provide, through local agencies, at no cost, supplemental foods, nutrition education, and breastfeeding support and promotion to low-income pregnant, postpartum, and breastfeeding women, infants, and children who satisfy the eligibility requirements specified in subsection (d) of this section. The program shall be supplementary to— (A) the supplemental nutrition assistance program; (B) any program under which foods are distributed to needy families in lieu of supplemental nutrition assistance program benefits; and (C) receipt of food or meals from soup kitchens, or shelters, or other forms of emergency food	Currently, WIC State agencies are responsible for administering the WIC Program, including WIC vendor management, under 42 U.S.C. 1786(c).

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			assistance. **(2)** Subject to amounts appropriated to carry out this section under subsection (g)— (A) the Secretary shall make cash grants to State agencies for the purpose of administering the program….	
Authorized Infant Formula Supplier (New definition, 7 CFR 246.2)		As new regulatory language refers to this term, it needs to be defined. [It] shall have the same meaning as the list required in 42 U.S.C. Section 1786(h)(8)(A)(ix) (see also 7 CFR 246.12(g)(10)); [and] The Task Force [further] recommends that the Secretary recommends to Congress that the statute cited above be amended to provide for a federal list of authorized infant formula suppliers.	**42 U.S.C. 1786(h)(8)(A)(ix):** List of infant formula wholesalers, distributors, retailers, and manufacturers.—The State agency shall maintain a list of— (I) infant formula wholesalers, distributors, and retailers licensed in the State in accordance with State law (including regulations); and (II) infant formula manufacturers registered with the Food and Drug Administration that provide infant formula.	See Task Force recommendation to amend statute.
Uniform Food Delivery System (7 CFR 246.12(b)): Each food delivery system must be procedurally	"Uniform food delivery systems. The State agency may operate up to four types of food delivery systems under	The Task Force recommends updating the regulation to allow for multiple payment options within a food delivery method. Additionally, in the	**42 U.S.C. 1786(h)(12)(A)(i)**: Electronic benefit transfer.— The term "electronic benefit transfer" means a food delivery system that provides benefits using	EBT is defined as a "food delivery system" in statute, but would be more accurately described as a benefit delivery method

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uniform throughout the State Agency's jurisdiction.	its jurisdiction - retail, home delivery, direct distribution, or EBT. Each system must be procedurally uniform throughout the jurisdiction of the State agency and must ensure adequate participant access to supplemental foods. When used, food instruments must be uniform within each type of system."	regulation EBT is noted as a delivery system; however, it is a payment mechanism for a retail delivery system and therefore should be removed. Recommended Update: 7 CFR 246.12 (b) "Food delivery methods. The State agency may operate any of the following types of food delivery systems under its jurisdiction - retail, home delivery, direct distribution or another method approved by the Secretary. Each system must be procedurally uniform throughout the jurisdiction of the State agency and must ensure adequate participant access to supplemental foods. A State Agency may employ multiple payment methods within a food delivery system (e.g., EBT cards and mobile payments)."	a card or other access device approved by the Secretary that permits electronic access to program benefits.	used in each of the four food delivery system types listed in regulations.
EBT requirement (7 CFR 246.12(x), (aa)(4)): State Agencies are required to operate	"(4) *Statewide operations.* After completion of statewide EBT implementation,	The requirements that vendors adopt EBT could limit future innovation and more efficient	**42 U.S.C. 1786(h)(12)(A)(1)(i):** Electronic benefit transfer.— The term "electronic benefit transfer" means a food delivery	EBT is defined as a food delivery system in statute that "provides benefits using a card or other access

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an EBT system and shall not authorize vendors that cannot demonstrate EBT capability.	the State agency shall not: [. . .] (ii) Authorize a vendor, farmer, or farmers' market that cannot successfully demonstrate EBT capability in accordance with State agency requirements, unless the State agency determines the vendor is necessary for participant access."	models of retail transaction, such as mobile payments. Revise to read: "(4) *Statewide operations.* After completion of statewide EBT implementation, the State agency shall not: [. . .] (ii) Authorize a vendor, farmer, or farmers' market that cannot successfully demonstrate EBT capability in accordance with State agency requirements or comparable transaction technology approved by the Secretary, unless the State agency determines the vendor is necessary for participant access."	system that provides benefits using a card or other access device approved by the Secretary that permits electronic access to program benefits.	device…." If the Task Force's intent is to define "comparable transaction technologies" separately from EBT, then a statutory change would be required.
Vendor Authorization (7 CFR 246.12(g)(1), (h)(1)(i)): State Agency must authorize an appropriate number of vendors. Agreements must be signed by a representative with legal authority and specify all vendors		Without disrupting existing State vendor authorization protocols, FNS should explore establishing an option for **national authorization and monitoring of virtual vendors and virtual platforms for hybrid vendors** [emphasis added]. With baseline authorization at the	**42 U.S.C. 1786(c)(1):** The Secretary may carry out a special supplemental nutrition program to assist State agencies through grants-in-aid and other means to provide, through local agencies, at no cost, supplemental foods, nutrition education, and breastfeeding support and promotion to low-income	Currently, WIC State agencies are responsible for administering the WIC Program, including WIC vendor management, under 42 U.S.C. 1786(c).

