



Food and Nutrition
Service

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March 6, 2023

SUBJECT: Pandemic Electronic Benefits Transfer Program (P-EBT)
Approval of Arizona's State Plan for Children in Child Care,
School Year 2022-2023

TO: Bill Ludwig
Regional Administrator
Southwest Regional Office

The Families First Coronavirus Response Act (P.L. 116-127; the Act), as amended, authorized a temporary assistance program for households with certain SNAP-enrolled children in child care during the public health emergency declared on January 27, 2020. Pursuant to the authority granted under Section 1101 of the Act, FNS approves Arizona's enclosed plan to operate P-EBT for children in child care.

Summary of State's Plan

The Arizona Department of Economic Security (AZDES) and the Arizona Department of Education (ADE) will issue P-EBT benefits through the state's Supplemental Nutrition Assistance Program (SNAP) EBT card system to households with eligible children. The state's plan for SNAP-enrolled children in child care covers the months of August 2022 through May 11, 2023.

Children in child care are eligible for benefits if they are enrolled in SNAP and their child care facility is closed or operating with reduced attendance or hours, or if they live in the area of a school that is closed or operating with reduced attendance or hours. The State will use the best feasibly available data and USDA-approved simplifying assumptions to issue benefits in amounts that are tied as closely as possible to the number of days that eligible children do not receive a meal service through their covered child care facility.

At a minimum, the State will identify all children under age 6 who are enrolled in SNAP in the benefit month. The state will not issue child care benefits to any child for months after their SNAP enrollment ends. Finally, the state will ensure that children who receive a benefit through P-EBT's child care component do not also receive a benefit through P-EBT's school component for the same month.

In addition, Arizona will:

- identify SNAP-enrolled children under age 6,
- identify and issue May P-EBT benefits for children under 6 in households that applied for SNAP between May 1 and May 11, and were approved to receive SNAP benefits for that time period,
- determine if there has been a statewide reduction in access to child care by comparing Child and Adult Care Food Program (CACFP) lunch claims since the start of SY 2022-2023 to the same months prior to the pandemic,

- issue an average benefit to all eligible children statewide for the months Arizona experienced a reduction in child care access:
 - determine the reduction in claims for August through November 2022 compared to August through November 2019 to calculate and issue benefits for August through December 2022,
 - determine the reduction in claims for January through February 2023 compared to January through February 2020 to calculate and issue benefits for January through May 11, 2023,
 - for all benefit months except May 2023, multiply the reduction in claims by the average monthly number of instructional days for school children in the same months (180 days over 10 benefit months for an average of 18 days per month), and by \$8.18, to determine the average monthly benefit,
 - for the month of May 2023, set the benefit to half of the monthly spring semester benefit to account for the anticipated May 11 end of the public health emergency,
- provide USDA with the state’s tentative average benefit for confirmation prior to issuing benefits for the fall and spring semesters,
- confirm that lunch claims, for the most current months in spring 2023 where complete data are available, have not returned to pre-pandemic levels before issuing benefits for those months or subsequent months,
- tentatively issue benefits for the months of August through December 2022 in March 2023,
- tentatively issue benefits for the months of January through May 11, 2023 in May 2023.
 - the state will schedule a clean up issuance in August, if necessary, for children in households who are determined SNAP eligible on applications submitted through May 11 but not in time for the May issuance.

Finally, the state will identify risks for improper payments and ensure a high level of integrity.

Estimated Caseload and Value of P-EBT Benefits

The state will calculate monthly benefits for each eligible child in the household equal to the daily reimbursement for a free breakfast, lunch, and snack multiplied by the number of benefit days calculated as described in the state’s plan.

Arizona estimates that it will issue \$51.4 million to approximately 132,000 SNAP-enrolled children in child care from August 2022 through May 11, 2023.

Release of Information

Pursuant to Section 1101(e) of the Act, the Secretary hereby authorizes the release of the information necessary to carry out P-EBT in Arizona. Section 1101(e) of the Act states, “Notwithstanding any other provision of law, the Secretary of Agriculture may

authorize State educational agencies and school food authorities administering a school lunch program under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) to release to appropriate officials administering the supplemental nutrition assistance program such information as may be necessary to carry out this section.”

Plan Timetable and Revisions

Arizona will distribute benefits to households consistent with the timeframes identified in the state plan. Should the state encounter challenges or delays that significantly impair its ability to implement the approved P-EBT plan or require substantive changes, the state must notify the FNS Regional Office as soon as possible. The FNS Regional Office will work with the state to identify reasonable solutions and review revised plans for approval or further revision.

Civil Rights

Arizona will continue to comply with civil rights requirements by not discriminating on the basis of race, color, national origin, sex (including gender identity and sexual orientation), disability, age, or reprisal or retaliation for prior civil rights activity. The state will also provide meaningful access to its programs and activities for individuals who are limited English proficient, and provide equal access to individuals with disabilities.

Administrative Funds

The Arizona Department of Economic Security (AZDES) will participate in a P-EBT Administrative Budget Planning process using the FNS-366(a) Program and Budget Summary. When the FNS-366(a) is finalized, that will determine the state’s Administrative Grant level. However, the FNS-366(a), Program and Budget Summary, may be updated and revised as the state’s operational plan evolves.

Reporting

The Arizona Department of Economic Security (AZDES) will complete the FNS-292B, the FNS-46, the FNS-388, and the FNS-778 reports in accordance with existing requirements.

FNS values Arizona’s partnership in the administration of Pandemic EBT. FNS stands ready to provide additional support as needed. If you have questions, please contact the FNS Southwest Regional Office.

Sincerely,

Cindy Long
Administrator