

P-EBT Q&A – January 29, 2021

P-EBT Assistance for Children in Schools and Child Care

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Summary:	(1) This document provides information to States to assist in the development of State plans to operate Pandemic EBT for school children and children in child care. (2) This document relates to the Families First Coronavirus Response Act (P.L. 116-127) as amended by the Continuing Appropriations Act, 2021 and Other Extensions Act (P.L. 116-159) and the Consolidated Appropriations Act, 2021 (P.L. 116-260).
Disclaimer:	The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

Additional context and background for this document can be found at:

<https://www.fns.usda.gov/snap/state-guidance-coronavirus-pandemic-ebt-pebt>

The P-EBT Assistance for Children in Schools and Child Care should be covered under an Emergency Information Collection Request for the Pandemic EBT (Schools), to be adjusted as appropriate, which is currently under review at OMB. Once OMB has approved the request and assigned the OMB# Control Number, FNS will include the necessary information on the State Plan.

P-EBT Q&A – January 2021

P-EBT Assistance for Children in Schools that are Closed or Have Reduced Attendance or Hours

A. P-EBT Basics

1. Will USDA approve P-EBT plan amendments for School Year (SY) 2019-2020?

USDA will approve limited amendments to SY 2019-2020 P-EBT plans under certain circumstances. For example, USDA will consider amendments that provide households with additional time to provide the address, head of household, and other contact information necessary for the State to create an EBT case file and to match children's names to existing school district lists of children eligible for free or reduced price benefits at the time that schools closed in March 2020. USDA will not consider amendments to open or re-open an application process to establish the income eligibility of households in SY 2019-2020.

2. May States issue benefits to school children who were covered by their approved P-EBT plans but were missed or issued too small a benefit due to State error?

Yes, States with approved P-EBT plans for SY 2019-2020 or the beginning of SY 2020-2021 can issue new or corrected P-EBT benefits to children who were covered by the States' approved plans but did not receive benefits or received too small a benefit due to State error.

3. May States that were not previously approved to issue P-EBT benefits for school children for the beginning of SY 2020-2021 include that time period in their SY 2020-2021 plans?

Yes, States that were not previously approved to issue benefits for the beginning of SY 2020-2021 may include those months (generally August and September) in their SY 2020-2021 plans during which the school would otherwise be in session. Note, however, that this only applies to P-EBT for school children. P-EBT for children in child care is only authorized to begin as of October 1.

4. What standard applies for determining and issuing benefits for SY 2020-2021?

The standard for SY 2020-2021 is the one reflected in current law, as modified by the December 27 "Consolidated Appropriations Act, 2021," which provides new direction on the use of "simplifying assumptions." States that were not previously approved to issue benefits for the beginning of SY 2020-2021 should apply the same standard for all months of SY 2020-2021 when developing their P-EBT plans. States that have already

issued benefits, or have approved plans for SY 2020-2021 have the option of amending their plans.

5. What are the P-EBT eligibility criteria for school children in SY 2020-2021?

Given that there is a Public Health Emergency designation in place, a school child is eligible for P-EBT benefits if:

- i. the child would have received free or reduced price school meals under the NSLP and SBP if not for the COVID health emergency. This includes children who are directly certified or certified by application. It also includes children enrolled in a Community Eligibility Provision school or a school operating under Provisions 2 or 3, and
- ii. the child does not receive free or reduced-price meals at the school because the school is closed or has been operating with reduced attendance or hours for at least 5 consecutive days in the current school year.

6. USDA announced that it was increasing the daily value of P-EBT benefits in January. What is the new benefit, and when does it take effect? Is it retroactive to the beginning of school year 2020-2021?

The daily P-EBT benefit, for both school children and children in child care, now includes the value of the USDA free reimbursement for an afterschool snack. As discussed below, a State may retroactively apply the new, higher benefit back to the beginning of SY 2020-2021.

