

When the last bell rings at the end of the school year, millions of children can lose access to the healthy meals they get each day through school breakfast and lunch. The Summer Electronic Benefits Transfer (SEBT) program, also known as SUN Bucks, can offer a solution to the persistent problem of hunger among children during the summer. This program provides low-income families with additional funds to help cover increased grocery costs during out-of-school sessions, which can offer relief to struggling parents.

# **Background**

As the first year of the new Summer Electronic Benefits Transfer (Summer EBT or SEBT) program, also known as SUN Bucks, winds down and stakeholders assess both the program's impact, as well as its inaugural rollout, this primer seeks to spotlight the program's origins, potential, and challenges. First piloted in 2011 by USDA, the program's inception revolved around the same goal as its current iteration: to combat summer hunger by providing a small grocery benefit for low-income families. The results of the first demonstration project were promising— an evaluation published in the journal Pediatrics as well as the evaluation commissioned by USDA estimated that the early demonstration project was associated with a 30% reduction in the prevalence of "very low" food security in children and was associated with an increase in the consumption of nutritious foods.

While the permanent Summer EBT program bears resemblance to the temporary Pandemic EBT and first took effect at the end of the COVID-19 public health emergency, the permanent program can be considered a continuation of a decades-long response to the challenge of summer hunger.

### History—A Program Decades in the Making

Building on the 2011 demonstration, Congress continued to increase funding for Summer EBT through its annual appropriation process each year. By 2018, USDA expanded the reach of Summer EBT from around 12,500 children in 2011 to nearly 300,000. The <u>Summer 2018</u> pilot included eight states and two Indian Tribal Organizations (ITOs) across the political and geographic divide: Connecticut, Michigan, Missouri, Nevada, Oregon, Tennessee, Texas, and Virginia along with the Cherokee and Chickasaw Nations. (Two additional states, Delaware and Washington, had previously participated in the pilot.)

For <u>Summer 2019</u>, USDA shifted its focus to provide three-year funding with a priority for new Summer EBT projects, those part of a statewide strategy to address summer hunger, and those representing effective coordination to provide excellent customer service. Initially, only one returning state and one returning ITO were selected along with a new state and ITO, though three former pilot states and an ITO were later funded. However, due to challenges associated with the COVID-19 pandemic, only one state and two ITOs implemented Summer EBT in 2020. In 2021, COVID-19 aftermath response necessitated a focus on implementation of the 2021 Pandemic-EBT benefits, sidelining further immediate rollout of Summer EBT pilots.

By 2023 however, with recovery efforts well underway, the evidence of Summer EBT program effectiveness and best practices culminated in the creation of the permanent program, which was championed by Sen. John Boozman (R-AR) and Sen. Debbie Stabenow (D-MI) as part of the 2023 Consolidated Appropriations Act. The permanent program allows states to provide families an additional \$40 per month per eligible child for three months of summer.

#### Key differences between the permanent Summer EBT program and Pandemic EBT

- The new Sun Bucks benefit is capped at \$40 per child per month or \$120 per summer, indexed to inflation, rather than tied to the federal reimbursement rate for each school meal missed.
  - The benefit level is higher in Alaska, Hawaii, and the U.S. territories, akin to how SNAP benefit levels are adjusted to account for higher food costs.
  - o This memo details the benefit levels for Summer 2024.
- Unlike Pandemic EBT, Summer EBT is *not* automatically provided to all students enrolled in special provision schools, such as schools that operate under the Community Eligibility Provision (CEP); P-EBT was available to all students enrolled in such schools regardless of individual eligibility status.
  - Sun Bucks Benefits are automatically provided to students who have been individually identified as eligible by the state, including through direct certification data matching.
  - Students who do not receive benefits automatically may qualify via application but must meet the same <u>income standards</u> as free or reduced-price school meals.
- States need to provide half of the administrative costs.