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covered by the agreement. Agreements last no more than three years.		FNS level, States can opt-in to authorizing the virtual platform for participants in their State while assuming monitoring obligations for vendor sites that fulfill orders for participants in their State. State Agencies may collaborate to monitor vendor sites, including fulfillment centers, for the purpose of authorization in multiple States. Virtual vendors or virtual platforms of hybrid vendors shall not fulfill orders out of a location that has not been monitored or approved per their authorization agreement, either through FNS or a State Agency. States preserve the ability to opt-out (with certain notice to the vendor), but **final authorization remains vested at FNS** [emphasis added]. Vendor authorization periods should be extended to five years to reduce burden on State Agencies, FNS, and retailers.	pregnant, postpartum, and breastfeeding women, infants, and children who satisfy the eligibility requirements specified in subsection (d) of this section. The program shall be supplementary to— (A) the supplemental nutrition assistance program; (B) any program under which foods are distributed to needy families in lieu of supplemental nutrition assistance program benefits; and (C) receipt of food or meals from soup kitchens, or shelters, or other forms of emergency food assistance. **42 U.S.C. 1786(c)(2)**: Subject to amounts appropriated to carry out this section under subsection (g)— (A) the Secretary shall make cash grants to State agencies for the purpose of administering the program….	

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Vendor Sanctions (7 CFR 246.12(l)(1)(iii), (iv)): State Agencies may disqualify vendors permanently, for six years, for three years, and for one year based on differing criteria.		Revise regulations to read: (iii) Three year disqualification [. . .] (G) A pattern of charging for supplemental food on a virtual platform that is not received by the participant; (H) A pattern of providing substitutions for supplemental foods ordered on a virtual platform that are not aligned with the food packages defined in section 246.10(e); (j) A pattern of fulfilling orders from a vendor site that is not approved by the WIC State Agency **or FNS** [emphasis added]**;** (k) A pattern of setting prices that are not substantially similar on a virtual platform and physical store location that are authorized by the same corporate entity; [. . .] (iv) One-year disqualification. [. . .] (C) A pattern of providing substitutions for supplemental foods ordered on a virtual platform without	**42 U.S.C. 1786(c)(1) and (2).** See above.	Currently, WIC State agencies are responsible for administering the WIC Program under 42 U.S.C. 1786(c). The regulatory citation referred to by the Task Force could include 7 CFR 246.12(l)(1)(i) through (iv) as those subsections discuss the varying length of the sanctions: (i) permanent; (ii) 6-year; (iii) 3-year; (iv) 1-year.

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		notice and receiving consent from the participant.		
Infant Formula Wholesalers (7 CFR 246.12(g)(10)): The State Agency must provide a list in writing or by other effective means to all authorized WIC retail vendors of the names and addresses of infant formula wholesalers, distributors, and retailers licensed in the State in accordance with State law (including regulations), and infant formula manufacturers registered with the Food and Drug Administration (FDA) that provide infant formula, on at least an annual basis. States may permit purchase from sources on another State's list.		**USDA should create a list of authorized infant formula suppliers (distributors, wholesalers, and manufacturers) for online ordering of infant formula and an application process for virtual infant formula suppliers** [emphasis added] to be listed on the USDA authorized infant formula supplier list. All authorized retailers shall be required to purchase infant formula from an authorized infant formula supplier. To conduct vendor audits, if an authorized infant formula supplier list is established by the USDA and used by the retailer, **USDA shall have authority consistent with the state authority to audit vendor sales and require proof of purchase from an authorized infant formula supplier** [emphasis added]. If the State Agency- authorized infant	**42 U.S.C. 1786(c)(1) and (2).** See above. **42 U.S.C. 1786(h)(8)(A)(ix):** List of infant formula wholesalers, distributors, retailers, and manufacturers.—The State agency shall maintain a list of— (I) infant formula wholesalers, distributors, and retailers licensed in the State in accordance with State law (including regulations); and (II) infant formula manufacturers registered with the Food and Drug Administration that provide infant formula.	Currently, WIC State agencies are responsible for administering the WIC Program under 42 U.S.C. 1786(c). Further, current statute at 42 U.S.C. 1786(h)(8)(A)(ix) requires WIC State agencies to maintain the applicable list.