SY 2020-2021 July 1, 2020 - June 30, 2021	Free Reimbursements USDA School Meal Programs			
	Lunch	Breakfast	Snack (NEW)	Daily Total
Contiguous U.S.	\$3.60	\$2.26	\$0.96	\$6.82
Alaska	5.79	3.64	1.56	10.99
Hawaii, Guam, Virgin Islands, Puerto Rico	4.20	2.64	1.13	7.97

Notes:

1. Lunch rates include the 7 cent performance-based reimbursement and the extra 2 cents per meal received by school food authorities in which 60 percent or more of the lunches served during the second preceding school year were served free or at a reduced price.
 2. Breakfast rates are those received by "severe need" schools.
 3. Snack rates are those for afterschool snacks served in afterschool care programs
- Source: <https://www.govinfo.gov/content/pkg/FR-2020-07-22/pdf/2020-15764.pdf>

USDA strongly encourages States to issue supplemental benefits to any child who has already received a P-EBT benefit under an approved SY 2020-2021 plan. States may distribute these supplements in a separate issuance, or by increasing the State’s next

scheduled issuance. Before making any adjustment for previously issued benefits, States must provide the following information to USDA:

- a declaration of intent to issue retroactive adjustments (which USDA will amend to the State's approved plan),
- the aggregate value of the adjustment,
- the number of children who will receive an adjustment,
- the date that the State will issue the adjustment, and
- whether the adjustment will be distributed in a separate issuance or in the State's next scheduled issuance.

7. Do schools need to be closed or operating at reduced attendance or hours for 5 consecutive days for a student to receive P-EBT benefits?

Yes. In the spring of 2020, a school had to be closed for at least 5 consecutive days for a student to receive benefits. Under the revised statutory standard effective for fiscal year 2020-2021, a school must be closed or operating at reduced attendance or hours for 5 consecutive days. Once a school meets the minimum 5 consecutive day threshold, at any point during the year, that school does not need to meet that threshold again. After the threshold is met, free or reduced-price eligible children are eligible to receive P-EBT benefits on any days that they do not attend school in person and do not have access to a meal service at the school due to COVID-19, including the five initial days.

8. May children who are enrolled in schools that provide meals through the SFSP or the NSLP's SSO during SY 2020-2021 rather than the NSLP and SBP receive P-EBT benefits?

Yes, children enrolled in schools that are closed or have reduced attendance for at least 5 consecutive days and that provide meals to students through the SFSP instead of the NSLP and SBP may be eligible for P-EBT. These children are eligible if they would have received free or reduced-price meals under the NSLP and SBP but for the school closure or reduced attendance.

9. Since all children are eligible for free meals in schools that provide meals through the SFSP, are all of these children eligible for P-EBT on days that they do not attend school?

No. Children must be eligible for free or reduced-price meals under the eligibility criteria for the NSLP and SBP, or attend a school participating in Provision 2, Provision 3, or the Community Eligibility Provision in order to be eligible for P-EBT benefits.

10. Are children who are no longer enrolled in school and are being homeschooled because of COVID-19 eligible to receive P-EBT?

No. Children who are no longer enrolled in an NSLP/SBP-participating school and are being homeschooled are not eligible to receive P-EBT for SY 2020-2021.

11. Are regularly scheduled holidays and breaks eligible days for P-EBT?

No. Regularly scheduled holidays and breaks are not P-EBT eligible days. However, if a school extends a planned school break due to the current health emergency, then those are COVID-related school closures. Like any other COVID-related closure, those are P-EBT eligible days for children who are otherwise eligible for free or reduced price NSLP or SBP meals

12. May a State issue benefits retrospectively? Are there constraints on the prospective issuance of benefits to students?

A State may issue all benefits retrospectively. For example, States may choose to issue benefits for December in January, and issue January benefits in February. States may also develop a State plan that issues benefits prospectively. However, if the State wishes to provide benefits prospectively, the State may only determine benefit levels 2 months in advance as approved in its State P-EBT plan. For example, in December, a State may determine benefit levels prospectively for January 1st through February 28th. (Note that the P-EBT authorizing statute is effective through the end of the federal fiscal year, so all benefits must be issued by September 30, 2021.)

The State is responsible for monitoring changes in operating status and making necessary adjustments to prevent the improper payment of benefits. For example, if the State becomes aware that a school district will switch from virtual to in-person instruction after the State issued the first month's benefits but before it issues the second month's benefits, the State must make corrections prior to issuing the second month's benefits. States also have discretion to reassess eligibility more frequently than bi-monthly or to only issue benefits retrospectively.

13. May States use school children's free or reduced price eligibility from SY 2020-2021 to establish P-EBT eligibility in SY 2020-2021?

