

Vendor Violations with Civil Penalties or Disqualification

(Effective November 25, 2025)

For reference **only**

Definitions

Civil Money Penalty (CMP): A monetary sanction imposed as a result of a violation of state and/or federal rules.

Disqualification (DQ): Cancelling the WIC program participation of a vendor or farmer as a punitive action.

Notice of Non-Compliance (NNC): A letter notifying vendors when they commit a program violation. This notice is an explanation of the violation and a warning about repercussions of subsequent violations.

***Pattern:** Three or more findings of the same rule violation that occur within a single investigation or over the course of one or more routine monitoring(s).

Violation of <u>OAR 333-054-0050</u>	Single Instance	2 nd Instance	3 rd Instance
(6)(a) Failing to comply with the vendor's current vendor agreement.	NNC	NNC	1-year DQ*
(6)(b) Failing to provide the authorized shopper a balance inquiry of available benefits upon request.	NNC	\$100 CMP	\$200 CMP Subsequent penalties double to \$400, \$800, and \$1,600
(6)(c) Failing to provide the authorized shopper with a receipt for foods purchased with a food instrument.	NNC	\$100 CMP	\$200 CMP Subsequent penalties double to \$400, \$800, and \$1,600
(6)(d) and (6)(a) Failing to ensure that the outside sign bears the same name as that listed on the vendor agreement within 60 days of a name change.	NNC	NNC	1-year DQ*
(6)(e) and (6)(a) Influencing an authorized shopper's selection of authorized foods.	NNC	NNC	1-year DQ*

Violation of <u>OAR 333-054-0050</u>	Single Instance	2nd Instance	3rd Instance
(6)(f) Failing to display prices.	NNC	\$100 CMP	\$200 CMP Subsequent penalties double to \$400, \$800, and \$1,600
(6)(h) Failing to respond to a request issued by the Authority.	NNC	NNC	NNC
(6)(i) Failing to accept or attend training when required by the Authority.	NNC	\$100 CMP	3 rd time within a three-year contract period: 1-year DQ
(6)(j) Using the "WIC" acronym or logos without prior authorization by the Authority.	NNC	\$100 CMP	\$200 CMP
(6)(k) Failing to maintain or provide invoices or receipts to show source(s) of formula purchase.	NNC	NNC	NNC
(6)(l) and (6)(a) Retaining any information that identifies a shopper as a WIC participant or disclosing said information to any person other than the Authority, its representatives or a federal official.	NNC	NNC	1-year DQ*
(6)(m) Failing to comply with the terms in a final order issued by the Authority.	NNC	NNC	NNC
(6)(n) Failing to comply with an investigation by federal or state officials.	NNC	NNC	NNC
(6)(o) Refusing the Authority or a federal official access to food instruments negotiated on the day of review.	NNC	NNC	NNC

Violation of OAR 333-054-0050	Single Instance	2nd Instance	3rd Instance
(6)(p) Failing to provide purchasing/receiving records to substantiate the volume and prices charged to the Authority within two business days.	NNC	NNC	NNC
(6)(q) Failing to stock appropriate quantities of authorized foods and infant formula.	NNC	\$100 CMP	1-year DQ*
(6)(r) and (6)(a) Violating the nondiscrimination clause listed in the vendor agreement.	NNC	NNC	1-year DQ*
(6)(s) Failing to maintain or provide, to the Authority upon request, documentation for each incentive item.	NNC	\$100 CMP	1-year DQ*
(6)(t) Failing to have at least one register that accepts WIC open during all of the vendor's operating hours.	NNC	\$100 CMP	\$200 CMP Subsequent penalties double to \$400, \$800, and \$1,600
(6)(u) Failing to display signs at registers to indicate where WIC is accepted, if the vendor doesn't accept WIC in all lanes.	NNC	\$100 CMP	\$200 CMP Subsequent penalties double to \$400, \$800, and \$1,600
(6)(v) Stocking expired foods on the shelf in three or more food categories that are on the minimum stock requirements.	NNC	\$100 CMP	1-year DQ*
(6)(w) Failure to maintain minimum lane coverage.	NNC	\$100 CMP	\$200 CMP Subsequent penalties double to \$400, \$800, and \$1,600

Violation of <u>OAR 333-054-0050</u>	Single Instance	2 nd Instance	3 rd Instance
(7)(a) Seeking restitution from an authorized shopper or participant for a WIC transaction.	\$100 CMP	\$200 CMP	3-year DQ*
(7)(b)(D) Requiring a cash purchase in addition to the WIC transaction.	N/A	\$100 CMP	\$200 CMP
(7)(b)(E) Requiring authorized shoppers to pay for authorized foods during a WIC transaction other than with a food instrument.	N/A	\$100 CMP	\$200 CMP
(8)(a) A pattern of: providing unauthorized food items in exchange for food instruments(B); providing change when redeeming a food instrument(D); allowing a refund or any other item of value in exchange for authorized foods or providing exchanges for authorized food items obtained with food instruments(E).	1-year DQ	N/A	N/A
(8)(a)(F) Providing WIC shoppers with incentive items or other merchandise or services not approved by the Authority.	1-year DQ	N/A	N/A
(8)(a)(H) Failure to pay a civil penalty assessed by the Authority within the designated timeframe set forth in the notice of civil penalty.	1-year DQ	N/A	N/A
(8)(b)(A) Sale of alcohol, an alcoholic beverage, or a tobacco product in exchange for a food instrument.	3-year DQ	N/A	N/A
(8)(b)(B) Failing an inventory audit.	3-year DQ	N/A	N/A

Violation of <u>OAR 333-054-0050</u>	Single Instance	2 nd Instance	3 rd Instance
(8)(b) A pattern of: claiming reimbursement for the sale of an amount of a specific authorized food item, which exceeds the store's documented inventory of that authorized food item for a specific period of time (C); vendor overcharges(D); receiving, transacting or redeeming food instruments outside of authorized channels or locations (E); charging for foods not received by the authorized shopper (G); providing credit or non-food items in exchange for food instruments (H).	3-year DQ	N/A	N/A
(8)(c)(A) Buying or selling a food instrument for cash (trafficking).	6-year DQ	N/A	N/A
(8)(c)(B) Selling a firearm, ammunition, explosive, or controlled substance.	6-year DQ	N/A	N/A
(8)(d) Convicted of trafficking in food instruments or selling firearms, ammunition, explosives, or controlled substances.	Permanent DQ	N/A	N/A

Relevant Oregon Administrative Rules (OAR)

OAR 333-054-0050(1): The Authority must notify a vendor in writing when an investigation reveals an initial incidence of a violation for which a pattern of incidences must be established in order to impose a sanction, before another such incidence is documented, unless the Authority determines, in its discretion, on a case-by-case basis, that notifying the vendor would compromise an investigation.

OAR 333-054-0060(8): The Authority shall disqualify a vendor from the WIC program if they have been disqualified from the Supplemental Nutrition Assistance Program (SNAP).

OAR 333-054-0060(9): Disqualification from the WIC Program may result in a reciprocal disqualification from SNAP.