### **Non-Congregate Meal Service**

In addition to the Summer EBT program, the Consolidated Appropriations Act also amended the summer meals programs to allow for non-congregate meal service in rural areas. Administered by USDA, the Summer Food Service Program (SFSP) and National School Lunch Program's Seamless Summer Option support states' ability to provide meals to children during the summer months. These programs traditionally allow operators to serve dine-in meals for children at community spaces like churches, schools, and parks located in eligible low-income areas. Moving forward, the new non-congregate meal service option allows operators to provide multiple take-home meals for children in rural areas, exclusively or as a complement to limited congregate service. This program change helps fill service gaps, better reaching families who might struggle to regularly make it to congregate service as well as allowing for meals on weekends or other times that operators cannot provide on-site meals. Additionally, to better address the wide variance in rural landscapes and demographics, FNS blended several datasets to identify rural communities. With these new guidelines, every state now has at least one rural community and can take advantage of the new non-congregate flexibility.

The combination of Summer EBT, non-congregate summer meals, and traditional summer meals offers states a variety of federal funding sources they can use to address food needs among low-income families. The two new initiatives enacted in the 2023 Consolidated Appropriations Act--the permanent Summer EBT program and the non-congregate meal flexibility--complement the traditional role of the summer meals programs. The three now work in tandem to create a multi-pronged approach to combatting summer hunger and addressing the unique needs of families and communities across the country.

# **The Opportunity of Summer EBT**

Based on estimates from similar programs and models, establishing a permanent Summer EBT program has the potential to move the needle tremendously in addressing childhood hunger. When the school year ends, 31 million children lose access to what may be one of their most stable and reliable access points to nutritious food: their school. This summer food access cliff contributes to much of the concern around summer hunger, where childhood hunger spikes because children lose access to school meals and families face additional financial strains as kids eat more of their meals at home. Some organizations have estimated that the new permanent program could extend benefits to the 31 million children who receive free and reduced-price meals in school each year and ensure they don't lose critical access to food during the summer months.

Summer EBT can provide policymakers with an additional tool as they seek to address childhood hunger in the summer, especially due to the <u>opportunity</u> the program provides state agencies to support families who may not have access to the traditional summer meals programs. <u>Summer hunger</u> has been shown to exacerbate summer learning loss, commonly referred to as the "summer slide." When children lack proper nutrition during the summer, their school readiness may suffer. <u>Research</u> shows that involvement in summer meal programs fosters greater food security, and Summer EBT has demonstrated the program's ability to increase the consumption of nutritious foods. This program, in collaboration with existing federal and state meal initiatives, has the potential to turn the tides in the longstanding battle against childhood hunger, and improve the long-term outcomes of low-income children, as a lack of secure access to food is <u>associated</u> with negative health and educational outcomes.

While states have used traditional summer meals programs to provide meals and learning opportunities for children, many states report persistent challenges in reaching families in need. Low participation rates due to scheduling conflicts, limited meal sites, and transportation barriers often cause rural communities to experience higher food insecurity than their urban counterparts. States can use the Summer EBT program to enhance access to nutritious food for families in both urban and rural settings.

From an economic standpoint, the Summer EBT program may positively contribute to local economies, as well. Certain studies have estimated that every dollar spent on SNAP could generate about \$1.50 to \$1.80 in local economic activity. Building off this estimate, with approximately 31 million children eligible for Summer EBT, the program could provide more than \$3.5 billion in federally funded benefits, which could spur over \$5 billion in local economic activity each summer, benefiting families, local businesses, farmers, and communities alike.

