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# School Meals and Other Child Nutrition Programs: Background and Funding

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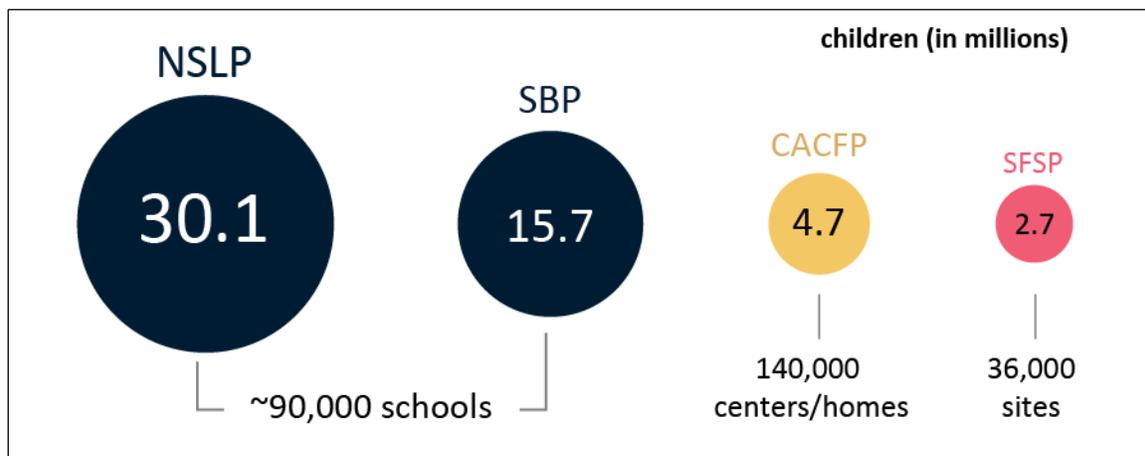
## School Meals and Other Child Nutrition Programs: Background and Funding

The federal government has a long history of investing in programs for feeding children, starting with federal aid for school lunch programs in the 1930s. Today, federal child nutrition programs support food served to children in schools and a variety of other settings. Administered by the U.S. Department of Agriculture’s (USDA’s) Food and Nutrition Service (FNS), the child nutrition programs include the

- National School Lunch Program (NSLP),
- School Breakfast Program (SBP),
- Child and Adult Care Food Program (CACFP),
- Summer Food Service Program (SFSP),
- Seamless Summer Option (SSO),
- Summer Electronic Benefit Transfer for Children (Summer EBT) Program,
- Fresh Fruit and Vegetable Program (FFVP), and
- Special Milk Program (SMP).

The child nutrition programs vary in terms of size and target population. The largest programs are NSLP and SBP (the *school meals programs*), which subsidize meals for more than 30 million children in approximately 90,000 elementary and secondary schools in a typical school year. CACFP supports food served to children in child care, day care, and afterschool settings; SFSP and SSO provide funding for summer meals and snacks; Summer EBT provides grocery benefits for households with school-age children over the summer; FFVP sponsors fruit and vegetable snacks in elementary schools; and SMP subsidizes milk in schools and institutions that do not participate in other child nutrition programs. In general, the largest subsidies are provided for free or reduced-price meals and snacks served to children from low-income households. Other child nutrition activities include afterschool meal and snack programs, farm to school initiatives, and school meal equipment grants.

**Selected Child Nutrition Programs: Estimated Participants and Meal Sites, FY2022**



**Source:** CRS, based on USDA-FNS, “June 2023 Keydata Report,” September 8, 2023.

**Notes:** Numbers are rounded. FY2022 data are preliminary.

Federal spending on child nutrition programs and activities totaled roughly \$38 billion in FY2022, the majority of which was mandatory spending. Most child nutrition programs are considered *appropriated entitlements*, meaning that their authorizing statutes establish a legal obligation to make payments, but that obligation is fulfilled through

funding that is provided in annual appropriations acts. Most of the funding is provided in the form of per-meal cash reimbursements that states distribute to schools and institutions. A smaller amount of federal funding is provided in the form of federally purchased foods and cash for states' administrative expenses.

The child nutrition programs are primarily governed by two statutes: the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 as amended. These laws were most recently reauthorized by the Healthy, Hunger-Free Kids Act of 2010 (HHFKA, P.L. 111-296), which made several changes to the child nutrition programs. For example, the act created the Community Eligibility Provision, an option for eligible schools to provide free meals to all students. It also required USDA to update nutrition standards in the school meals programs and CACFP within a certain timeframe. While certain provisions of the HHFKA expired at the end of FY2015, program operations have continued with annual appropriations. More recently, temporary changes to the child nutrition programs were made in response to the COVID-19 pandemic (generally not discussed in this report; see CRS Report R46681, *USDA Nutrition Assistance Programs: Response to the COVID-19 Pandemic*).

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## Background

The child nutrition programs (summarized in **Table 1**) support meals and snacks served to children in schools, child care, summer programs, and other institutional settings in all 50 states, the District of Columbia, and the U.S. territories.<sup>1</sup> They also support summer grocery benefits for households with school-age children. The programs are administered by the U.S. Department of Agriculture's (USDA's) Food and Nutrition Service (FNS), which provides federal aid to state agencies (often state departments of education) for distribution to school districts and other participating institutions and, in the case of summer grocery benefits, for distribution to households.<sup>2</sup> In general, federal funding largely supports food for children from low-income or otherwise qualifying households.<sup>3</sup>

A related program is the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), which provides grocery benefits to pregnant and postpartum women, infants, and young children. WIC has typically been reauthorized with the child nutrition programs but is generally not considered a child nutrition program because it is funded under a separate account, and is not discussed in this report.<sup>4</sup>

The federal child nutrition programs date back to the National School Lunch Act of 1946, which created the National School Lunch Program (NSLP).<sup>5</sup> This act formalized federal support for school lunches following early aid beginning in the 1930s. Other child nutrition programs were added in the decades to follow as policymakers expanded feeding programs beyond the school setting. The Child Nutrition Act of 1966 formalized the Special Milk Program (SMP) and created the School Breakfast Program (SBP) as a pilot program.<sup>6</sup> Soon after, a program for child care and summer meals was piloted in 1968 and separated into the Child Care Food Program (now CACFP) and the Summer Food Service Program (SFSP) in 1975.<sup>7</sup> More recently, the Fresh Fruit

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<sup>1</sup> Virtually all of the child nutrition programs operate in Puerto Rico, Guam, and the U.S. Virgin Islands. The use of the term "state" in this report refers to these jurisdictions as well. In the case of Summer EBT, it also includes some tribal entities. The term does not include the Northern Mariana Islands and American Samoa, which receive block grants in lieu of child nutrition programs. For more information on child nutrition programs in the Northern Mariana Islands and American Samoa, see U.S. Department of the Interior, Office of Insular Affairs, Region IX Federal Regional Council, Outer Pacific Committee, *FY2016 Report on Federal Financial Assistance to the U.S. Pacific and Caribbean Islands*, May 1, 2017, p. 10, <https://www.doi.gov/sites/doi.gov/files/uploads/fy16-report-on-federal-financial-assistance-to-the-insular-areas.pdf>.

<sup>2</sup> For a list of administering agencies by state, see U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS), "Contact Map," <https://www.fns.usda.gov/contacts/contact-map>. In past instances, the federal government (via USDA-FNS's regional offices) has, for certain states, taken the place of state agencies (e.g., where a state has chosen not to operate a specific program or where there is a state prohibition on aiding private schools).

<sup>3</sup> In addition to serving children, CACFP supports food in adult day care facilities.

<sup>4</sup> For example, see Title IV, Domestic Food Programs, of Division A of the Consolidated Appropriations Act, 2023 (P.L. 117-328). For more information on WIC, see CRS Report R44115, *A Primer on WIC: The Special Supplemental Nutrition Program for Women, Infants, and Children*.

<sup>5</sup> P.L. 79-396; Gordon W. Gunderson, *National School Lunch Program: Background and Development*, 1971, <http://www.fns.usda.gov/nslp/history>. The 1946 law supported school lunch programs by giving formula grant funding to states based on factors such as per capita income, rather than the present-day open-ended entitlements based largely on eligibility and participation rules.

<sup>6</sup> P.L. 89-642.