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		formula supplier list is used, the State would continue to conduct vendor audits as appropriate including audits of sales and required proof of purchase from the USDA authorized infant formula supplier.		
Routine Collection of Shelf Prices (7 CFR 246.12(f)(4)(ii)(B)): State agency must collect vendor shelf prices at least every six months.	(B) Routine collection of vendor shelf prices at least every six months following authorization to monitor vendor compliance with paragraphs (g)(4)(i)(C), (g)(4)(ii)(C), and (g)(4)(iii) of this section and to ensure State agency policies and procedures dependent on shelf price data are efficient and effective. FNS may grant an exemption from this shelf price collection requirement if the State agency demonstrates to FNSs' satisfaction that an	With daily EBT redemption data, State Agencies have vendor shelf price data that is more timely and accurate than shelf price surveys…. Strike section (original text shown at left).	**42 U.S.C. 1786(h)(11)(b)(i)(II)(aa)(B):** Competitive pricing.— (i) In general.—The State agency shall establish competitive price criteria for each peer group for the selection of vendors for participation in the program that— (I) ensure that the retail prices charged by vendor applicants for the program are competitive with the prices charged by other vendors; and (II) consider— (aa) the **shelf prices** [emphasis added] of the vendor for all buyers; or (bb) the prices that the vendor bid for supplemental foods, which shall not exceed the **shelf prices** [emphasis added] of the vendor for all buyers.	42 U.S.C. 1786(h)(11)(b)(i)(II)(aa)(B) currently references the use of "shelf prices" and may require revision for clarity to accommodate the Task Force's recommendation to use other data (e.g., redemption data). EBT redemption data may not match shelf price data, e.g., after store-applied discounts at checkout.

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	alternative methodology for monitoring vendor compliance with paragraphs (g)(4)(i)(C), (g)(4)(ii)(C), and (g)(4)(iii) of this section is efficient and effective and other State agency policies and procedures are not dependent on frequent collection of shelf price data. Such exemption would remain in effect until the State agency no longer meets the conditions on which the exemption was based, until FNS revokes the exemption, or for three years, whichever occurs first;			
EBT third-party processing costs and fees (7 CFR 246.12(h)(3)(xxviii), (xxix), (xxx), (aa)(3)): Vendor shall not charge any third-party	(xxviii) EBT third-party processing costs and fees. The vendor shall not charge to the State agency any third-party commercial processing costs and	Revise to read: (xxviii) Third-party processing costs and fees. The vendor shall not charge to the State agency any third-party commercial processing costs and fees incurred by the vendor from	**42 U.S.C. 1786(h)(12)(A)(1)(i):** Electronic benefit transfer.— The term "electronic benefit transfer" means a food delivery system that provides benefits using a card or other access device approved by the Secretary that	EBT is defined as a food delivery system in statute that "provides benefits using a card or other access device…."

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commercial processing costs or fees to the State Agency.	fees incurred by the vendor from EBT multi-function equipment. Commercial transaction processing costs and fees imposed by a third-party processor that the vendor elects to use to connect to the EBT system of the State shall be borne by the vendor. (xxix) EBT interchange fees. The State agency shall not pay or reimburse the vendor for interchange fees related to WIC EBT transactions.	transaction technologies, including EBT multi-function equipment. Commercial transaction processing costs and fees imposed by a third-party processor that the vendor elects to use-shall be borne by the vendor. (xxix)-Interchange fees. The State agency shall not pay or reimburse the vendor for interchange fees related to WIC transactions.	permits electronic access to program benefits. **42 U.S.C. 1786(h)(12)(E)(iii):** Fees.— (I) In general.— A vendor that elects to accept electronic benefit transfers using multifunction equipment shall pay commercial transaction processing costs and fees imposed by a third-party processor that the vendor elects to use to connect to the electronic benefit transfer system of the State. (II)Interchange fees.— No interchange fees shall apply to electronic benefit transfer transactions under this paragraph.	Reference to EBT fees is provided in statute at 42 U.S.C. 1786(h)(12)(E)(iii). If the Task Force's intent is to define other technologies separately from EBT, then a statutory change would be required.
Fees (7 CFR 246.12(c), (h)(3)(x)): Participants must receive supplemental foods free of charge.	7 CFR 246.12 (c) No charge for authorized supplemental foods. The State agency must ensure that participants receive their authorized supplemental foods free of charge.	Recommended Update: 7 CFR 246.12 (c) No charge for authorized supplemental foods. The State agency must ensure that participants receive their authorized supplemental foods free of charge with the exception of delivery fees that may be charged for the delivery of a purchase. Delivery fees shall not be paid	**42 U.S.C. 1786(c)(1)** See above.	Currently, 42 U.S.C. 1786(c)(1) references the provision of supplemental foods at "no cost" to eligible participants.

