

Requesting a waiver in the POM for the Territories¹

FNS has completed review of CNMI's 2024 Plan for Operations and Management (POM). FNS has determined that CNMI must submit a request seeking waiver approval in order to administer the Summer EBT as planned. FNS has authority to waive regulatory provisions for Summer EBT, when certain conditions are met, consistent with Section 12(l) of the Richard B. Russell National School Lunch Act, 42 U.S.C. 1760(l). For more information on the process for requesting waivers #2-4, please refer to [SP 15-2018](#), [CACFP 12-2018](#), [SFSP 05-2018](#), [Child Nutrition Program Waiver Request Guidance and Protocol- Revised, May 24, 2018](#). For waiver #1, please refer to 48 U.S.C. 1469a(d). For waiver #5, please refer to 48 U.S.C. 1469d(c).

In order to review and determine if requested waiver(s) may be approved, FNS requires provision of the following information, which may be added as an attachment to CNMI's 2024 POM.

Waiver(s) needed (check all regulatory provisions that apply):

<input checked="" type="checkbox"/>	7 CFR 292.20(c)	<p><i>1. Administrative Budget.</i> State agencies participating in Summer EBT are responsible for 50 percent of the Program administrative costs. <i>Waiver Authority is in 48 U.S.C. 1469a(d)</i></p>
<input checked="" type="checkbox"/>	7 CFR 292.12(d)	<p><i>2. Enrollment and Verification.</i> The Summer EBT agency must enroll children that are individually eligible for Summer EBT based on their participation in a means-tested program, income application for school meals, and/or through a Summer EBT application <i>Waiver authority is in 48 U.S.C. 1469d(c)</i></p> <p><i>**If this waiver is requested, options 6-10 on the next page aren't needed. If this waiver is not requested, please see the additional waiver options 6-10 for selection.</i></p>
<input type="checkbox"/>	7 CFR 292.15(g)(4)	<p><i>3. Providing replacement EBT cards or PINs.</i> Replacement EBT cards must be available for pick up or placed in the mail within 2 business days following notice by the household that the card was lost, stolen or damaged.</p>
<input type="checkbox"/>	7 CFR 292.26(a)(1)	<p><i>4. Hearing procedures for families and Summer EBT Agencies.</i> Fair hearing procedures established by the Summer EBT agency must allow a household to appeal within 90 days after the end of the summer operational period.</p>
<input checked="" type="checkbox"/>	7 CFR 292.15(c)(1)(i)(A)	<p><i>5. Benefit issuance.</i> For children who can be streamline certified or who have an approved Summer EBT application on file, benefits must be issued and available for participants to use 7-14 calendar days before the start of the summer operational period.</p>

¹ Territories include American Samoa, Guam, the Northern Mariana Islands, the Virgin Islands. These are the territories covered in 48 U.S.C. 1469.

Additional waiver options (check all regulatory provisions that apply):

<input type="checkbox"/>	7 CFR 292.12(f)(1)	6. <i>Income applications.</i> The Summer EBT agency must notify (or place notification in the mail) eligible households of a child's approved status within 15 operational days of receipt of a complete application.
<input type="checkbox"/>	7 CFR 292.12(g)	7. <i>Denied applications and the notice of denial.</i> The Summer EBT agency must provide written notice to each household denied benefits within 15 operational days of receipt of a complete application.
<input type="checkbox"/>	7 CFR 292.13(f)	8. <i>Timely certifications.</i> Summer EBT agencies must follow-up with a household that submits an incomplete application within 10 operational days of receipt of the application.
<input type="checkbox"/>	7 CFR 292.14(a)(1)(ii)	9. <i>Verification for cause.</i> Any verification must be completed within 30 days of receipt of the application.
<input type="checkbox"/>	7 CFR 292.15(c)(1)(i)(B)	10. <i>Benefit issuance.</i> For eligible children who apply after the summer operational period begins, benefits must be issued and available to spend not later than 15 operational days after a complete application is received by the Summer EBT agency.

Describe the challenges the Summer EBT agency is seeking to solve with the requested waiver(s), including the goal of the requested waiver(s), the manner in which the requested waiver(s) will improve services in Summer EBT, and the expected outcomes if the waiver(s) are approved:

1. Beginning in 2015 and again in 2018, the CNMI was devastated with three natural disasters so destructive that presidential emergencies were declared. Since then, the CNMI never fully recovered when COVID -19 hit in 2020. As the only major industry, tourism, even four years out, has not posted 50% of pre-pandemic arrivals. Thus, the current economic challenges of the CNMI is such that it will not be able to meet the 50% matching requirement of this newly established program. We hope that this waiver will enable the CNMI to implement the 2024 Summer EBT to 12,000 eligible and deserving students for their overall health and well-being.