<sup>7</sup> P.L. 90-302; P.L. 94-105. Adult day care was added in 1987 (Older Americans Act Amendments of 1987; P.L. 100-175). Also see Institute of Medicine, *Child and Adult Care Food Program: Aligning Dietary Guidance for All*, 2011, p. 30; USDA-FNS, "Summer Food Service Program History," March 31, 2019, <https://www.fns.usda.gov/sfsp/program-history>.

and Vegetable Program (FFVP) was piloted in 2002 and expanded to all states in 2008.<sup>8</sup> (See the **Appendix A** for a legislative history of child nutrition programs.)

Historically, the child nutrition programs have been aimed at both improving children’s nutrition and supporting U.S. agriculture, with the dual mission “to safeguard the health and well-being of the Nation’s children and to encourage the domestic consumption of nutritious agricultural commodities and other food.”<sup>9</sup>

The child nutrition programs are currently authorized under the Richard B. Russell National School Lunch Act (NSLA) and the Child Nutrition Act of 1966.<sup>10</sup> Section 32 of the Act of August 24, 1935 also provides a portion of child nutrition funding. Congressional jurisdiction over the underlying three laws has typically been exercised by the Senate Agriculture, Nutrition, and Forestry Committee, the House Education and Workforce (or Labor) Committee, and, to a limited extent (relating to Section 32), the House Agriculture Committee.

Congress has periodically amended the child nutrition programs’ authorizing laws and reauthorizes expiring authorities. The child nutrition programs were most recently reauthorized by the Healthy, Hunger-Free Kids Act of 2010 (HHFKA, P.L. 111-296). Some of the authorities created or extended in the HHFKA expired on September 30, 2015; however, program operations have continued with annual appropriations.<sup>11</sup> During the 114<sup>th</sup> Congress, the committees of jurisdiction marked up child nutrition reauthorization bills but these proposals were not enacted.<sup>12</sup> Likewise, during the 117<sup>th</sup> Congress, the House Education and Labor Committee reported a child nutrition reauthorization bill (H.R. 8450) out of committee. The 117<sup>th</sup> Congress ended without further action on the bill.

This report starts with an overview of child nutrition programs’ funding structure and then provides detail on each program, including a discussion of how they are administered, eligibility rules for institutions and participants, nutritional and other program requirements, and recent policy changes. Changes to child nutrition programs that have applied during the COVID-19 pandemic are briefly discussed in the “Child Nutrition Program Operations During the COVID-19 Pandemic” text box below. The Pandemic Electronic Benefit Transfer (P-EBT) program—not considered a child nutrition program—is not discussed in this report.

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<sup>8</sup> P.L. 107-171; P.L. 110-246.

<sup>9</sup> See declaration of purposes in the NSLA and the Child Nutrition Act of 1966.

<sup>10</sup> In 1999, P.L. 106-78 renamed the National School Lunch Act in Senator Richard B. Russell’s honor.

<sup>11</sup> Exceptions include a California program to provide SFSP snacks year-round, which was not extended. USDA’s authority to conduct food safety audits and funding for a National Hunger Clearinghouse were not extended in FY2016 but were subsequently extended by appropriations acts in each of FY2017 through FY2022. For more information, see CRS In Focus IF10266, *Child Nutrition Reauthorization (CNR): An Overview*; or CRS memo CD1304737, *Expiration of the Healthy, Hunger-free Kids Act of 2010 (P.L. 111-296)*, available to congressional clients on request.

<sup>12</sup> For more information, see CRS Report R44373, *Tracking Child Nutrition Reauthorization in the 114th Congress: An Overview*.

**Table I. Child Nutrition Programs: Legislative Authorities and Descriptions**

| Program                   | Authorizing Statute   | Description   | Per-Child Benefit   |
|---------------------------|---|---|---|
| NSLP                      | Richard B. Russell National School Lunch Act (NSLA) (42 U.S.C. §1751 et seq.) | Subsidized lunches (free, reduced-price, and paid rate) for children in preschool through grade 12. A smaller number of children in residential child care institutions are also served. <sup>a</sup> Includes an afterschool snack program option (the NSLP Afterschool Snack Program) and a summer meals program option (the Seamless Summer Option). | One lunch (option for one snack) daily                                  |
| SBP                       | Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. §1773)                | Subsidized breakfasts (free, reduced-price, and paid rate) for children in preschool through grade 12. A smaller number of children in residential child care institutions are also served. <sup>a</sup>  | One breakfast daily   |
| CACFP                     | Section 17 of the NSLA (42 U.S.C. §1766)                                      | Meals and snacks for children in child care centers, <sup>b</sup> day care homes, and emergency shelters, as well as a smaller number of older adults in adult day care homes.  | Two meals and one snack (or one meal and two snacks) daily <sup>c</sup> |
| CACFP At-Risk Afterschool | Section 17(r) of the NSLA (42 U.S.C. §1766(r))                                | Afterschool meals and snacks for children who attend an organized afterschool program in a low-income area.   | One meal and one snack daily  |
| SFSP                      | Section 13 of the NSLA (42 U.S.C. §1761)                                      | Summer meals for children who visit community sites or attend summer programs, or for delivery/pick-up in rural areas.  | Two meals (or one meal and one snack) daily <sup>c</sup>                |
| SSO                       | Section 13(a)(8) of the NSLA (42 U.S.C. §1761(a)(8))                          | Summer meals for children who visit school sites or programs, or for delivery/pick-up in rural areas.   | Two meals (or one meal and one snack) daily <sup>c</sup>                |
| Summer EBT                | Section 13A of the NSLA (42 U.S.C. §1762)                                     | Summer grocery benefits for households with children eligible for free and reduced-price meals.   | \$40 per child in the household per summer month                        |
| SMP                       | Section 3 of the Child Nutrition Act of 1966 (42 U.S.C. §1772)                | Subsidized milk for institutions that do not participate in another child nutrition meal service program, except that school food authorities may use SMP for children in part-day preschool and kindergarten programs (who do not have access to school lunches).  | Quantity not specified  |
| FFVP                      | Section 19 of the NSLA (42 U.S.C. §1769a)                                     | Fresh fruit and vegetable snacks for children in elementary schools, particularly low-income schools. Funding is distributed via formula to states and not all elementary schools may be covered.   | Quantity not specified  |

**Source:** CRS, based on current law.

- a. *Residential child care institutions* are defined in regulations to include “homes for the mentally, emotionally or physically impaired, and unmarried mothers and their infants; group homes; halfway houses; orphanages; temporary shelters for abused children and for runaway children; long-term care facilities for chronically ill children; and juvenile detention centers” (7 C.F.R. §210.2).
- b. Child care centers include nonprofit organizations, certain for-profit organizations, and school food authorities providing nonresidential child care services as well as emergency shelters.
- c. CACFP emergency shelters, SFSP camps, and SFSP sites that primarily serve migrant children may receive reimbursement for up to three meals or two meals and one snack per child daily.

## **Child Nutrition Program Operations During the COVID-19 Pandemic**

Starting in March 2020 and continuing through school years 2020-2021 and 2021-2022, many school districts operated the summer meals programs in lieu of the school meals programs.<sup>13</sup> The summer meals programs, under USDA policy facilitated by COVID-19 pandemic response laws, enabled schools to serve free meals to all students without eligibility determinations. With expanded waiver authority and supplemental funding from COVID-19 pandemic response acts, USDA also waived several child nutrition program requirements during the pandemic.<sup>14</sup> For example, USDA allowed parent pick-up and home delivery of meals, waived certain nutritional requirements, and allowed virtual monitoring of program operations.<sup>15</sup>

Some of the COVID-19 pandemic response authorities expired on June 30, 2022, and USDA announced a transition back to normal child nutrition program operations starting in the 2022-2023 school year. However, some waivers remained in effect and program operators received enhanced funding (approximately \$3 billion) in summer 2022 and school year 2022-2023 as a result of the Keep Kids Fed Act of 2022 (P.L. 117-158).<sup>16</sup> Also, in school years 2021-2022 through 2023-2024 USDA distributed \$3.7 billion in “Supply Chain Assistance Funds” to states and school food authorities using Commodity Credit Corporation authority.<sup>17</sup> According to a survey conducted by USDA, 97% of school food authorities reported at least one continuing supply chain-related challenge in school year 2022-2023, such as increased costs, staffing shortages, and product shortages.<sup>18</sup>

For further information on child nutrition policies during the pandemic, see CRS Report R46681, *USDA Nutrition Assistance Programs: Response to the COVID-19 Pandemic*.