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		with WIC food funds, but may be paid with another form of tender. Delivery fees charged to WIC participants shall be less than or consistent with fees charged to non-WIC customers, and a vendor may waive fees charged to WIC customers. Only one delivery fee may be applied per order even if multiple tenders are used. Information about delivery fees shall be transparent and made available to the WIC participant so that the participant is aware of the cost of delivery and if there is a minimum purchase amount for free delivery. Delivery fee information shall be provided as early as possible during the shopping experience but no later than selection of "delivery" as the method of receipt of food benefits.		
Benefits Receipt (7 CFR 246.12(r)(2), (4)): Participants or proxies must sign for receipt of food instruments at		Strike both sections.	**42 U.S.C. 1786(f)(6)(B):** State agencies may provide for the delivery of vouchers to any participant who is not scheduled for nutrition education and breastfeeding counseling or a	7 CFR 246.12(r)(4) requires participants to pick up food instruments and cash-value vouchers in person in accordance with 42 U.S.C. 1786(f)(6)(B); statutory

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least every three months.			recertification interview through means, such as mailing, that do not require the participant to travel to the local agency to obtain vouchers. The State agency shall describe any plans for issuance of vouchers by mail in its plan submitted under paragraph (1). The Secretary may disapprove a State plan with respect to the issuance of vouchers by mail in any specified jurisdiction or part of a jurisdiction within a State only if the Secretary finds that such issuance would pose a significant threat to the integrity of the program under this section in such jurisdiction or part of a jurisdiction.	changes may be required to accommodate the Task Force's recommendation, dependent on Task Force intent.

WIC Task Force Recommendations: Additional Considerations (Report Section 5)

Task Force Recommendation	**Current Statutory Citation**	**Notes**
FNS should develop transparent vendor authorization criteria for virtual platforms that satisfy existing State vendor policies. When a vendor seeks authorization at the federal level, they must identify all applicable vendor sites that would be involved in fulfilling a WIC order and provide relevant health, safety, and compliance information. State agencies seeking to opt-in to the authorization would assume responsibility for any on-site monitoring of vendor sites requested by FNS, and may coordinate with additional WIC State Agencies to conduct preauthorization visits. Federally authorized virtual platforms must meet the Federal minimum stock requirements. **Once authorized at the Federal level, States may opt-in to the authorization before participants can access the platform [emphasis added].** The State opt-in process involves testing of the virtual platform to ensure that transaction systems are interoperable with the State MIS. Once a State has fully opted-in, the State assumes ongoing monitoring responsibility for vendor sites within their geographic jurisdiction as well as vendor sites that fulfill orders delivered within their geographic jurisdiction. States may coordinate and are encouraged to share monitoring information with other State agencies to reduce duplicative monitoring. States may withdraw from a nationwide authorization upon notice to the retailer and FNS. States must communicate any findings from routine monitoring/auditing activities to FNS and may make recommendations for vendor sanctions. FNS is responsible for administering vendor sanctions for Federally authorized vendor sanctions and may limit sanctions to a specific vendor site (i.e., a single fulfillment center) or specific geographic jurisdiction.	**42 U.S.C. 1786(c)(1) and (2).** See above.	Currently, WIC State agencies are responsible for administering the WIC Program, including vendor management, under 42 U.S.C. 1786(c).
The Task Force recommends actionable direction to FNS regarding what is needed to transact WIC online in the small/independent retail community to include: ● Standardizing requirements for POS equipment vendors, software providers, wholesalers, and other relevant parties in order to consistently provide outputs based on approved product list (APL) files that seamlessly integrate with online storefront providers.	Additional information would be necessary to assess statutory impact.	Additional information would be necessary to assess statutory impact.

