



State of California—Health and Human Services Agency  
**California Department of Public Health**



**August 8, 2016**

**VENDOR ALERT 2016-04**

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*Director and State Public Health Officer*

**EDMUND G. BROWN JR.**  
*Governor*

**TO:** ALL WIC VENDORS

**SUBJECT:** AUTHORIZED VENDORS RECEIVING, TRANSACTING, AND/OR REDEEMING FOOD INSTRUMENTS OUTSIDE OF AUTHORIZED CHANNELS

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**Purpose**

The California Department of Public Health/Women, Infants, and Children (CDPH/WIC) Division is reminding vendors that it is a violation to receive, transact, and/or redeem food instruments outside of authorized channels. This includes WIC authorized vendors redeeming food instruments accepted at another WIC authorized location, or at unauthorized stores. Unauthorized stores are vendors that may have been previously authorized by the WIC Program, or stores that have never been authorized by the WIC Program. Unauthorized stores are not permitted to accept or redeem food instruments.

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**Background**

The Code of Federal Regulations (CFR), title 7, part 246.12(l)(iii)(D) and the California Code of Regulations (CCR), title 22, section 40740, subdivision (e)(4) prohibit vendors from receiving, transacting, and/or redeeming food instruments outside of authorized channels.

Redeeming a food instrument outside of authorized channels includes redemption by an authorized vendor of food instruments accepted from participants or other third parties in greater quantities than could be validly transacted, from an unauthorized vendor, or from a local agency employee, as well as other such forms of trafficking (Special Supplemental Food Program for Women, Infants and Children: Food Delivery Systems, 55 Federal Register (FR) 53446-01).

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**Authority**

All WIC authorized vendors must comply with all federal and state requirements that govern the WIC food instruments. Pursuant to 7 CFR, part 246.12(l)(1)(iii)(D) and 22 CCR, section 40740, subsection (e)(4), the WIC Program must disqualify a vendor for a period of three years, when the vendor demonstrates a pattern of receiving, transacting, and/or redeeming food instruments outside of authorized channels.

A disqualification from the WIC Program for receiving, transacting, or redeeming food instruments outside of authorized channels may also result in the disqualification of the vendor as a retailer in the Cal-Fresh/Supplemental Nutrition Assistance Program (SNAP) for three years in accordance with 7 CFR, part 278.6(e)(8) of the SNAP regulations.

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**Actions for Vendors**

All vendors should refer to the California Code of Regulations, title 22, section 40740 for more information on the restrictions on authorized stores:

[https://govt.westlaw.com/calregs/Document/I0D27D9C0D4B811DE8879F88E8B0DAAAE?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/I0D27D9C0D4B811DE8879F88E8B0DAAAE?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default))

If you have any information on unauthorized stores accepting food instruments, please report it immediately to the WIC Program at **(800) 852-5770** or e-mail: [WICABUSE@cdph.ca.gov](mailto:WICABUSE@cdph.ca.gov).

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**Questions**

If you have any questions, contact your WIC Vendor Consultant or please call toll free **(855) WIC-STOR** or **(855) 942-7867** or e-mail: [WICVENDORINFO@cdph.ca.gov](mailto:WICVENDORINFO@cdph.ca.gov).

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