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<sup>13</sup> In school year 2021-2022, school districts had the option to operate SSO during the school year. In school year 2020-2021, school districts and other types of meal providers such as nonprofit organizations were also allowed to operate SFSP.

<sup>14</sup> For child nutrition waiver authorities, see Section 12(l) of the Richard B. Russell National School Lunch Act (codified at 42 U.S.C. §1760(l)) and Sections 2102-2202 of the Families First Coronavirus Response Act (FFCRA; P.L. 116-127).

<sup>15</sup> For a list of child nutrition program waivers that USDA has issued during the pandemic, see USDA-FNS, “Child Nutrition COVID-19 Waivers,” <https://www.fns.usda.gov/fns-disaster-assistance/fns-responds-covid-19/child-nutrition-covid-19-waivers>.

<sup>16</sup> In school year 2022-2023, USDA distributed additional child nutrition funding through Supply Chain Assistance Funds (cited below) and the Healthy Meals Incentives Initiative (<https://www.fns.usda.gov/cn/healthy-meals-incentives>, discussed further under “Other Child Nutrition Activities” in this report). For a list of waivers applicable to summer 2022 and school year 2022-2023, see USDA, FNS, “CN Flexibilities for Summer 2022 and School Year 2022-23,” September 22, 2022, <https://www.fns.usda.gov/cn/flexibilities-summer-22-sy-22-23>. For estimated funding, see USDA-FNS, “2024 USDA Explanatory Notes – Food and Nutrition Service,” p. 35-14.

<sup>17</sup> USDA-FNS, “Fourth Allocation of Supply Chain Assistance Funds to Alleviate Supply Chain Disruptions in the School Meals Programs,” SP 19-2023, August 7, 2023, <https://www.fns.usda.gov/cn/fourth-allocation-supply-chain-assistance-sca-funds>.

<sup>18</sup> USDA-FNS, “Results of USDA’s Food and Nutrition Service-Administered School Food Authority Survey II on Supply Chain Disruption and Student Participation,” July 25, 2023, <https://www.fns.usda.gov/cn/results-fns-administered-sfa-survey2-supply-chain-disruption>.

# Child Nutrition Funding

## Federal Funding

Most funding for child nutrition programs is considered mandatory spending. However, unlike some mandatory programs, child nutrition programs require an appropriation of funding. This is because the programs' authorizing laws include benefit and eligibility criteria that create the requirement for a certain level of spending, but the statute does not provide the funding directly. Such programs are sometimes referred to as *appropriated entitlements* or *appropriated mandatories*.<sup>19</sup> If the necessary funds are not appropriated and the authorized benefits are not made available, entitled recipients (e.g., states, institutions, and participants) may have legal recourse.<sup>20</sup>

The benefit and eligibility criteria that governs much of the appropriated mandatory spending for child nutrition programs is open-ended. Because there is no specified limit on the number of beneficiaries or the total amount of benefits that will be paid, spending fluctuates based on the number of meals and snacks served in the programs and statutorily set, annually adjusted per-meal reimbursement rates. Congress typically considers USDA's forecast for program needs in its appropriations decisions.

Appropriated mandatory funding in child nutrition programs is generally for per-meal cash reimbursements, commodity assistance, and administrative funds. The programs also have a smaller amount of discretionary funding (determined in annual appropriations acts) and mandatory funding (directly provided in the authorizing law, not annual appropriations acts). These funding streams are discussed in further detail below.

Child nutrition appropriations totaled \$28.6 billion in FY2023 (P.L. 117-328). Just over \$25 billion of these funds were transferred to the child nutrition programs from Section 32 of the Act of August 24, 1935.<sup>21</sup> Separately, Section 32 provided \$238 million for FFVP for FY2023.<sup>22</sup>

**Figure 1** presents FY2023 child nutrition appropriations by program and activity. Child nutrition appropriations may not match expenditures because most child nutrition funds carry over (they are available for two fiscal years) and because spending fluctuates with the number of meals served.

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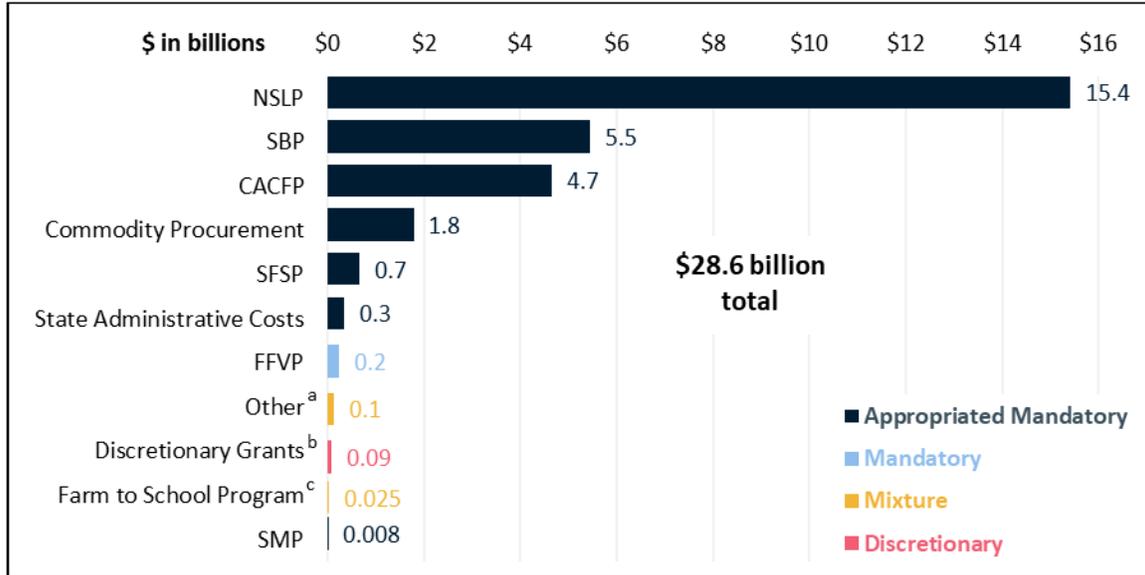
<sup>19</sup> For further discussion of appropriated entitlements, see CRS Report RS20129, *Entitlements and Appropriated Entitlements in the Federal Budget Process*.

<sup>20</sup> GAO Budget Glossary, p. 13, <http://www.gao.gov/products/GAO-05-734SP>.

<sup>21</sup> U.S. Congress, House Committee on Appropriations, *H.R. 2617/P.L. 117-328 [Legislative Text and Explanatory Statement]: Book 1 of 2: Divisions A-F*, committee print, 117<sup>th</sup> Cong., 2<sup>nd</sup> sess., 2023, H.Prt. 50-347, p. 77. Section 32 is a permanent appropriation of 30% of the previous calendar year's customs receipts. For more information on Section 32, see CRS In Focus IF12193, *Farm and Food Support Under USDA's Section 32 Account*.

<sup>22</sup> USDA-FNS, "FFVP: Allocation of Funds for Fiscal Year 2023," SP 12-2022, June 23, 2022.

**Figure I. Appropriations for Child Nutrition Programs, FY2023**



**Sources:** CRS, based on the Consolidated Appropriations Act, 2023 (P.L. 117-328) and U.S. Congress, House Committee on Appropriations, *H.R. 2617/P.L. 117-328 [Legislative Text and Explanatory Statement]: Book 1 of 2: Divisions A-F*, committee print, 117<sup>th</sup> Cong., 2<sup>nd</sup> sess., 2023, H.Prt. 50-347, p. 77 unless otherwise noted.

**Notes:** Rows may not sum to total due to rounding. Total available funding for the fiscal year may be higher than appropriations due to carryover funds.

(a) The “Other” category includes funding for administrative reviews, food safety, technology, training and technical assistance, research, and payment oversight.

(b) “Discretionary grants” includes funding for school meal equipment assistance grants, Team Nutrition, school breakfast expansion grants, and the Summer EBT demonstration in FY2023.