# **Summer EBT Implementation Basics**

As required by the Consolidated Appropriations Act, USDA issued an Interim Final Rule detailing the requirements for operating Summer EBT in December 2023. To implement the Summer EBT program, states are required to:

- Provide resources (through non-federal sources) to support 50% of the administrative costs necessary to administer the program.
  - o 100% of the benefit-cost is funded by USDA.
- Submit a plan of operations and management to USDA for approval.
  - The plan must outline the roles and responsibilities of the coordinating agency and each partnering agency included. This generally includes the agencies responsible for administering school meals and SNAP.
- Develop (or improve) a statewide:
  - database of students attending schools participating in school meal programs, to facilitate the identification of children who may be eligible for Summer EBT.
  - application for Summer EBT to be used by families who have a child attending a school participating in NSLP and/or SBP, meet the eligible income requirements, and are not automatically qualified through participation in their state's selected benefit programs.

For more information on Summer EBT administration and requirements, see the <u>USDA</u> <u>page for implementing agencies</u>.



USDA Sample Social Media Content

## **Summer EBT State Flexibilities**

Opportunities for states to exercise flexibility within the design or expansion of their Summer EBT program include:

- **Utilization of contractors:** States have the ability to hire a contractor to oversee the administration of the program. Unlike traditional SNAP benefits, which prohibit the use of non-merit staff members from working on the program, Summer EBT allows states to hire outside contractors to reduce internal staff burden.
- **Multiplier effect**: Summer EBT program outreach can be utilized for new/additional touchpoints for families to receive services and information.
  - The program can serve as a platform for states to conduct additional program outreach to inform individuals of their eligibility and share additional information.
    Connecting with eligible families to share if they are certified can reduce the need for applications and minimize duplications. Examples include:
    - Nebraska included <u>additional educational information</u> on the types of nutritious foods covered in S-EBT and will be using S-EBT outreach as a connection point to assess families' additional needs.
    - Wisconsin included an <u>online portal</u> to share information with recipients and improve support services. The portal included a benefits management questionnaire, allowing individuals to confirm eligibility before applying, update contact details, and address issues independently, reducing the workload for state agencies.
  - Summer EBT data systems and applications could be used to benefit additional state programs, including streamlining school meal applications and eligibility, or strengthening multi-system data-sharing.
- Lead Agency Selection: States can choose the lead agency that best fits their needs, which provides flexibility among state agencies to address limited staff capacity or agency capabilities.
  - States must designate a lead, or coordinating, agency, but states can decide which agency is best positioned.
  - Beyond being the primary point of contact with USDA, there are few expectations for the coordinating agency, so states may outline the specific roles of responsibilities of the coordinating agency and each partnering agency involved.

- **Improvement of Technology systems**: States are not required to create new technology platforms and can enhance existing technology systems by utilizing and building upon the existing infrastructure.
  - P-EBT: The technology and data systems and processes that were used for P-EBT could be -- and in many places, were -- used as the basis for Summer EBT.
  - These systems can provide a foundation for building and maintaining data systems to manage school data, match student records, and enhance outreach and support.
  - NSLP/SBP Direct Certification: The direct certification process that confers eligibility for free and reduced-price identifies students who are participating in many of the benefit programs that confer automatic eligibility for Summer EBT.
  - Education databases: Existing state databases for tracking student information may be used to verify student enrollment and may be adapted to track Summer EBT eligibility.

USDA resources like <u>technology grants</u> and the <u>online application</u> hosted by Nutri-Link can provide states with additional supports during implementation. For more on options and best practices related to tech systems, see the <u>Summer EBT Playbook</u> developed by Code for America and No Kid Hungry.

# **Challenges and Potential State Solutions**

Developing and implementing a new program, however, is not without its challenges. While Governors recognize the opportunity posed by these new programs, state leaders have navigated several challenges and identified the following complicating factors on the path to implementation.

## **Summer EBT Funding & Timeline**

While the EBT benefits are provided by the federal government, states are required to contribute a 50% match for the administrative costs, which can include operating costs like staffing and EBT cards as well as start-up costs like technological upgrades. While administrative fund matching is already required for other programs, like SNAP, it is a significant variation from other child nutrition programs, like SFSP and NSLP's Seamless Summer Option, where the USDA covers administrative costs. And since Summer EBT is a new program that had a short runway for implementation in 2024 due to the timing of the Interim Final Rule release, especially relative to state budget timelines, some states faced challenges in identifying sources for the matching funds. States also reported difficulty in the initial year of implementation with estimating participation and costs, high start-up expenses, negotiating with the limited number of EBT card vendors, and confusion about acceptable sources and uses of matching funds.

