



**TEXAS WIC PROGRAM**  
**Department of State Health Services**  
**Food Issuance and Redemption Services Unit - MC 4554**  
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## **Administrative Changes to Least Expensive Brand Policies**

As you are aware, on October 1, 2010, the WIC Program began monitoring vendors' sales to ensure compliance with stores selling their declared least expensive brand (LEB) items at or above 85% of their total sales in the LEB food categories. As of April 1, 2011, at the urging of the Texas Retailers' Association and individual grocers, we are modifying our policies and procedures related to the enforcement of LEB sales at the 85% level. State Policies WV:01.0 and WV:02.0 have been revised and are posted on the WIC Vendor Operations web site at: <http://www.dshs.state.tx.us/wichd/vo/policy.shtm>

The primary changes to the policies and procedures are summarized below:

- The sale of non-LEB brands listed in the State's Approved Products List at prices equal to or less than the unit price of a store's declared LEB will be included as part of the store's final computation of meeting the 85% LEB sales compliance requirement. While stores should always sell their declared LEB brand unless they are out of stock, the occasional sale of a non-LEB brand at or below the unit price of the store's declared LEB is consistent with the intent of the LEB program and will not be counted as a violation of the 85% LEB sales policy requirement.
- Sanctions for violating the 85% LEB sales policy requirement are changing. Originally the first violation resulted in a warning letter; the second violation resulted in a one-month disqualification; and the third violation resulted in a six-month disqualification. Now, as revised in WV:01.0 and WV:02.0, the first violation of the 85% LEB sales policy requirement still results in a warning letter; the second violation results in a 2<sup>nd</sup> warning letter; the third violation results in one-month disqualification; and subsequent violations result in additional one-month disqualifications. Civil monetary penalties (CMPs) will be accepted in lieu of the disqualifications, but the amount of the CMPs increase with each disqualification (see the revised policies for details on CMPs and periods of time governing the potential application of sanctions).
- A vendor/store may be exempt from sanctions related to the 85% LEB sales requirement if the vendor is actively working with the WIC EBT Branch to implement ECR software changes that will enforce the sale of LEB brands in the store's lanes. Details on this potential exemption are also described in the new policies listed above.

These LEB policy revisions are intended to streamline the review of LEB sales and ensure LEB policies/procedures are applied in a fair and equitable manner to all vendors.

If you have any questions or need further information, please call toll free 1-800-252-9629.