(c) Section 18(g)(8)(A) of the NSLA (42 U.S.C. §1769(g)(8)(A)) provides \$5 million in annual mandatory funding for the farm to school program. The program also received \$20 million in annual appropriations in FY2023.

## Per-Meal Cash Reimbursements

The majority of federal funding in child nutrition programs (including in NSLP, SBP, CACFP, SFSP, and SMP) takes the form of per-meal cash reimbursements. These rates are specified in the programs’ authorizing laws with an annual inflation adjustment.<sup>23</sup> Although all (including full-price) meals/snacks served by participating providers are subsidized, those served for free or at a reduced price to lower-income children earn higher rates. Meals must meet federal nutritional requirements in order for the school district or institution to receive reimbursement.<sup>24</sup>

<sup>23</sup> For more detail on how inflation adjustment is conducted, see the child nutrition program section of CRS Report R42000, *Inflation-Indexing Elements in Federal Entitlement Programs*. Most reimbursements (including for schools and child care centers) are indexed annually based on the Consumer Price Index for All Urban Consumers (CPI-U) Food Away from Home Component. For family child care homes, the annual indexing is based on the CPI-U Food at Home Component.

<sup>24</sup> The authorizing statutes for all four of the main child nutrition programs include nutritional requirements for the meals and snacks served; these are sometimes referred to as “nutrition standards,” “nutrition guidelines,” or “meal patterns.” The nutrition standards differ by program in consideration of different age groups served and the settings in which meals are served, among other factors. See program regulations for nutritional requirements: NSLP, 7 C.F.R. §210.10; SBP, 7 C.F.R. §220.8; CACFP, 7 C.F.R. §226.20; SFSP, 7 C.F.R. §225.16.

Reimbursement rates differ by program based on different criteria. For example, in SBP, schools in high-poverty areas receive an extra 45 cents per meal. Differences in reimbursement rates are highlighted within the subsequent discussions of each program.

In general, FNS distributes per-meal reimbursements to state agencies, which disburse them to participating school districts and institutions. Districts and institutions must record daily counts of meals in each category and report monthly counts to the state agency in order to receive reimbursement. Once they receive federal funds, participating institutions are allowed to spend these funds on most aspects of their food service operations.

**Table 2** provides an example of the per-lunch reimbursement rate for school districts and participant benefits in NSLP. Reimbursement rates for each child nutrition program are listed in the sections to follow.

**Table 2. Example: NSLP Per-Meal Reimbursements, School Year 2023-2024**

| Meal Category | What the School Food Authority Receives (Per-Meal Reimbursement Rate <sup>a</sup> ) | What the Participating Child Receives |
|---------------|---|---------------------------------------|
| Free          | \$4.25-\$4.50   | Free lunch                            |
| Reduced-price | \$3.85-\$4.10   | Lunch for \$0.40 or less <sup>b</sup> |
| Paid          | \$0.40-\$0.56   | Lunch at full price <sup>b</sup>      |

**Source:** USDA FNS, “National School Lunch, Special Milk, and School Breakfast Programs, National Average Payments/Maximum Reimbursement Rates,” July 7, 2023, 85 *Federal Register* 44270.

- a. Chart shows reimbursement rates for the 48 contiguous states and the District of Columbia. For rates for Alaska, Guam, Hawaii, Puerto Rico, and the U.S. Virgin Islands, see *Federal Register* notice. Ranges reflect variations in reimbursement rates for lunches meeting certain statutory criteria. Average national rates are shown; states may apportion funds among school districts above or below the average rates.
- b. Some states and school districts cover the remainder of meal fees for students in the reduced-price and/or paid rate categories.

### Summer EBT Benefits

Like SFSP and SSO, Summer EBT is an appropriated entitlement. The law establishes a set amount of benefits for households (\$40 per eligible child per summer month) with an annual inflation adjustment (discussed further in the “Summer EBT” section). Funding is to be distributed to state agencies, territories, and tribes for distribution to households. While funding has not yet been determined for summer 2024, USDA requested a \$1.87 billion appropriation for FY2024—including \$170 million in state administrative costs and \$2.5 million for federal administrative costs—based on its projection of serving 27 million children.<sup>25</sup>

### Commodity Assistance

Federal support for child nutrition programs is also provided in the form of USDA-purchased foods (*USDA Foods*) and some cash in lieu of commodities. USDA Foods are foods purchased by

<sup>25</sup> USDA-FNS, “2024 USDA Explanatory Notes—Food and Nutrition Service,” <https://www.usda.gov/sites/default/files/documents/35-2024-FNS.pdf>.

USDA for distribution to federal nutrition assistance programs, including child nutrition programs.<sup>26</sup>

States, schools, and other institutions are entitled to a certain amount of commodity assistance under the law, referred to as *entitlement commodity* assistance. In NSLP and CACFP, statute provides a per-meal commodity reimbursement (an inflation-adjusted rate of 29.5 cents per meal in school year 2023-2024).<sup>27</sup> (Note: Commodity assistance is not provided specifically for SBP; however, commodities distributed through NSLP may be used for school breakfasts.<sup>28</sup>) A smaller amount of commodity assistance is also provided to certain types of institutions participating in SFSP.<sup>29</sup>

Schools and institutions use entitlement commodity funds to select commodities from a USDA Foods catalog.<sup>30</sup> USDA then purchases the commodities and works with state distribution agencies to send foods for further processing or distribute them to schools and institutions. Schools/institutions and state agencies can elect to receive a certain amount of commodity assistance in the form of cash (this is the case for less than 1% of NSLP commodity aid but nearly all of the commodity aid distributed through CACFP).<sup>31</sup>

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<sup>26</sup> For more information, see USDA-FNS, “USDA Foods in Schools,” <https://www.fns.usda.gov/usda-fis>.

<sup>27</sup> Section 6(c) of the NSLA (42 U.S.C. §1755(c)) and Section 17(h)(1)(B) of the NSLA (42 U.S.C. §1766(h)(1)(B)); and USDA-FNS, “Food Distribution Program: Value of Donated Foods From July 1, 2023, Through June 30, 2024,” 88 *Federal Register* 44775, July 13, 2023, <https://www.federalregister.gov/documents/2023/07/13/2023-14810/food-distribution-program-value-of-donated-foods-from-july-1-2023-through-june-30-2024>.

<sup>28</sup> Section 6(d) of the NSLA (codified at 42 U.S.C. §1755(d)) prohibits commodity support based on the number of breakfasts served through SBP. However, Section 4(b)(4) of the Child Nutrition Act of 1966 (codified at 42 U.S.C. §1773(b)(4)) authorizes USDA to provide at least 3 cents in commodity assistance per breakfast “whenever stocks of agricultural commodities are acquired by the Secretary or the Commodity Credit Corporation and are not likely to be sold by the Secretary or the Commodity Credit Corporation or otherwise used in programs of commodity sale or distribution.”

<sup>29</sup> Section 13(h) of the NSLA (codified at 42 U.S.C. §1761(h)). Per program regulations, SFSP sponsor organizations eligible for commodity assistance include “Self-preparation sponsors; sponsors which have entered into an agreement with a school or school food authority for the preparation of meals; and sponsors which are school food authorities and have competitively procured Program meals from the same food service management company from which they competitively procured meals for the National School Lunch Program during the last period in which school was in session.” (7 C.F.R. §225.9(b)). Statute does not specify the level of entitlement commodity funding for SFSP. In FY2022, institutions participating in SFSP received a total of \$27.6 million in commodity assistance, according to USDA-FNS, “June 2023 Keydata Report,” September 8, 2023, <https://www.fns.usda.gov/data/June-2023-keydata-report>.

<sup>30</sup> For a list of products offered, see USDA-FNS, “USDA Foods Available List for School Year 2023-2024 for Schools and Institutions,” <https://www.fns.usda.gov/usda-fis/usda-foods-available>. Under a Pilot Project for Unprocessed Fruits and Vegetables authorized by the 2014 farm bill (§4202 of P.L. 113-79) under Section 6(f) of the NSLA (codified at 42 U.S.C. §1755(f)), USDA may allow up to eight states to use a portion of their commodity assistance dollars to purchase unprocessed fruits and vegetables from suppliers outside of the federal USDA Foods supply chain. For a list of participating states, see USDA-FNS, “Pilot Project for Procurement of Unprocessed Fruits and Vegetables,” <https://www.fns.usda.gov/usda-fis/pilot-project-procurement-unprocessed-fruits-and-vegetables>.