#### **Potential State Solutions:**

While states have faced challenges with the match requirement, states have the opportunity to take advantage of <u>federal grants</u>, creatively identify matching funds, and collaborate with local stakeholders and outside funders to further strengthen their capacity to meet the program funding requirements.

Following the first year, states expressed a strong desire for greater transparency and opportunities to learn from their peers about how they funded or plan to fund the program, including clarity on specific funding sources such as philanthropic contributions and ARPA dollars. The <a href="National SEBT Community of Practice">National SEBT Community of Practice</a>, co-hosted by APHSA and Share Our Strength, launched in April 2024 to facilitate dynamic exchanges on customer engagement, human-centered program design, policy strategies, and funding approaches. State agency representatives from across the country convened to reflect on the successes and challenges of 2024 and explore opportunities for improvement in 2025, including discussions on funding mechanisms.

### **Staff Capacity**

States faced challenges related to staff capacity while rolling out the Summer EBT program, particularly due to competing priorities like Medicaid unwinding post-pandemic. Increased staff burdens led some states to consider reallocating personnel from SNAP or TANF programs to support Summer EBT's rollout. The relatively small monetary benefits of Summer EBT compared to other programs often diminished its perceived value, impacting staffing decisions. Furthermore, staff burnout across health and human services agencies contributed to states' ability to realistically roll out the program quickly and successfully, despite state executive office interest in pursuing Summer EBT. Especially following the heavy lift required from human services agency staff and first responders during the pandemic, some states reported a lack of bandwidth to launch the program for Summer 2024, exacerbated by high turnover rates that affected their ability to manage existing programs.

#### **Potential State Solutions:**

Through strategic planning and resource allocation, states may consider reallocating personnel from SNAP or TANF programs, an opportunity that highlights the flexibility and adaptability of state agencies to address immediate needs. Although staffing costs are still part of the Summer EBT administrative budget, this flexibility allowed states to meet their immediate, short-term staffing demands without hiring permanent full-time staff.

To address staff burnout and high turnover, common concerns for human services systems at-large, adjusting staffing levels based on demand may help ease capacity constraints, given that program implementation demands will have ebb and flow throughout the year. States may consider scaling back during non-implementation periods, dedicating only a few full-time staff to the Summer EBT program as needed, and states may consider sharing or outsourcing functions like customer service call centers.

## **Summer EBT Technology**

Several states shared that the number one barrier to pursuing Summer EBT implementation in 2024 was the upfront cost of creating a robust data-sharing system across schools, agencies, and the federal government. While many states reported eagerness to leverage Summer EBT as an opportunity to expand their statewide agendas for data innovation and improvement, several states reported issues concerning competing priorities for technological innovation across agencies, which limits momentum for Summer EBT. States also noted concerns about the quality of data collected at the local level and the ability of schools and local education agencies to collect timely and accurate eligibility data. States that adapted existing P-EBT technology expressed concerns about putting an unsustainable investment in tools that would not be used in future years due to the differences in eligibility rules and technology infrastructure requirements.

#### **Potential State Solutions:**

Creating an effective data-sharing infrastructure can ultimately enhance a wide range of programs that rely on accurate data and collaboration among agencies, not just Summer EBT. The opportunity to leverage Summer EBT databases to directly reach participants with program updates and additional resources, is a boon to enhancing data collection efforts. Some states have integrated their databases with parent portals to verify addresses before card shipments, reducing the number of returned or undeliverable cards and lowering postage costs. Others have collected phone numbers to communicate via text, providing timely updates. This direct communication can significantly boost participation in not only Summer EBT but also other state programs by ensuring eligible individuals have access to vital information.

