



Food and
Nutrition
Service

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DATE: February 13, 2023

SUBJECT: Questions and Answers Concerning the Supplemental Nutrition Assistance Program (SNAP) - National Accuracy Clearinghouse (NAC) Interim Final Rule

TO: Regional Directors
SNAP
All Regions

The attached questions and answers address the interim final rule, Supplemental Nutrition Assistance Program: Requirement for Interstate Data Matching to Prevent Duplicate Issuances, also known as the NAC interim final rule. This memorandum covers questions related to provisions in the rule, system implementation, and rollout.

The Food and Nutrition Service (FNS) is releasing this memorandum in response to questions received to date. FNS anticipates releasing additional question and answer documents in the future, as NAC implementation progresses. Please distribute this guidance to your State agencies and advise them to contact their respective FNS Regional Offices with questions or requests for technical assistance. FNS Regional Offices should contact Maribelle Balbes at sm.fm.snapsab@usda.gov with any questions concerning this memorandum.

Sincerely,

Rachel Frisk
Director
Program Administration and Nutrition Division
Supplemental Nutrition Assistance Program

Signed and issued on February 13, 2023

Attachment

National Accuracy Clearinghouse Questions and Answers,

1. What is the National Accuracy Clearinghouse (NAC) interim final rule?

The NAC interim final rule promulgates the requirements of the Agriculture Improvement Act of 2018 (2018 Farm Bill) to establish the NAC for the purpose of preventing multiple issuances of SNAP benefits to an individual by more than one State agency simultaneously. State agencies are required to share information about SNAP participants with the NAC, conduct matches against the NAC to discover and prevent interstate duplicate participation, and take appropriate actions when matches are found.

The 2018 Farm Bill requires FNS to implement two sections related to the NAC:

- Section 4011 amended Section 11 of the Food and Nutrition Act by creating a new subsection (x). This subsection requires FNS to establish an interstate data system called the NAC, promulgate regulations, and protect the identity and location of vulnerable individuals (including victims of domestic violence).
- Section 4009 amended Section 11(e) of the Food and Nutrition Act to require State agencies to act on NAC matches, consistent with requirements for the Prisoner Verification System and Deceased Matching System data matches.

These requirements are codified at 7 CFR 272.18 and 7 CFR 273.12(c)(3)(iv).

2. How does the current NAC system relate to the NAC pilot?

FNS has developed the current NAC system using lessons learned from the NAC pilot. The pilot was a State-led initiative implemented in 2014 and funded by a grant through the Office of Management and Budget's (OMB) Partnership Fund for Program Integrity Innovation. The pilot was designed to improve existing processes and test the feasibility of establishing a real-time interstate data matching system to prevent duplicate participation. Five State agencies originally participated in the NAC pilot. FNS approved waivers of specific SNAP requirements for State agencies participating in the pilot.

The 2018 Farm Bill required FNS to incorporate best practices and lessons learned from the independent evaluation of the NAC pilot in developing the NAC system. For example, the pilot evaluation recommended automating NAC data matches to the fullest extent possible using a State agency's eligibility system and existing workflows, and conducting comprehensive system training for relevant State staff. As a result, FNS is developing the NAC to allow States to automate matches by integrating the system into a State agency's existing eligibility system, or to conduct matches through a web-based platform, if preferred. FNS is also developing an onboarding toolkit to support State agencies' efforts to prepare for NAC implementation, and FNS will also be providing States with resources to support business process changes and staff training required for NAC implementation. The pilot evaluation also recommended matching using more than just an individual's Social Security number to decrease the likelihood of false positives, which occurred more frequently rate when only this data element was used for matching. As a result, the nationwide NAC system will require State agencies to use an individual's name, Social Security number, and date of birth for matching.

3. What if the State agency does not have an individual's Social Security number; will the individual still be included in NAC matches?

State agencies may only include individuals for whom they have Social Security numbers in NAC matches. Regulations at 7 CFR 272.4(e) stipulate that State agencies use names and Social Security numbers, at a minimum, to identify individuals who may be considered duplicate participants.