<sup>31</sup> 0.1% of NSLP entitlement commodity aid and 99.9% of CACFP entitlement commodity aid was in the form of cash in FY2022, according to USDA-FNS, “June 2023 Keydata Report,” September 8, 2023, <https://www.fns.usda.gov/data/June-2023-keydata-report>. School food authorities participating in NSLP may elect to receive up to 5 cents of the per-lunch commodity subsidy in the form of cash for processing and handling expenses (per program regulations at 7 C.F.R. §240.5). Kansas receives cash payments in lieu of USDA Foods as a result of the National School Lunch Act and Child Nutrition Act amendments of 1975. In CACFP, states may request any amount of cash-in-lieu of commodities per Section 17(h)(1)(D) of the NSLA (codified at 42 U.S.C. §1766(h)(1)(D)).

According to statute, entitlement commodity assistance must equal at least 12% of the total funding provided for lunch reimbursements and child nutrition commodities.<sup>32</sup> The majority of commodity assistance is distributed through NSLP.<sup>33</sup>

The child nutrition programs can also receive *bonus commodities*, which are commodities that are purchased at USDA's discretion throughout the year to support the agricultural economy using separate budget authorities. There are comparatively fewer bonus commodities distributed through child nutrition programs.<sup>34</sup>

## **Administrative Funds**

The Richard B. Russell National School Lunch Act allows USDA to retain up to 3.5% of annual child nutrition funding for its administrative expenses related to child nutrition programs and WIC.<sup>35</sup> In addition, the Child Nutrition Act of 1966 authorizes open-ended funding for USDA's administrative expenses in carrying out the programs and activities under that act (which include SBP, SMP, other child nutrition activities, and WIC).<sup>36</sup>

There is also specific funding authorized for state agencies' expenses related to the administration of child nutrition programs. According to statute, federal funding for states' administrative expenses must equal at least 1.5% of federal expenditures on NSLP, SBP, CACFP, and SMP in the second preceding fiscal year.<sup>37</sup> The majority of these funds are allocated to states based on their share of spending on the four programs. Any remaining funds are allocated by the Secretary of Agriculture on a discretionary basis; per program regulations, states receive additional amounts for CACFP, commodity distribution, and administrative reviews of schools/institutions.<sup>38</sup> Once states receive administrative funds, they can apportion them among child nutrition programs and activities as they see fit.<sup>39</sup>

In addition, states receive separate administrative payments through SFSP that equal at least 2.5% of their summer meal aid.<sup>40</sup> For Summer EBT, states and Indian Tribal Organizations (ITOs) are

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<sup>32</sup> Section 6(e) of the NSLA (codified at 42 U.S.C. §1755(e)). Not less than 12% of the assistance provided under Section 6 (commodity assistance) and Section 4 and Section 11 (NSLP cash reimbursements) of the NSLA must be provided as Section 6 commodity assistance. Prior to FY2018, bonus commodity assistance was allowed to count toward this requirement.

<sup>33</sup> Entitlement commodity assistance totaled \$1.49 billion in NSLP, \$176.5 million in CACFP, and \$27.6 million in SFSP in FY2022. USDA-FNS, "June 2023 Keydata Report," September 8, 2023, <https://www.fns.usda.gov/data/June-2023-keydata-report>.

<sup>34</sup> There was \$5.7 million in bonus commodities delivered through child nutrition programs in FY2019, \$16.6 million in FY2020, \$13.1 million in FY2021, and \$26.8 million in FY2022. USDA-FNS, "November Keydata Report (September 2019 data)," December 13, 2019, <https://www.fns.usda.gov/data/november-keydata-report-september-2019-data>; USDA-FNS, "March Keydata Report (November 2020 data)," March 12, 2021, <https://www.fns.usda.gov/data/march-keydata-report-november-2020-data>; USDA-FNS, "January 2022 Keydata Report," April 13, 2022, <https://www.fns.usda.gov/data/keydata-report>; and USDA-FNS, "June 2023 Keydata Report," September 8, 2023, <https://www.fns.usda.gov/data/June-2023-keydata-report>.

<sup>35</sup> Section 6 of the Richard B. Russell National School Lunch Act (codified at 42 U.S.C. §1755).

<sup>36</sup> Section 14 of the Child Nutrition Act of 1966 (codified at 42 U.S.C. §1783).

<sup>37</sup> Section 7 of the Child Nutrition Act of 1966 (codified at 42 U.S.C. §1776).

<sup>38</sup> 7 C.F.R. §235.4.

<sup>39</sup> 7 C.F.R. §235.6.

<sup>40</sup> Section 13(k)(1) of the NSLA (codified at 42 U.S.C. §1761(k)(1)); 7 C.F.R. §225.5.

authorized to receive federal funding to cover half of their administrative expenses.<sup>41</sup> States may also retain a portion of FFVP aid for their administrative expenses.<sup>42</sup>

At the local level, schools and institutions may use per-meal reimbursements to cover their administrative costs. In CACFP, institutions that oversee day care homes receive separate monthly payments for administrative expenses based on the number of day care homes under their jurisdiction.<sup>43</sup>

## **Other Federal Funding**

A few child nutrition programs and activities have mandatory funding provided directly in the authorizing law. For example, FFVP receives mandatory funding from Section 32 and the farm to school program receives mandatory funding under the NSLA.<sup>44</sup>

There are also a few child nutrition activities that are funded on a discretionary basis, including the Team Nutrition initiative and school meals equipment grants.

Other temporary sources of child nutrition funding may be available. For example, in school years 2021-2022 through 2023-2024, USDA distributed “Supply Chain Assistance Funds” to states and school food authorities using Commodity Credit Corporation authority.<sup>45</sup>

## **Nonfederal Funding**

Federal subsidies do not necessarily cover the full cost of meals and snacks prepared by schools and institutions.<sup>46</sup> Child nutrition programs may also receive funds from participants, states, school districts, local governments, and other entities. NSLP is the only child nutrition program with a cost-sharing requirement for states, which amounts to a contribution of roughly \$200 million from all states combined annually.<sup>47</sup> Some states provide additional funding for NSLP and other child nutrition programs beyond the required amount, including some states that provide

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<sup>41</sup> Section 502(c) of the FY2023 Consolidated Appropriations Act (P.L. 117-328).

<sup>42</sup> Section 19 of the NSLA (codified at 42 U.S.C. § 1769(i)(6)(B)).

<sup>43</sup> Section 17(f)(3)(B) of the NSLA (codified at 42 U.S.C. § 1766(f)(3)(B)); 7 C.F.R. § 226.12.

<sup>44</sup> Other child nutrition activities with mandatory funding include the Institute of Child Nutrition, administrative reviews, technical assistance for program integrity, and professional standards for school food service personnel. See p. 35-15 of USDA-FNS, “2024 USDA Explanatory Notes—Food and Nutrition Service,” <https://www.usda.gov/sites/default/files/documents/35-2024-FNS.pdf>.

<sup>45</sup> USDA-FNS, “Fourth Allocation of Supply Chain Assistance Funds to Alleviate Supply Chain Disruptions in the School Meals Programs,” SP 19-2023, August 7, 2023, <https://www.fns.usda.gov/cn/fourth-allocation-supply-chain-assistance-sca-funds>.