Yes, under certain circumstances, States may issue P-EBT benefits based on free and reduced-price data for SY 2019-2020. USDA understands that many school districts are providing school meals through the Summer Food Service Program (SFSP) in SY 2020-2021 rather than through the National School Lunch Program (NSLP) and the School Breakfast Program (SBP). These school districts may not have collected school meal applications at the start of the current school year. In this case, the State may issue P-EBT benefits based on free and reduced-price eligibility data from SY 2019-2020, as it is the best available data. However, States and school districts using last year's eligibility data must have a means to address that they do not issue P-EBT benefits to students who graduated or are no longer enrolled in school.

In addition, States must provide an opportunity for children who were not income eligible in SY 2019-2020 to establish their eligibility in the current school year. Similarly, States must certify eligible children who are newly enrolled in school (kindergarten, transfers, etc.). USDA strongly encourages States and school districts to use their established application processes and direct certification systems to determine these children's eligibility.

14. If a child is determined eligible for free or reduced price meals after the State begins its SY 2020-2021 P-EBT program, would the child's P-EBT eligibility begin at the time of application approval or will it apply back to the beginning of the current school year?

USDA notes that some school districts will collect free and reduced price meal applications specifically for the purpose of establishing children's eligibility for P-EBT benefits. This includes applications from new students, such as kindergarteners, and students from households that were not eligible for free or reduced price meals in SY 2019-2020. Many school districts did not collect applications at the start of this school year, and will only request applications after the State launches its P-EBT program. Through these applications, children may establish they would be otherwise eligible for NSLP or SBP meals, thereby meeting a condition for P-EBT eligibility.

Accordingly, if a child confirms during the current SY that they would be otherwise eligible for NSLP, States and school districts may generally assume eligibility back to the start of the school year.

States must describe how they will handle this in their P-EBT plans, how their approach makes use of best feasibly available data, and why any preferred alternative to the approach outlined here is both necessary and reasonable.

B. Using Simplifying Assumptions and Best Feasibly Available Data to Set Benefit Levels

15. The Families First Coronavirus Response Act (FFCRA), as amended, authorizes States to make simplifying assumptions and use the best feasibly available data to identify eligible school children, determine the operating status of schools, and establish State or regionally based benefit levels. How can States apply this flexibility to their P-EBT plans for school children?

USDA understands that the collection of school and student level information to support the calculation and issuance of P-EBT benefits is a challenge that varies across States and depends on the structure and capability of State and local administrative data systems, resource availability, and rules governing the transfer of data across government agencies. FFCRA, as amended, authorizes States to make simplifying assumptions and use the best feasibly available data to accommodate these challenges,

to limit administrative burden, and to facilitate the delivery of program benefits to eligible children.

The fundamental intent of the program is to provide P-EBT benefits to children for days that they do not receive a meal service at school. To that end, States should tie P-EBT benefit levels *as closely as possible* to children's circumstances. But FFCRA recognizes that issuing benefits that precisely match each child's number of virtual learning days may not be possible or administratively feasible.

In all cases, State P-EBT plans must describe how their approach makes use of best *feasibly available* data, and describe any simplifying assumptions proposed and why they are needed, including why alternative approaches supported by more precise data are not administratively feasible. ***The next few questions offer States several options for simplifying the calculation of P-EBT benefit levels.***

16. Some children in schools that are otherwise fully virtual attend school in person for a couple of hours per day; others attend for half a day. May these children receive P-EBT benefits on those days?

Generally, children who are eligible for free or reduced-price NSLP meals are eligible for P-EBT benefits on days that they do not receive a meal service at school. USDA understands that children may attend school in person for just part of the school day for a variety of reasons. These include receiving special instruction or simply taking advantage of the school's internet services. In some of these cases, schools may offer children a bagged lunch to take home but not a meal service at school. USDA cannot provide specific instruction to States to cover all possible situations. USDA expects States to how they will address the question of eligible children who do not receive a meal service at school receive P-EBT benefits.

