



Food and Nutrition
Service

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June 6, 2022

SUBJECT: Pandemic Electronic Benefits Transfer Program (P-EBT)
Approval of Arizona's State Plan for Children in Child Care,
School Year 2021-2022

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 and the Arizona Department of Education 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 2021 through May 2022.

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 child under age 6,
- for each month from August through May, 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 2021-2022 to the same months prior to the pandemic,
- issue an average benefit to all eligible children for the months Arizona experienced a reduction in child care access:

- calculate the reduction in CACFP lunch claims using the most recently available data compared to the same months prior to the pandemic:
 - use the reduction in claims for August-December 2021 compared to August -December 2019 to issue benefits for August 2021-December 2021,
 - use the reduction in claims for January-March 2022 compared to the sum of claims for January-March 2019 to issue benefits for January-May 2022,
- apply the calculated reduction to the average number of instructional days for school children in the same months (18 days), times the daily benefit amount to determine the statewide average monthly benefit amount,
- provide USDA with their tentative average benefit for confirmation prior to issuing benefits,
- confirm that lunch claims, for the most current months in spring 2022 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 in a single issuance in mid-July,
- tentatively issue benefits for the months of January through May in a single issuance in mid-August,
- issue any corrective benefits in late October.

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 \$39.4 million to approximately 127,000 SNAP-enrolled children in child care from August 2021 through May 2022.

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, to include providing equal access to individuals with disabilities and individuals who are limited English proficient.

Administrative Funds

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

FNS appreciates Arizona's exceptional efforts to maintain children's access to nutritious meals, and understands that even as the nation recovers from this difficult time, State agencies and local program operators will still face any number of challenges. FNS stands ready to provide additional support as needed. If you have questions, please contact the FNS Southwest Regional Office.

Sincerely,

Cindy Long
Administrator