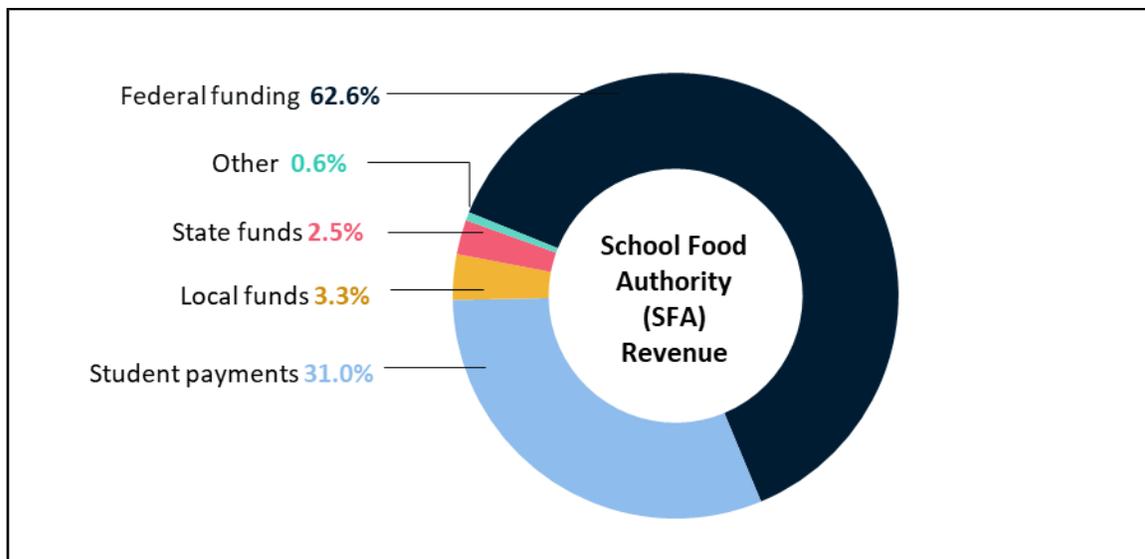
<sup>46</sup> Based on a study by USDA of meal costs in school year 2014-2015, the average lunch reimbursement (\$2.26) covered 62% of the average reported (direct) cost (\$3.66) of producing a reimbursable lunch and 41% of the average full (including indirect) cost (\$5.55) of producing a reimbursable lunch. USDA-FNS, *School Nutrition and Meal Cost Study, Final Report Volume 3: School Meal Costs and Revenues*, Office of Policy Support, April 2019, p. 53, <https://www.fns.usda.gov/school-nutrition-and-meal-cost-study>.

<sup>47</sup> Section 7(a)(1) of the NSLA (codified at 42 U.S.C. § 1756(a)(1)). The required contribution in NSLP equals 30% of Section 4 funds (the NSLP base reimbursement) made available to states in school year 1980-1981 (not inflation adjusted), which was \$200 million according to U.S. Congress, Senate Committee on Agriculture, Nutrition, and Forestry, *Child Nutrition Programs: Description, History, Issues, and Options*, committee print, 98<sup>th</sup> Cong., 1<sup>st</sup> Sess., January 1983, S. Prt. 98-15 (Washington, DC: GPO, 1983), p. 8. States must also maintain level funding to the amount expended in FY1977 for state administrative expenses associated with NSLP, SBP, and SMP, per Section 7(f) of Child Nutrition Act (codified at 42 U.S.C. § 1776(f)).

their own per-meal reimbursements. In addition, nine states (as of the cover date of this report) have authorized funding to provide universal free school meals to all students.<sup>48</sup>

An FNS study of the school meals programs in school year 2014-2015 found that approximately 63% of school food service revenues came from federal funds, 31% came from student payments for paid and reduced-price meals and other school foods, and 6% came from state and local funds (shown in **Figure 2**).<sup>49</sup>

**Figure 2. Average School Food Authority (SFA) Revenue by Source, School Year 2014-2015**



**Source:** CRS based on USDA FNS, *School Nutrition and Meal Cost Study, Final Report Volume 3: School Meal Costs and Revenues*, Office of Policy Support, April 2019, <https://www.fns.usda.gov/school-nutrition-and-meal-cost-study>.

**Notes:** Percentages do not add to 100% due to rounding. Graph reflects average revenue, and as such, the percentage breakdown may vary between school food authorities. In addition, it is possible that the distribution of school food authority revenue has changed since school year 2014-2015.

## Spending Trends

Federal spending on child nutrition programs has generally increased over time (see **Figure 3**; Appendix **Table B-1** includes both nominal and inflation-adjusted amounts). There are several reasons for this increase, including annual inflation adjustments to per-meal reimbursement rates,

<sup>48</sup> School meal state policy trackers include Food Research and Action Center, “School Meals Legislation and Funding by State,” updated July 2023, <https://frac.org/wp-content/uploads/School-Meals-State-Legislation-Chart.pdf> and School Nutrition Association, “Quarterly State Legislative Reports,” <https://schoolnutrition.org/LegislationPolicy/StateLegislationPolicyReports>. For a list of states that adopted state funding for universal free meals as of August 2023, see Leah Butz, “States that Have Passed Universal Free School Meals (So Far),” Hunter College New York City Food Policy Center, August 29, 2023, <https://www.nycfoodpolicy.org/states-that-have-passed-universal-free-school-meals>.

<sup>49</sup> USDA-FNS, *School Nutrition and Meal Cost Study, Final Report Volume 3: School Meal Costs and Revenues*, Office of Policy Support, April 2019, p. 43, <https://www.fns.usda.gov/school-nutrition-and-meal-cost-study>.

a relative increase in free school meal participation compared to other meal categories, and recent spending under pandemic response policies.<sup>50</sup>

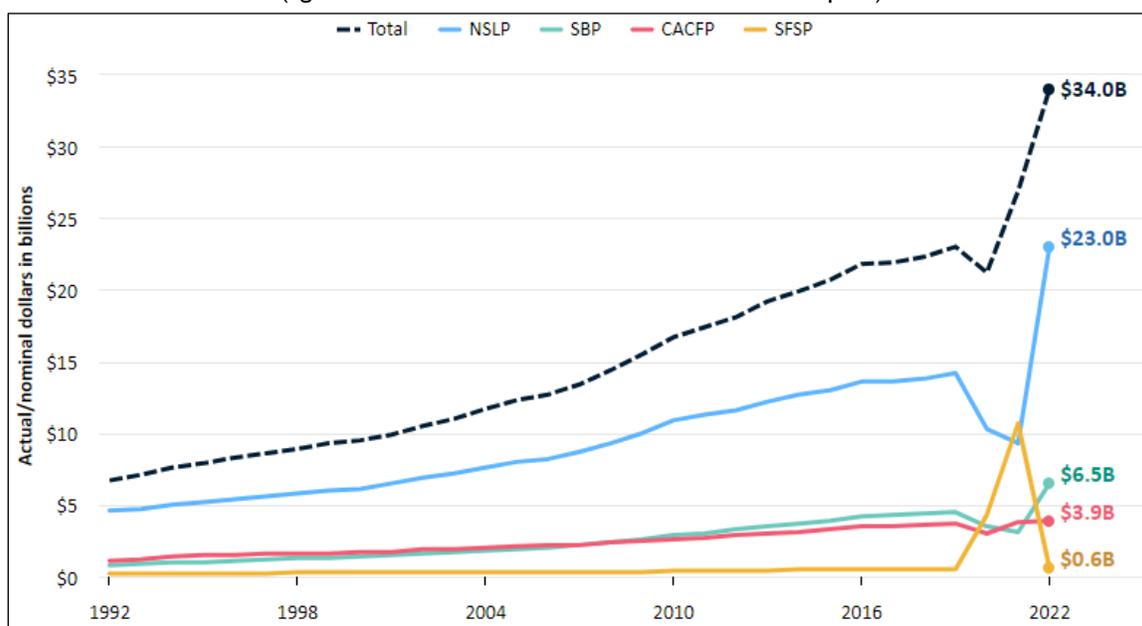
A recent exception to this trend occurred in FY2020, at the start of the COVID-19 pandemic. Participation in programs declined as institutions closed, decreasing spending. By FY2021, an increase in summer meal program participation again increased spending (pandemic policies are discussed in the “Child Nutrition Program Operations During the COVID-19 Pandemic” section).

Under current law, the Congressional Budget Office predicts that federal spending on the child nutrition programs will continue to increase over the next decade, with annual outlays of more than \$50 billion by 2032 as a result of food price inflation and other factors.<sup>51</sup>

As shown in **Figure 3**, federal spending on the major child nutrition programs reached \$34 billion in FY2022 based on preliminary data. When spending on other child nutrition activities is included, the total was roughly \$38 billion.<sup>52</sup>

**Figure 3. Expenditures on Selected Child Nutrition Programs, 1992-2022 (Actual)**

(figure is interactive in the HTML version of this report)



**Source:** USDA-FNS, “Child Nutrition Tables: NSLP, SBP and SMP—Program Costs—Cash and Commodities; Child and Adult Care Food—Participation, Meals and Costs; and Summer Food Service—Participation, Meals and

<sup>50</sup> The proportion of children receiving free meals has generally increased over the past three decades while the percentage of children receiving reduced-price and paid school meals has decreased since 2007 in NSLP and stayed relatively constant in SBP. For more information, see CRS Report R46888, *Amending Eligibility Rules for Free and Reduced-Price School Meals: Background and Policy Options*.