17. May States issue a fixed P-EBT benefit amount across months to children receiving 100% virtual instruction?

Yes, States may calculate a fixed benefit amount for fully virtual children by taking the number of scheduled instructional days in the state's school calendar (a number that excludes school breaks and holidays) and dividing that by the number of months in the school year. This allows States to issue a fixed benefit to children receiving 100% virtual instruction each month for as long as students remain in that virtual status. States must reassess school operating status no less frequently than every two months. Because P-EBT is only available where the school is closed or has reduced the number of days or hours that students attend the school, the P-EBT benefit must end when a school no longer meets this requirement.

18. May a State calculate a uniform P-EBT benefit for eligible children with hybrid schedules based on an average hybrid schedule or an otherwise representative number of children’s virtual learning days in a school, school district, county, or State?

Yes, the State may calculate a uniform P-EBT benefit for eligible children with hybrid schedules based on average hybrid schedules, the most common schedule, or other representative number of virtual days for children with hybrid schedules. In all cases, the State must demonstrate in its P-EBT plan that its uniform hybrid benefit is a ***reasonable reflection*** of scheduled virtual days for eligible children in a school, a school district, a county, or the State.

Note that calculating a uniform benefit for hybrid students does not require collecting schedule information from every student where that data is not feasibly available. For example, the State could calculate an average hybrid benefit by collecting the hybrid schedules in use in each school and the aggregate number of students with each schedule.

If gathering information from ***every*** school is not feasible, States may propose alternative methods to calculate an average hybrid benefit. For example, States could collect schedule information from a representative sample of schools or from a subset of schools covering the majority of students. States may collect this information directly from schools or from other reliable sources. As discussed below, USDA is sensitive to the risk that students with fully virtual schedules in schools with default in-person or hybrid models will receive benefits inconsistent with their virtual status. USDA strongly encourages States to include in their plans a process for families with students in this circumstance to identify themselves and request additional benefits consistent with their status.

States may also set a uniform hybrid benefit based on the ***most common*** hybrid schedules, rather than an average, for a school, school, district, county, or the State.

If a State proposes to issue a uniform hybrid benefit (whether based on average schedules, the most common schedules, or any other method) the State must describe in its P-EBT plan why the use of more precise data is not feasible, and why the proposed approach is a reasonable reflection of virtual schedules for most children in a given area. States should demonstrate in their plans that the uniform hybrid benefit will be provided to children who meet the eligibility requirements for P-EBT consistent with any simplified assumptions used by the State and based on the best feasibly available data. Finally, the State must outline how it will reassess its uniform hybrid benefit levels, with updated school schedule information collected no less frequently than every other month.

19. The previous Q/A outlines a process for a two-tiered benefit structure: one benefit for children with hybrid schedules, and a second for children with fully virtual schedules (children with fully in-person schedules would not receive benefits). If separating children into these broad groups is not possible or feasible, may a State set a uniform benefit for *all* eligible children in a given school based on the default or predominate learning model (in-person, virtual or hybrid)? How might the State determine such a benefit?

Yes. In some States, it may not be possible or feasible to collect or monitor the in-person, virtual, or hybrid status of individual students. Instead, the best feasibly available data may be the **schools' default or predominate learning models**. In those States, it may be appropriate to set a single uniform P-EBT benefit at the school level.

For example, in a school where the default model is 100% virtual instruction, the State may issue a P-EBT benefit for each instructional day to all of the school's eligible children, even if some children attend class in-person on an exception basis. Similarly, in schools where the default instructional model includes a mix of in-person and virtual days, the State may issue an average hybrid benefit to all eligible children, despite the fact that some children attend in-person every day and others elect a fully virtual schedule.

The State must explain in its P-EBT plan why a uniform benefit for all children in the same school is a necessary simplification, and why the State cannot collect the student-level data necessary to issue separate hybrid and fully virtual benefits. In addition, the State must clearly outline the standards that it will use to determine its schools' default or predominate learning models. The State should explain why these standards are reasonable given the available data. States should demonstrate in their plans that the uniform benefit will be provided to children who meet the eligibility requirements for P-EBT consistent with any simplified assumptions used by the State and based on the best feasibly available data. And as with all other approaches, the State must outline how it will reassess P-EBT benefit levels, with updated school schedule information collected no less frequently than every other month.