Task Force Recommendation	Current Statutory Citation	Notes
● Working closely with national retailers to leverage already developed solutions that small vendors can adopt without having to invest in system design. ● Create a government funded plug and play standalone solution for commonly available POS system(s) and allow independents to utilize without cost to the vendor. ● Provide grant funding to provide technical support as needed to ensure participation by independent and regional grocers.		
USDA should assess the impact of introducing virtual platforms and contemplate contingencies that sustain the viability of A-50 models, potentially include a statewide average calculation that excludes virtual platforms. FNS should also articulate clear guidance on whether virtual platforms can be designated as A-50 vendors and assess whether further changes are needed to ensure program integrity while supporting a full complement of authorized WIC vendors to meet participant needs.	**42 U.S.C. 1786(h)(11)(A)(i)(III):** if the State agency elects to authorize any types of vendors described in subparagraph (D)(ii)(I)— (aa)distinguish between vendors described in subparagraph (D)(ii)(I) and other vendors by establishing— (AA)separate peer groups for vendors described in subparagraph (D)(ii)(I); or (BB)distinct competitive price criteria and allowable reimbursement levels for vendors described in subparagraph (D)(ii)(I) within a peer group that contains both vendors described in subparagraph (D)(ii)(I) and other vendors; **42 U.S.C. 1786(h)(11)(D):** Exemptions.—The State agency may exempt from competitive price criteria and allowable	Additional information would be necessary to assess statutory impact.

Task Force Recommendation	Current Statutory Citation	Notes
	reimbursement levels established under this paragraph— (i)pharmacy vendors that supply only exempt infant formula or medical foods that are eligible under the program; and (ii)vendors— (I) (aa)for which more than 50 percent of the annual revenue of the vendor from the sale of food items consists of revenue from the sale of supplemental foods that are obtained with food instruments; or (bb)who are new applicants likely to meet the criteria of item (aa) under criteria approved by the Secretary; and (II)that are nonprofit.	

USDA FNS' Plan to Carry Out Recommendations Received

The Task Force's work, including its report and recommendations, complements that of the Gretchen Swanson Center for Nutrition (GSCN). As a background, beginning in 2020, FNS made a major investment by awarding a $2.5M grant to GSCN to work toward developing and testing secure models of online ordering and transactions in WIC.

During the past year, GSCN developed and released the Blueprint for WIC Online Ordering (the Blueprint). The Blueprint is a resource for WIC State agencies and their partners that are working to implement online ordering projects. The Blueprint suggests activities to successfully plan, implement, and maintain WIC online ordering projects.

Both the Blueprint and a sub-grant Request For Proposals (RFP) were released on June 15, 2021. Sub-grant proposals were due by August 27, 2021 and, as of November 2021, sub-grant award announcements are expected in the coming weeks. The RFP encouraged applicants to use the Blueprint as a resource to devise and propose innovative projects to test both online ordering and transactions in WIC.

Over the next two years, Gretchen Swanson will:

- Work with sub-grantees to test and implement online ordering and transactions,
- Evaluate and report on the results to inform future expansion of online ordering and transactions, and
- Update the Blueprint to include revisions and best practices learned through the evaluation of the sub-grant projects.

The work of both the Task Force and GSCN will inform USDA FNS' next steps. In particular, as early as April 2022, USDA FNS intends to publish a proposed rule entitled *Special Supplemental Nutrition Program for Women, Infants and Children (WIC): WIC Online Ordering and Transactions (RIN: 0584-AE85)*. Further information on this proposed rule is available at https://www.reginfo.gov/public/.

Because the regulatory workplan has been approved and USDA FNS is in the formal rulemaking stage, FNS cannot identify specific regulatory proposals under consideration. However, in general, this proposed rule would address key regulatory barriers to online ordering in the WIC program by making changes to provisions that prevent online transactions and types of online capable stores from participating in the Program. This proposed rule would also allow FNS to modernize WIC vendor regulations to reflect current technology.

USDA FNS will seek public comments via this proposed rulemaking. FNS looks forward to publication of this proposed rule and subsequent stakeholder input.

USDA wishes to express its gratitude to the Task Force membership, led by Chair, Melinda R. Newport, MS, RD/LD, and Co-Chair Ellen M. Thompson, for their diligence and persistence in analyzing and studying this important issue, and submitting a timely report to the Department. USDA values its partnership with the Task Force and each individual stakeholder, and appreciates the significant effort, above and beyond each Task Force member's normal duties, that went into the Task Force's report and recommendations.