<sup>51</sup> Congressional Budget Office (CBO), “Baseline Projections: Child Nutrition Programs,” May 2023, <https://www.cbo.gov/system/files/2023-05/51293-2023-05-childnutrition.pdf>. Also see page 26 (\$502, Increasing Access to Summer Meals for Children Through EBT and Alternative Delivery Options) of CBO, “Summary: Estimated Budgetary Effects of Divisions O Through MM of the Consolidated Appropriations Act, 2023 (P.L. 117-328), as Enacted on December 29, 2022,” January 12, 2023, [https://www.cbo.gov/system/files/2023-01/P.L. 117-328\\_1-12-23.pdf](https://www.cbo.gov/system/files/2023-01/P.L. 117-328_1-12-23.pdf).

<sup>52</sup> USDA-FNS, “2024 USDA Explanatory Notes—Food and Nutrition Service,” p. 35-16, <https://www.usda.gov/sites/default/files/documents/35-2024-FNS.pdf>.

Costs: National Level Annual Summary Tables: FY 1969-2022,” October 13, 2023, <https://www.fns.usda.gov/pd/child-nutrition-tables>.

**Notes:** NSLP category includes entitlement and bonus commodities and spending on the Seamless Summer Option. Figure does not show all child nutrition program spending (e.g., it excludes FFVP, state administrative expenses, and discretionary grants). FY2022 data are preliminary.

## National School Lunch Program (NSLP) and School Breakfast Program (SBP)

NSLP and SBP (the *school meals programs*) provide federal support for meals served in roughly 90,000 public and private elementary and secondary schools nationwide.<sup>53</sup> They also support meals served in a smaller number of residential child care institutions.<sup>54</sup> Schools receive federal aid in the form of cash reimbursements for every meal they serve that meets federal nutritional requirements (limited to one breakfast and lunch per child daily). The largest subsidies are provided for free and reduced-price meals served to eligible students based on income eligibility and categorical eligibility rules (discussed below). Schools also receive a certain amount of commodity assistance per lunch served (discussed previously). Schools participating in NSLP have the option of providing afterschool snacks through the program, and schools participating in NSLP or SBP have the option of providing summer meals and snacks through the Seamless Summer Option (discussed in the “After-School Meals and Snacks” and “Seamless Summer Option” sections).

Schools are not required by federal law to participate in NSLP or SBP; however, some states require schools to have a school lunch and/or breakfast program, and some require schools to operate such programs through NSLP and/or SBP. Some states also provide state funding for the school meals programs, including nine states (as of the cover date of this report) that have authorized funding to provide free meals to all students.<sup>55</sup> Schools that do not participate in the federal school meals programs may still operate locally funded meal programs.<sup>56</sup>

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<sup>53</sup> As of fall 2022, 93,427 schools participated in NSLP and 89,718 schools participated in SBP (with substantial overlap), according to USDA-FNS, “June 2023 Keydata Report,” September 8, 2023, <https://www.fns.usda.gov/data/June-2023-keydata-report>. This includes private schools. In FY2022, nearly 4,500 private schools participated in NSLP and 3,000 private schools participated in SBP, according to CRS communication with USDA-FNS in November 2023.

<sup>54</sup> In fall 2022, more than 1,800 residential child care institutions (RCCIs) participated in NSLP and SBP (ibid). This report refers to “schools,” but it should be understood that for NSLP and SBP, it means both schools and RCCIs. RCCIs are defined as follows in school meal program regulations: “The term ‘residential child care institutions’ includes, but is not limited to: homes for the mentally, emotionally or physically impaired, and unmarried mothers and their infants; group homes; halfway houses; orphanages; temporary shelters for abused children and for runaway children; long-term care facilities for chronically ill children; and juvenile detention centers. A long-term care facility is a hospital, skilled nursing facility, intermediate care facility, or distinct part thereof, which is intended for the care of children confined for 30 days or more.” (7 C.F.R. §210.2). *Nonresidential* child care centers are eligible to participate in CACFP.

<sup>55</sup> School meal state policy trackers include Food Research and Action Center, “School Meals Legislation and Funding by State,” updated July 2023, <https://frac.org/wp-content/uploads/School-Meals-State-Legislation-Chart.pdf> and School Nutrition Association, “Quarterly State Legislative Reports,” <https://schoolnutrition.org/LegislationPolicy/StateLegislationPolicyReports>. For a list of states that adopted state funding for universal free meals as of August 2023, see Leah Butz, “States that Have Passed Universal Free School Meals (So Far),” Hunter College New York City Food Policy Center, August 29, 2023, <https://www.nycfoodpolicy.org/states-that-have-passed-universal-free-school-meals>.

<sup>56</sup> There is limited research on schools that opt out of the federal school meals programs. An older (1993) GAO (continued...)

The Healthy, Hunger-Free Kids Act of 2010 (HHFKA; P.L. 111-296) made several changes to the school meals programs. Among those changes was a requirement that USDA update the nutrition standards for school meals and create new nutritional requirements for foods sold in NSLP and SBP schools within a certain timeframe. The law also created the Community Eligibility Provision, through which eligible schools can provide free meals to all students. These changes are discussed further within this section.

NSLP and SBP are two separate programs, and schools can choose to operate one and not the other.<sup>57</sup> The programs are discussed together in this report because they share many of the same requirements. Differences between the programs are noted where applicable. Participation in SBP tends to be lower than in NSLP for several reasons, including the traditionally required early arrival by students in order to receive a meal before school starts.

This section discusses topics specific to the school meals programs. Other food service topics relevant to child nutrition programs more broadly (e.g., the farm to school program) are discussed in the “Other Child Nutrition Activities” section.

## Administration

Locally, the school meals programs are usually administered by school districts. Statute and regulations designate *school food authorities* as the local authorities in charge of operating the school meal programs; typically, these are food service departments within school districts.<sup>58</sup> Local educational agencies—the broader school district or school board—also play a role in administering the school meal programs.<sup>59</sup> This report sometimes uses the term *school district* to refer informally to the local administrative entities in the school meals programs.

In general, school food authorities handle food service operations and accounting responsibilities, such as food procurement, preparation, and service and tracking meals for reimbursement, while local educational agencies handle administrative duties, such as processing applications and certifying children for free and reduced-price school meals.

At the state level, the school meals programs are most often administered by state departments of education.<sup>60</sup> State administrative agencies are responsible for distributing federal reimbursements to school food authorities and overseeing school districts’ administration of the school meal programs, including by conducting administrative reviews of school districts.<sup>61</sup>

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analysis found that smaller and wealthier schools were more likely to drop out of NSLP. GAO found that common reasons for departure included financial considerations and compliance with federal nutrition standards. See GAO, *Schools That Left the National School Lunch Program*, December 1993, <https://www.gao.gov/assets/80/78774.pdf>.

<sup>57</sup> USDA estimated that 94% of schools operating NSLP also operated SBP in FY2020 prior to the COVID-19 pandemic (USDA-FNS, “2023 USDA Explanatory Notes—Food and Nutrition Service,” p. 35-14, <https://www.usda.gov/sites/default/files/documents/35-2023-FNS.pdf>).

<sup>58</sup> See definitions of school food authority and local educational agencies at 7 C.F.R. §210.2 and 7 C.F.R. §220.2.

<sup>59</sup> *Ibid.*

<sup>60</sup> For a list of state administrative agencies, see USDA FNS, “Contact Map,” <https://www.fns.usda.gov/contacts/contact-map>.