USDA is sensitive to the risk that students with fully virtual schedules in schools with default in-person or hybrid models will receive benefits inconsistent with their virtual status. USDA strongly encourages States to include in their plans a process for families with students in this circumstance to identify themselves and request additional benefits consistent with their status. States will not be able to issue additional benefits to these families if the States' P-EBT plans do not outline the process for handling and reviewing their requests. States are encouraged to establish procedures which minimize burden on families, such as allowing them to make such requests through their schools.

20. In some States, calculating a uniform P-EBT benefit at the school level (as described in the previous QA) is not feasible - there are simply too many schools. May a State set a uniform P-EBT benefit for all eligible children at the school district, region, or even State level?

In States where it is not feasible to collect the default or predominate learning model at the school level, it may be appropriate to set a uniform P-EBT benefit at the school district, region, or even the State level, under certain circumstances.

In some States, for example, the great majority of students are served by a relatively small number of big school districts. In that case, it may be both impractical and unnecessary to collect the default or predominate learning model from all schools. Collecting the default or predominate model from a sample of the biggest school districts may be sufficient to establish the learning model that applies to a great majority of the State's school children. Other sources of data may also be appropriate for setting a uniform benefit at the local, regional or State level. These include but are not limited to state or local public health orders that mandate a reduction in school attendance or hours.

As noted in the previous Q/A, the State must explain in its P-EBT plan why a uniform benefit for all children (in this case at the school district, region, or State level) is necessary, and why a more refined process based on children's individual learning models is either impossible or not feasible. The State must also describe in its P-EBT plan which schools or school districts the State included in its sample, and the size of the student populations in those schools or school districts relative to the rest of the State. States should demonstrate in their plans that the uniform benefit will be provided to children who meet the eligibility requirements for P-EBT consistent with any simplified assumptions used by the State and based on the best feasibly available data. Finally, the State must establish that the sample is representative of the broader population of schools whose children will receive the uniform benefit.

21. Are States required to revise their benefit levels after plan approval if school/student schedules change?

Yes. A State that elects to issue a standard benefit for children with hybrid schedules (or a uniform benefit for all eligible children as described in Q/A #19 or #20), is committing to a **process** for setting benefit levels – a process that the State describes in detail in its P-EBT plan. Any plan to set a standard hybrid or uniform benefit must include a reassessment of school/student schedules across the State no less frequently than every two months. If as a result of such a reassessment, the State finds that school/student schedules no longer support the benefit levels established at the time of the original plan's approval, the State will update benefit levels accordingly.

USDA and the States are partners in ensuring the delivery of P-EBT benefits to eligible children at appropriate levels, and in ensuring the greatest care in the management of taxpayer funds.

P-EBT Assistance for Children in Covered Child Care Facilities

22. What are the P-EBT eligibility criteria for children enrolled in child care starting on October 1, 2020?

Given that there is a Public Health Emergency designation in place, a child is eligible for benefits under P-EBT's child care component if three conditions are met:

- i. the child is a member of a household that received SNAP benefits at any time since October 1, 2020,
- ii. the child is enrolled in a covered child care facility*, and
- iii. the child's covered child care facility is closed or has reduced attendance or hours for at least 5 consecutive days, resulting in the child's inability to attend the facility; or one or more schools in the area of the child care facility, or in the area of the child's residence, is closed or has reduced attendance or hours for at least 5 consecutive days.

* Under the latest amendment to the FFCRA, all children under the age of 6 will be considered enrolled in a covered child care facility.

23. Are all children under age 6 who receive SNAP benefits automatically eligible for P-EBT?

No. As discussed in the previous Q/A, the latest amendment to FFCRA considers all children under the age of 6 to be enrolled in a covered child care facility. However, the State must still confirm that the child's home address or child care facility is "in the area" of a closed school or a school operating with reduced attendance or hours before providing P-EBT benefits.

24. How should States set P-EBT child care benefit levels?

USDA expects that most States will establish a child's eligibility for P-EBT's child care benefit by confirming that the child resides in the area of a closed school or a school operating at reduced attendance or hours. In that case, or in the case that the child's child care facility is located in the area of a closed school or a school operating at reduced attendance or hours, the State should set the child's P-EBT benefit to the

average P-EBT benefit for school children in the same area.¹ The State must describe in its State plan how it will set P-EBT child care benefit levels, including the data sources that the State will use and how the State will monitor and update P-EBT benefit levels as conditions change.

