Final Rule: Child Nutrition Programs: Community Eligibility Provision – Increasing Options for Schools

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USDA Food and Nutrition Service

Child Nutrition Programs October 5, 2023



Opening Remarks

Melissa Rothstein, Associate Administrator for Child Nutrition



Agenda

- Background
- Rulemaking Overview
- Final Rule Provisions
- CEP Resources
- Live Q&A



Background



CEP Eligibility

- School districts, groups of schools, or individual schools may participate
- Eligibility is based on the percentage of identified students enrolled
 - Children who participate in SNAP, TANF, FDPIR and Medicaid in demo states (free meals only)
 - Homeless, runaway, migrant, and foster children
- The identified student percentage (ISP) must MEET the MINIMUM for the entity to participate
 - # of Identified students divided by the number of enrolled students multiplied by 100



How Are Meals Claimed?

- ISP is multiplied by **1.6** to determine the % of served meals reimbursed at the Federal <u>FREE</u> rate
- The remaining % of total meals is reimbursed at the Federal <u>PAID</u> rate
- If ISP > 62.5, all meals reimbursed at FREE rate (62.5 x 1.6 = 100)



CEP Benefits

Students

- Decreased hunger
- Reduced social stigma
- Positive impacts on student's diet quality & academic performance

Parents

- No application
- No meal charges
- Stretches family food budgets
- Improves household food security

Schools

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- Decreased admin burden
- Improved finances for school meal programs
- Streamlined meal service
- No school meal debt





Rulemaking Overview

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CEP Rulemaking Overview



45-Day Public Comment Period (May 8, 2023)

USDA Analyzes Public Comments Final Rule Published (September 26, 2023)

Effective Date (October 26, 2023)



Overview of Comments Received

- 10,625 Total Comments Received
- 9,538 Relevant Comments
- 849 Unique Comments
- 8,689 Comments in 4 Form Letter Campaigns



Comments are available at: <u>https://www.regulations.gov/document/FNS-2022-0044-0001</u>



Submissions by Commenter Type

Commenter Type	Count of Unique Submissions	Count of All Submissions (including form letters)
Individual	630	9,319
School staff	56	56
Advocacy groups/NGO	48	48
Anonymous	46	46
Federal, State and local agency/ Elected official	24	24
School/school district	21	21
Trade associations	8	8
Food bank	6	6



Overview of Commenter Positions

<u>Support</u>

• 97%

• 9,220 comments

Opposed

• < 1%

• 14 comments

Mixed/Neutral

• 2%

• 304 comments



Significant Themes Support for Lowering ISP

Importance of Feeding School Children

Streamlining Program Administration and Operations

Supports Healthy School Meals for All Students

Increases Access for Rural, Urban, Tribal, and Other Minority Communities

May Not Always Be Financially Viable





Final Rule: Community Eligibility Provision – Increasing Options for Schools

Published on September 26, 2023; effective October 26, 2023



Changes to CEP as a Result of the Final Rule

Provision	Previous Minimum ISP	New Minimum ISP (Effective 10/26/2023)
Minimum ISP Threshold	40 percent or higher to elect CEP (ISP ≥40)	25 percent or higher to elect CEP (ISP ≥25)
Grace Year Eligibility	Less than 40 percent but equal to or greater than 30 percent $(30 \le \text{ISP} < 40)$	Less than 25 percent but equal to or greater than 15 percent $(15 \le \text{ISP} < 25)$
<u>Eligible LEAs & Schools:</u> Identification, Notification and Publishing Lists	40 percent or higher (ISP ≥40)	25 percent or higher (ISP ≥25)
<u>Nearly Eligible LEAs & Schools</u> : Identification, Notification and Publishing Lists	Less than 40 percent but equal to or greater than 30 percent $(30 \le \text{ISP} < 40)$	Less than 25 percent but equal to or greater than 15 percent $(15 \le \text{ISP} < 25)$



What the Final Rule Does Not Include

Does not increase the CEP multiplier

Does not allow for group eligibility beyond the LEA level Does not change any election and notification deadlines



Financial Viability

- Ensuring financial viability is key when electing CEP
- Federal-Local Cost Sharing
- FNS has an estimator tool to help project Federal funding under CEP: <u>https://www.fns.usda.gov/cn/community-</u> <u>eligibility-provision-resource-center</u>



Healthy School Meals for All Program



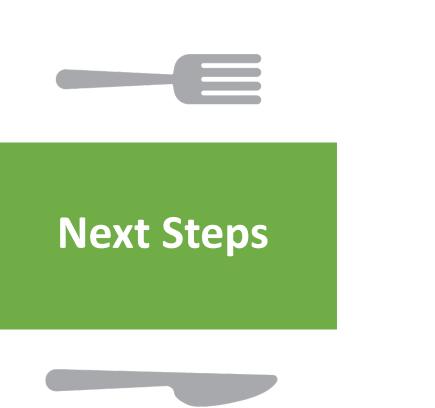
https://frac.org/healthy-school-meals-for-all



• Makes CEP financially viable

• Allows schools and families to experience the benefits of CEP





Effective Date is October 26, 2023

Waiver Required for Implementation during SY 2023-2024

Full Implementation for SY 2024-2025

See SP 22-2023: Community Eligibility Provision: Implementing the New Minimum Identified Student Percentage for more information: <u>https://www.fns.usda.gov/cn/cep-new-minimum-isp</u>





2024 CEP Deadlines

Requirement	Annual Deadline
Data Used to Calculate ISP	April 1, 2024
LEA Notification*	April 15, 2024
State Agency Notification"	April 15, 2024
State Agency Publication*	May 1, 2024
Elect CEP for SY 2024-2025	June 30, 2024



*Eligible LEAs & school: ISPs ≥ 25;
*Nearly Eligible LEAs & schools = 15 ≤ ISP < 25



CEP Resources



CEP Resources

CEP Website: https://www.fns.usda.gov/cn/community-eligibility-provision

- ✓ Final Rule
- ✓ One-page Summary of Rule
- ✓ Proposed Rule
- ✓ Estimator Tool
- ✓ CEP Memos
- ✓ CEP Data
- ✓ Webinars





Questions & Answers



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