Regulations at 7 CFR 273.6 require that a household participating or applying for participation in SNAP provide the State agency with the Social Security number of each household member or apply for one before certification. If an individual applied for a Social Security number and is able to provide proof of the application, the State agency will continue with the eligibility determination process as appropriate. Once the individual receives a Social Security number and reports it to the State agency, the individual will be added to the NAC daily active participant upload, per 7 CFR 272.18(b)(2).

4. Can State agencies continue to use the Public Assistance Reporting Information System (PARIS) to monitor for duplicate participation in SNAP?

Yes, State agencies may continue to use PARIS to monitor for duplicate participation in SNAP, as required by 7 CFR 272.4(e). Until all State agencies have implemented the NAC, each State agency will need to ensure it has processes in place to monitor for duplicate participation with all other State agencies. Per the interim final rule, all State agencies are required to implement the NAC, and use it for this purpose, no later than October 4, 2027.

5. Can State agencies use information from the NAC for other purposes?

No, Statutory authority (Section 11(x)(2)(C) of the 2018 Farm Bill) states that information provided to the NAC may only be used for the purposes of preventing duplicate participation in SNAP. The NAC interim final rule further clarifies that information from the NAC must only be disclosed to persons directly connected with the administration or enforcement of the provisions of the Food and Nutrition Act of 2008, as amended, or SNAP regulations. Information obtained from the NAC may only be used for the purpose of preventing multiple issuances of SNAP benefits to an individual by more than one State agency in a given month. (7 CFR 272.1(c)(4)).

6. Is FNS funding State implementation of the NAC?

FNS will reimburse 50 percent of State agencies' allowable SNAP administrative costs associated with NAC implementation. These costs include, but are not limited to, training for State agency employees to use the NAC, updating State agency business processes to implement the NAC and comply with related regulations, and system development to integrate the NAC with State eligibility systems. States with specific questions about allowable costs should contact their Regional Offices. In addition, FNS owns the NAC and will not charge State agencies to use the system.

7. How can State agencies get more information on the system and its implementation?

FNS has established a webpage to share NAC information at [National Accuracy Clearinghouse \(NAC\) | Food and Nutrition Service \(usda.gov\)](https://fns.usda.gov/snap/nac) (https://fns.usda.gov/snap/nac). The webpage will be updated on an ongoing basis and will include information about the NAC and its implementation, including policy guidance, webinars, trainings, and toolkits. Additionally, FNS will meet regularly with State agencies to provide ongoing support and technical assistance. Once State agencies begin the implementation process, additional support will be provided through the NAC Help Desk.

8. How were the first group of State agencies selected to implement the NAC, and how will future groups of State agencies be selected for implementation?

FNS selected the first group of four State agencies that will implement the NAC through a feasibility assessment conducted in 2021 in partnership with 18F, a digital services agency within the General Services Administration (GSA). This feasibility assessment considered several factors, including a State agency's ability to integrate the NAC with its existing eligibility system, and a State agency's capacity to implement the NAC in the near term. From this assessment, FNS divided State agencies that expressed interest in early implementation of the NAC into three initial implementation groups.

At this time, State agencies that have identified interest in implementing the NAC in the near term have been scheduled to implement the NAC in 2023 and 2024, with the first group of States expected to begin NAC implementation in summer 2023. FNS encourages State agencies interested in implementing the NAC in the coming years to reach out to their FNS regional offices. FNS will meet with interested State agencies to obtain and provide additional information before scheduling State agencies for NAC implementation. FNS will begin regular check-ins with State agencies about 7 months from planned implementation.

Moving forward, FNS will reach out to State agencies that have not yet expressed interest in implementation to share information on the NAC and to discuss a feasible implementation timeline. While it is a State agency's choice when to implement the NAC, all State agencies must implement the NAC no later than October 4, 2027, to comply with the provisions of the interim final rule.