25. What criteria should a State use to determine whether a child’s home address or child care facility is “in the area” of a closed school or a school operating with reduced attendance or hours?

States should propose a reasonable method, based on best feasibly available data, to establish that a child’s home address or child care facility is “in the area” of a closed school or a school operating with reduced attendance or hours. USDA understands that schools throughout most States are operating with modified schedules of some type. A State may satisfy this eligibility requirement by confirming that the child care facility or the child’s residence is located in a school district, county, or region where the State has established that one or more schools is closed or operating with reduced attendance or hours. Children under age 6 are automatically deemed enrolled in a child care facility. Accordingly, *if supported with data presented in its State plan*, a State may conclude that all SNAP-participant children Statewide under age 6 reside in the area of an eligible school.

26. If a State or local public health ordinance limits the capacity of child care facilities in response to COVID-19, may the State consider all SNAP-recipient children under age 6 who live in the area covered by that ordinance eligible for P-EBT benefits?

Yes, because in this case the local public health ordinance “has reduced [the] attendance or hours” of the child care facilities in the designated area. The State must still confirm all other conditions of P-EBT eligibility are met, as discussed in Q/A #22, including that a Public Health Emergency designation is in effect. If the local public health ordinance is lifted or amended, the State must reevaluate the operating status of child care facilities in that area.

27. Some SNAP-participant children under age 6 are enrolled in a child care facility that is closed or operating at reduced attendance or hours, but neither the facility nor the child’s residence is in the area of a school that is closed or operating at reduced attendance or hours. How might States confirm the P-EBT eligibility of these children?

If a SNAP-participant child under age 6 is enrolled in a child care facility that is closed or operating at reduced attendance or hours, that child may be eligible for P-EBT. In this case, States should work to confirm the status of the covered child care facility. If a State

¹ It is possible that some children will not be eligible for P-EBT’s child care benefit based on the operating status of area schools. In those cases, the children may be found eligible based on the operating status of their individual child care facilities, or other method described in the State’s plan.

believes this is not feasible, some specific simplifying assumptions are available, such as using a State or local public health ordinance, developed in response to COVID-19 to determine the status of a covered child care facility. States may propose other available information sources in their State plans such as data on child care access, participation, or meal claims from State child care licensing or CACFP agencies to draw reasonable conclusions about the operation of child care facilities in a given locality. Finally, States may consider contacting and collecting information directly from these households.

Issues Common to P-EBT's School and Child Care Components

28. Many States will take advantage of simplifying assumptions or best feasibly available data to determine P-EBT benefit levels for children in schools or child care. What should States communicate to parents regarding the value of their P-EBT benefits? And how should States handle that communication?

Every State is responsible for communicating to parents/guardians how the State's P-EBT program works and how the State sets benefit levels. This explanation should be transparent and easily accessible on the State's P-EBT website and in any communication distributed directly to parents. For P-EBT school benefits, this is especially important when the State issues average benefits that are not tied directly to individual children's schedules. And for P-EBT child care benefits, the State should describe how benefit levels are linked to the average P-EBT benefits issued to children in area schools.

As discussed elsewhere in this document, USDA encourages States to set benefit levels as closely as possible to children's individual circumstances. The States' use of simplifying assumptions and best feasibly available data to set benefit levels is ultimately a matter of State discretion. The State should explain to parents how it exercised that discretion, if at all, and how it impacts their children's benefit levels. USDA encourages States to point to the very reasonable need to limit State and local administrative cost, overcome data challenges, and facilitate the timely issuance of benefits.

29. What are the maximum P-EBT benefits for children in school and for children in child care?

For schools:

- States may issue benefits for weekdays during the regular school year. States may not issue benefits for weekends, school breaks, or holidays.

For child care:

- USDA expects that most States will set P-EBT benefits for children in child care that mirror P-EBT benefits for children in area schools. USDA will not approve an average child care benefit that exceeds 5 days of free meals per week, and will only approve a benefit equal to that maximum level if one or more schools in the area is operating entirely virtually.

30. May States submit separate P-EBT plans for school-age children and for children in child care?

Yes, States may choose to submit P-EBT plans for school-age children and for children in child care separately (in any order), or submit a single plan that addresses both. Note that States are not required to provide P-EBT to children in child care in order to provide P-EBT benefits to school-age children.