Adapting existing P-EBT technology may be a necessary temporary fix, capitalizing on the opportunity with an eye toward future needs can help jump start the development of sustainable systems that enhance long-term efficiency. Looking at a comparable technology application from another human services system, the Medicaid direct certification process demonstrates that maintenance costs drop significantly after the third year. By prioritizing long-term gains, states can implement solutions that address immediate needs while ensuring ongoing benefits with minimal operational costs.



For more on options and best practices related to tech systems, see the <u>Summer EBT Playbook</u> developed by Code for America and No Kid Hungry.

# **Frequently Asked Questions**

## Are all children eligible for Summer EBT?

No. This program targets <u>the populations most at risk</u> of experiencing summer hunger. Only children income-eligible for free and reduced-price school meals are eligible to receive S-EBT. See here for examples of <u>outreach materials</u> for state agencies to communicate eligibility requirements to families.

## Is Summer EBT an extension of the Pandemic EBT program?

No, the Summer EBT program is entirely independent and standalone. The new permanent Summer EBT program enacted in December 2022 and first implemented in 2023 is based on a decade of pilot programs and research. While the two programs share a similar structure and goal of combatting food insecurity while schools are closed, Pandemic EBT was a temporary emergency program and was only authorized to be operated during the pandemic.

# Will the program change in future years? Are there any new expectations for states for summer 2025?

Starting in 2025, Summer EBT agencies must <u>establish</u> and maintain a statewide database of children enrolled in NSLP- or SBP-participating schools. States will also be required to make an application available, rather than being permitted to utilize alternative income forms or delegate applications to schools. However, the USDA has worked with Nutri-Link to make a <u>customizable online application</u> available to states to simplify this process.

# The original deadline for adopting Summer EBT was in January 2024; can my state still take up Summer EBT in the future?

Yes, states may continue to opt-in to the program moving forward. In 2024, some states were unable to opt-in during the first year of implementation but indicated interest in adopting the program in future years given the availability of an appropriate amount of state resources to support the state match on a rollout timeline that is more amenable to the state's landscape. States must notify USDA by January of each year if they intend to operate the program in the coming summer and submit a Plan of Operations and Management by February 15 of each year.



Image of eligibility navigator demonstration video.

#### Where can I find more information about these programs?

The <u>National SEBT Community of Practice</u>, co-hosted by APHSA and Share Our Strength, launched in April 2024 to facilitate dynamic exchanges on customer engagement, human-centered program design, policy strategies, and funding approaches. State agency representatives from across the country convened to reflect on the successes and challenges of 2024 and explore opportunities for improvement in 2025, including discussions on funding mechanisms.

Share Our Strength also introduced the <u>SEBT Implementation Tracker</u> as a tool to help agencies and community organizations further understand operational strategies and funding decisions across states, territories, and Indian tribal organizations



(ITOs). Together, these initiatives demonstrate a strong commitment to transparency, ensuring states have the resources, information, and collaboration necessary to maximize the SEBT program's reach and impact.

## **Conclusion**

The new summer food programs, including Summer EBT, or SUN Bucks, have the potential to be a critical tool in Governors' toolboxes in the fight against childhood hunger. Despite initial challenges, particularly related to legislative and budgetary constraints, states agree that the Summer EBT program has the potential to have a positive impact on the well-being of families.

State leaders, along with private sector partners stakeholders, and federal partners, have the opportunity to collaborate to establish robust and accessible programs. As states navigate these new programs, there is abundant appetite for state leaders to learn from one another and continue to engage on this topic. The call for transparency and information-sharing among states is a powerful signal that collaboration can lead to success. Governors and state leaders are eager to adopt new strategies that address the health and safety of families, particularly those supported by research and evidence.

The Summer EBT program could significantly impact childhood food insecurity during the critical summer months when food insecurity often peaks. By learning from peers who have successfully navigated funding and implementation challenges, states can continue to improve program implementation and efficiency.

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