2. CNMI NAP does not currently have an electronic benefits transfer system in place. As such, it relies on the issuance of paper-based coupon benefits. Printing, counting, perforating, verifying, distributing, and reconciling paper coupons is a labor-intensive process. In other words, it is time consuming as many of the processes are not performed electronically.

3. The paperwork burden associated with applications will delay the issuance of benefits. During P-EBT, processing of paper applications, that did not have any income eligibility requirements, took over two months to complete.

4. The CNMI does not currently have a streamlined certification process in place. Additionally, there will be an additional burden on the CNMI NAP office staging a distribution date in late May and another in mid-July. The community would be confused by the staggered distribution dates and our offices would be flooded with complaints from concerned parents. Also note the issued listed in #1 above with the time needed for manual processing and distribution of paper-based benefits.

Describe steps the Summer EBT agency has taken to address barriers at the State level:

The DCCA Secretary and the NAP Administrator has met with CNMI Governor to discuss this permanent program. Discussions include the matching requirement. Another step is the MOA with PSS-CNP.

The PSS is working to implement some changes to next year's student registration that will

streamline some of the data gathering and reporting.

The request of waivers: We've requested the 50% admin funding matching requirement be waived, so we're removing the local government funding barrier. We've requested that all K-12 kids be deemed eligible, thus removing the access barrier. We've already agreed upon a data sharing protocol, so we've removed some of the barriers to data sharing.

We are addressing steps to outreach barriers: Both NAP and PSS-CNP will be providing 2024 Summer EBT information online and print newspapers as well as posting signs at key gov't offices and larger NAP retailers, and email blasting parents via accounts registered in the PSS student information system. We will also go talk on radio stations to provide information.

Describe anticipated challenges the Summer EBT agency may face if the requested waivers are not approved:

The anticipated challenges include not being able to implement the Summer EBT program, more specifically for the 2024 program with the current economic challenges of the CNMI gov't. Many of its agencies and departments are currently operating at reduced hours and has already instituted austerity Mondays. There is a very real possibility that more severe austerity will be required before the end of FY2024. This puts operation of the 2024 S-EBT and beyond in uncertainty.

Describe the expected waiver implementation date and time period:

The expected waiver implementation date and time period for the CNMI will begin the day the POM, Budget, Waiver Requests are approved. As stated in the POM, this will provide the Summer EBT agency ample time to work on the processing of contracts (i.e. printing agent, redemption agent, Project Lead), public service announcements, manual preparation of the benefit coupons, data system, redemption process, etc. To date, no local funding has been approved to fund these activities. The waivers will be used as long as they are statutorily available. It is the hope that these waivers, or something similar will be available in future fiscal years.

*Processing of contracts from invitation to bid announcements and completion of signatures take about a 60-day turnaround time.

Link to or provide a copy of the public notice informing the public about the proposed waiver(s):

The CNMI has not formally broadcast any information to the community about S-EBT. This includes information about waivers. Upon approval of the waivers, we will ensure that public notice is done using PSS, NAP, and Governor's Office websites and also newspaper.

Check to affirm that the waiver(s) will not increase the overall cost of the Summer EBT Program to the Federal Government. If there are anticipated increases, confirm that the costs will be paid from non-Federal funds (*This does not apply to the one administrative budget waiver.*):

Currently, with the matching requirement waiver request, all costs will be federally funded under the program authority. We will be diligent in monitoring and tracking expenditures to stay within overall cost in the proposed budget.

- Check to affirm that the Summer EBT agency will monitor and review implementation of the waiver(s) and report on implementation as part of their 2025 iPOM. Reporting will include: a description of whether the waiver(s) resulted in improved services to recipients/participants; a description of the impact of the waiver(s) on providing benefits to participants; and a description of how the waiver(s) reduced the quantity of paperwork necessary to administer the Program.

The CNMI Summer EBT agency will monitor and review implementation of the waivers and report it as part of the 2025 iPOM. We will track problem calls and the number of fair hearings. An impact will be that more benefits will be issued to more households thus more money circulating into the local economy. By requesting that all kids K-12 be deemed eligible, there will less paperwork as there is no need for submission of 12,000 applications.