31. May a child receive P-EBT benefits under both the school and child care components?

No, the maximum P-EBT daily benefit for any child is equal to the value of the free reimbursement for one breakfast, one lunch, and one snack. States must describe in their State plans how they will ensure that no child receives P-EBT benefits in excess of the maximum amount.

32. How frequently must States reassess the operating status of schools or child care facilities to determine if children remain eligible for P-EBT and to determine benefit amounts?

As discussed above, any prospective calculation of benefits is limited to two month periods. States must determine P-EBT benefit levels based on updated student or child care schedules no less frequently than at the end of each two month period. However, States have a responsibility to monitor changes in operating status and make necessary adjustments to prevent the improper payment of benefits. For example, if the State becomes aware that a school district will switch from virtual to in-person instruction after the State issued the first month's benefits but before it issues the second month's benefits, the State must make corrections prior to issuing the second month's benefits. States also have discretion to reassess eligibility more frequently than monthly or to only issue benefits retrospectively.

33. Most States will not issue P-EBT benefits for the fall of SY 2020-2021 until January or February. Should States issue these prior month benefits in multiple installments?

Yes. States should consider issuing benefits for the first few months of SY 2020-2021 in at least two installments to limit pressure on the supply chain and protect the integrity

of the program. USDA would also encourage States to stagger the issuance over several days for these same reasons and to promote social distancing.

34. States will issue P-EBT benefits to most or all households unsolicited. What should States communicate to households who wish to decline the benefit?

States should instruct all P-EBT recipient households on how to decline their benefits. States should provide this instruction on their P-EBT websites and in any communication delivered directly to recipients. The State should also communicate to P-EBT recipients that their benefits are not transferrable and cannot be gifted or donated. States should instruct non-SNAP households who wish to decline their benefits to destroy their P-EBT cards.

For current SNAP recipients, States will typically add P-EBT benefits to the households' existing SNAP EBT accounts. States should instruct those households who wish to decline their P-EBT benefit to contact the State Agency. If administratively feasible, States may consider offering those households an option to request that future P-EBT issuances not be loaded to their EBT accounts.

35. Should States issue replacement P-EBT cards if they were lost or misplaced?

States should issue replacement P-EBT cards, but cannot replace the value of any benefits which have already been redeemed.

36. How will P-EBT be administered in the U.S. territories of Puerto Rico, Commonwealth of Northern Marianas and America Samoa?

The general guidance included in this Q&A and State plan template applies. However, due to operational differences, USDA will work directly with the territories to meet requirements and administer benefits.

37. May States recover over-issued benefits from P-EBT recipient households?

Yes. States that are approved to operate P-EBT are responsible to ensure that P-EBT benefits are provided to eligible children in accordance with FFCRA, as amended, and the State P-EBT plan. USDA is legally obligated to account for aggregate over-issuances or improper payments, as discussed in Q/A 39.

States that recover or adjust P-EBT payments to correct errors on previous issuances cannot simply apply their existing SNAP benefit claim process to P-EBT. Accordingly, States should develop P-EBT-specific rules and procedures and include those in their State plans. States must also consider the capability of their SNAP systems to distinguish P-EBT from SNAP benefits. Under no circumstances may the State reduce a SNAP benefit to settle a P-EBT claim.

States should address a variety of considerations with respect to any potential recovery activities. As a practical matter, most or all P-EBT beneficiaries receive their payments unsolicited, based on existing State and school district records. Reclaiming benefits under those circumstances calls for a process that weighs the equity of the claim, the burden on affected households, and the likelihood and costs of recovery. Given those considerations, a State's P-EBT plan should consider reasonable thresholds for taking action to recover over-issued benefits. Finally, States that establish a process for benefit recovery must provide clear notice to beneficiaries of the circumstances under which the State may attempt to recover benefits or reduce a future issuance.

38. May States issue P-EBT benefits to households to correct a previous erroneous issuance?

Yes, when a State confirms the original issuance was made in error. Errors in State or local records may result in P-EBT issuances to the wrong household. For example, a State may erroneously issue a P-EBT card to a child's previous guardian rather than to his or her current guardian. A State might also issue a benefit based on an outdated address.

