



Food and
Nutrition
Service

JUN 06 2016

Park Office
Center

3101 Park
Center Drive
Alexandria
VA 22302

Mr. Chris Larson
EBT Project Manager
Mississippi Department of Human Services
750 North State Street
Jackson, Mississippi 39202

Dear Mr. Larson:

This is in response to your request of December 11, 2015, to the Food and Nutrition Service (FNS) on behalf of the Mississippi Department of Human Services to extend four Supplemental Nutrition Assistance Program (SNAP) Electronic Benefits Transfer (EBT) waivers for the Mississippi's EBT contract. We apologize for the delay and appreciate your patience in awaiting a response.

The waivers would allow the State agency to: 1) provide POS equipment only to authorized retailers who have SNAP sales equal to or greater than \$100 per month; 2) charge reasonable fees to re-install/de-install EBT Point-of-Sale (POS) devices; 3) waive encryption of the Personal Identification Number (PIN) and allow PIN selection through the Automated Voice Response (AVR) system; and 4) waive the requirement for a retailer adjustment no-hold.

FNS is approving three of the four waiver renewals with conditions attached and with the understanding that the justifications have not changed since the original requests were made.

The renewals are to waive SNAP regulations to:

1. Allow the State to charge reasonable fees to re-install/de-install EBT-only Point-of-Sale (POS) devices. This approval only applies to the following authorized retailers that are exempt from paying for EBT equipment under the provisions of the 2014 Farm Bill: eligible farmers' markets, direct-marketing farmers, military commissaries, non-profit food buying cooperatives, group living arrangements, treatment centers, and prepared meal services (except restaurants participating in State-option restaurant programs);
2. Waive encryption of the Personal Identification Number (PIN) at the point of entry and to allow PIN selection through the Automated Voice Response (AVR); and
3. Waive the requirement that a hold be placed on client accounts when a retailer initiates an adjustment, provide households 15 calendar days to request a fair hearing; and allow 15 calendar days for the State to act on all household debit adjustments.

Mr. Chris Larson
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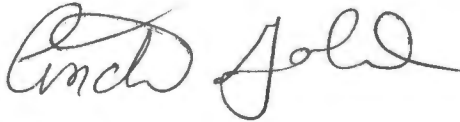
The State's request to renew the waiver to provide POS equipment only to authorized retailers who have SNAP sales equal to or greater than \$100 per month has expired. FNS is no longer approving this waiver in light of the changes made under the 2014 Farm Bill.

These waivers are approved pursuant to 7 CFR 272.3(c)(1)(ii), which allows FNS to approve waivers that would result in a more effective and efficient administration of SNAP. The attachment enclosed provides the details and conditions of approval.

Please refer to the specific waiver numbers for future reference in any correspondence. If how the State intends to implement these waivers changes or if you do not implement a waiver, please let us know as soon as possible, but no later than the implementation date of the upcoming EBT contract.

If you have any questions, please contact Georgina Castillo of the Retailer Management and Issuance Branch at (214) 290-9836 or Karen Powell in our Southeast Regional Office at (404) 562-1920.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrea Gold". The signature is fluid and cursive, with the first name "Andrea" written in a larger, more prominent script than the last name "Gold".

Andrea Gold
Director
Retailer Policy and Management Division

Enclosure

**WAIVER APPROVAL
Mississippi**

POS Re/De-installation Fees
Regulation: 7 CFR 274.3(a)(2)
New/Renewal: Renewal
Waiver Reference #2000071

Waiver:

The State agency may charge a retailer for the cost of re-installing EBT-only Point of Sale (POS) equipment when POS equipment was removed due to the Food and Nutrition Service (FNS) disqualification as an authorized retailer and the retailer is again authorized to re-enter the program. The State agency may charge reasonable de-installation fees to retailers who use the EBT-only POS equipment and then change to a third party processor.

Conditions:

This waiver only applies to the following types of authorized retailers: eligible farmers' markets, direct-marketing farmers, military commissaries, non-profit food buying cooperatives, group living arrangements, treatment centers, and prepared meal services (except restaurants participating in State-option restaurant programs). Re/De-installation fees must be reasonable and must be stated in the retailer agreement. A retailer may only be charged once, for either re-installation or de-installation of EBT-only equipment.

PIN Selection Via Automated Voice Response (AVR)
Regulation: 7 CFR 274.8(b)(3)(ii)(C)
New/Renewal: Renewal
Waiver Reference #2000072

Waiver:

The State agency will provide clients the ability to select a PIN of their choice using an AVR system through the customer service help desk. The process requires entry of the Personal Account Number and verification of the client's identity before a PIN can be selected. Upon verification, the system will prompt the client to select a PIN of their choosing by entering the PIN on a touch-tone phone and then require re-entry of the PIN for confirmation. The PIN must be encrypted upon entry into the AVR system. The client will have immediate or next-day access to their benefits using the new PIN.

Conditions:

Consistent with FNS regulations, the State agency must accept liability for any losses resulting from this procedure. This procedure has inherent risks when compared to the encrypted capture and transmission of a PIN from the point-of-entry utilizing PIN select devices. Liabilities may arise in areas such as the replacement of the lost benefits due to an unauthorized transaction, compromise in security, or incorrect identification of the person requesting a PIN via the telephone. We ask that the State Agency keep us informed of any losses or problems resulting from this waiver.

Retailer Adjustment No-Hold
Regulations: 7 CFR 274.2(g)(2)(ii)
New/Renewal: Renewal
Waiver Reference #2090019

Waiver:

The State agency will act on all household debit adjustments within 15 calendar days and provide households 15 calendar days to request a fair hearing rather than 10 business days. The State agency will also implement an EBT adjustment system which does not place a hold on a household's account for the amount of the debit adjustment. Instead, if the household disputes the requested adjustment and requests a fair hearing within 15 calendar days, no further action will be taken to debit the household's account until the fair hearing decision is rendered.

Conditions:

The State agency must send a concurrent notice to the household upon receipt of the requested debit adjustment.