USDA's P-EBT plan template asks States to describe how they will resolve errors of the type described above: wrong household, wrong address, etc. USDA expects that States will research those cases individually and issue benefits only when the State confirms that its original issuance was made in error. States should not issue duplicate benefits in cases of disputed guardianship if the State believes the original issuance was correct.

39. How will States be held accountable for problems with program implementation?

Each State must operate P-EBT in accordance with the statutory requirements and its approved P-EBT plan. USDA is responsible for oversight of States' management of P-EBT and may hold a State agency liable for overall program operations that do not conform to FFCRA requirements and the State's approved P-EBT plan. For example, USDA may hold State agencies liable for aggregate over-issuances or improper payments in situations where USDA determines such action is merited, based on the nature of the error that gave rise to the over-issuance, the size of the error, and whether such action would advance program purposes. This is the same standard that applies to all other State agency administered USDA nutrition assistance programs. USDA's oversight activities will focus on systemic issues, rather than individual eligibility determinations or benefit issuances.

Administrative Funding

40. How will USDA administer P-EBT's administrative funding provision?

The FFCRA provides for the full reimbursement of costs incurred to administer P-EBT from October 1, 2020 through September 30, 2021 (federal fiscal year 2021). This includes P-EBT administrative costs incurred by the States' SNAP and Child Nutrition agencies, as well as the P-EBT administrative costs incurred by local agencies and cooperators such as local educational agencies and school food authorities. It also includes P-EBT administrative costs incurred by third parties, including non-profit organizations, *under contract to the States, local agencies, or cooperators to perform P-EBT administrative work*. USDA will work quickly, upon approval of each State's P-EBT operational plan, to extend a new FY 2021 P-EBT Administrative Cost Grant Award to the State's SNAP agency for necessary, allowable, and reasonable **State agency** administrative costs. USDA will work with the States on a separate grant process to address **local level** costs. USDA has provided States with detailed instructions on the application and award process for grants to cover State agency administrative costs. Additional instructions on the award of grants to cover local costs will follow under separate guidance. All P-EBT Administrative grants will be provided in accordance with the applicable Federal statutes, regulations, and terms and conditions of the Federal Award.

The period of performance for these P-EBT Administrative Cost Grant Awards will be October 1, 2020, through September 30, 2021. These grant awards will be provided to cover P-EBT administrative costs with a performance period that is retroactive to October 1, 2020 and ends September 30, 2021. This includes P-EBT administrative costs associated with the issuance of retroactive FY 2020 benefits incurred in FY 2021.

Although USDA will issue the grant for State agency costs to the State's SNAP agency, the SNAP agency is responsible for handling the transfer of the appropriate share of the grant to the State's Child Nutrition and Education Agencies, local units and schools. It is expected that the SNAP State agency will work with the other impacted State agencies, local units and schools to make this funding available through according to terms of the Federal Grant and State procedures.

41. What administrative costs may States claim for reimbursement?

The grant will be available for the necessary, allowable, and reasonable State and local agency costs associated with the administration of P-EBT incurred during FY 2021. This includes P-EBT **administrative costs** associated with the issuance of retroactive FY 2020 benefits incurred in FY 2021. The award will follow general Government-wide grant rules under 2 C.F.R. 200 unless otherwise provided for in the terms and conditions which will accompany the award.

42. What must the States report to USDA? When must they report?

States will be expected to submit a P-EBT administrative cost plan for the intended period of operations for USDA approval using the FNS-366a. The approved level of this plan will serve as a limit on State expenditures. Should costs be higher than expected, a State may amend their plan and seek USDA approval for a higher level of administrative funding. During the period of performance of the grant, the SNAP State agency will be expected to aggregate obligation and outlay data from all State agencies utilizing the award and report quarterly to USDA using a P-EBT specific instance of the FNS-778. Further guidance on the use of the FNS-366a and the FNS-778, including specific reporting timeframes, will be included in the terms and conditions to accompany the award.

43. Will USDA provide any funds for the up-front costs of developing States' P-EBT operations?

Yes. USDA will work with the States, at their request and on approval of their P-EBT operational plans, to provide a small increment of initial funding. This initial funding will allow States to help defray their administrative costs while the ultimate level of the administrative cost grant is determined. This initial funding may be extended while the SNAP State Agency works with their Child Nutrition State agencies to develop the more detailed FNS-366(a).