<sup>61</sup> Section 22(b)(1)(C)(i) of the NLSA (codified at 42 U.S.C. §1769c(b)(1)(C)(i)). HHFKA required states to “conduct audits and reviews during a three-year cycle or other period prescribed by the Secretary.” Regulations require reviews once every three years, with the potential for a one-year extension (a four-year cycle) (7 C.F.R. §210.18(c)). On February 22, 2019, USDA published a policy memorandum (SP 12-2019, *Flexibility for the Administrative Review Cycle Requirement*, <https://www.fns.usda.gov/school-meals/flexibility-administrative-review-cycle-requirement>) that allows state agencies to request a waiver to extend the review cycle for up to two additional years (a five-year cycle).

At the federal level, FNS provides ongoing guidance and technical assistance to state agencies and school food authorities through seven regional offices. FNS also provides oversight of state agencies, including by conducting management evaluations.<sup>62</sup>

Figure 4 depicts the federal, state, and local roles in administering the school meals programs.

**Figure 4. Federal, State, and Local Roles in the School Meals Programs**

| USDA   | State Agencies  | SFAs   |
|--|---|--|
| <ul style="list-style-type: none"> <li>● Distributes funds to states</li> <li>● Provides guidance to states and SFAs</li> <li>● Issues regulations</li> <li>● Conducts management evaluations of states</li> </ul> | <ul style="list-style-type: none"> <li>● Distribute funds to SFAs</li> <li>● Provide guidance to SFAs</li> <li>● Conduct administrative reviews of SFAs</li> <li>● Collect and report data to USDA</li> </ul> | <ul style="list-style-type: none"> <li>● Oversee meal service (usually at multiple schools)</li> <li>● Procure and prepare food that meets nutrition standards</li> <li>● Make eligibility determinations</li> <li>● Track meal reimbursements and complete paperwork</li> </ul> |

Source: CRS, based on current law and regulations.

## Eligibility and Reimbursement

The school meals programs do not exclusively serve low-income children. Any student in an NSLP or SBP participating school may purchase a school meal; however, children must meet program eligibility rules in order to receive a free or reduced-price meal.

In most schools (excluding schools that participate in the Community Eligibility Provision or other special options), children are certified for free or reduced-price school meals through one of two pathways: (1) income eligibility for *free and reduced-price* meals (information typically collected via household application) and (2) categorical eligibility for *free* meals (information collected via household application or direct certification). Each year, schools must verify a sample of household applications for accuracy. The pathways through which children are certified for free or reduced-price school meals are shown in **Figure 5**.

If children are certified for free meals, the school food authority receives the free meal reimbursement for those meals. If children are certified for reduced-price meals, the school food authority receives a slightly lower reimbursement. School food authorities also receive a much smaller paid-rate reimbursement for meals served to children who pay for “full price” meals. School food authorities must follow federal guidelines in setting the price of paid meals.<sup>63</sup>

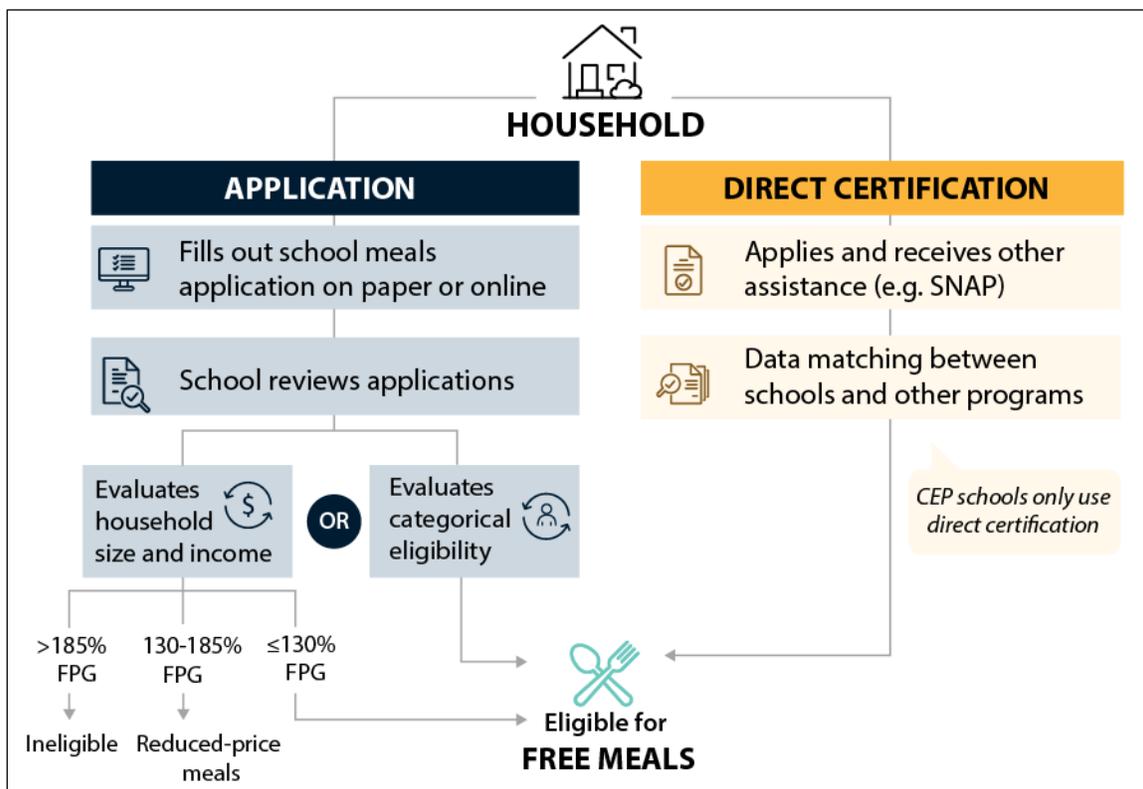
<sup>62</sup> U.S. Government Accountability Office (GAO), *USDA Has Reported Taking Some Steps to Reduce Improper Payments but Should Comprehensively Assess Fraud Risks*, GAO-19-389, May 2019, p. 7.

<sup>63</sup> The HHFKA set requirements around the price of paid meals, amending Section 12(p) of the NSLA (codified at 42 U.S.C. §1760(p)). However, appropriations laws in FY2018 and FY2019 waived these requirements for many schools. For more information, see CRS Report R45486, *Child Nutrition Programs: Issues in the 115th Congress*, and USDA-FNS, “Paid Lunch Equity: Guidance for SY 2020-21,” January 22, 2020, <https://www.fns.usda.gov/cn/paid-lunch-equity-guidance-school-year-2020-21>.

Certain schools follow different eligibility and reimbursement procedures because they participate in the Community Eligibility Provision or other special options (discussed below in the “Special Options” section).

**Figure 5. Certification Pathways for Free and Reduced-Price School Meals**

Household Application and Direct Certification Processes



**Source:** CRS adaptation of figure from U.S. Government Accountability Office (GAO), *School Meals Programs: USDA Has Enhanced Controls, but Additional Verification Could Help Ensure Legitimate Program Access*, GAO-14-262, May 2014, p. 13.

**Notes:** FPG = federal poverty guidelines; SNAP = Supplemental Nutrition Assistance Program. Graphic does not depict direct certification of children for reduced-price meals through Medicaid in demonstration states or practices used in Community Eligibility Provision (CEP) schools and other schools using special options.

## Income Eligibility

Children are eligible for free or reduced-price meals if their household’s income falls within the following ranges:

- **Free meals:** household income at or below 130% of the federal poverty guidelines.<sup>64</sup>
- **Reduced-price meals** (charges of no more than 40 cents per lunch and 30 cents per breakfast): household income above 130% and less than or equal to 185% of the federal poverty guidelines.<sup>65</sup>

<sup>64</sup> For the purposes of school meal eligibility, household is defined as “a group of related or nonrelated individuals, who are not residents of an institution or boarding house, but who are living as one economic unit” (7 C.F.R. §245.2).

<sup>65</sup> Section 9(b)(1) of the NSLA (42 U.S.C. §1758(b)(1)).

These thresholds are based on the annual federal poverty guidelines established by the U.S. Department of Health and Human Services, and are updated annually for inflation. FNS publishes the corresponding income limits by household size for free and reduced-price meals in the *Federal Register* on an annual basis.<sup>66</sup> **Table 3** provides an example of the income limits for free and reduced-price meals for a household of four.

To become income eligible for school meals, a parent or guardian must complete a paper or online application that includes the income of each household member, the household size, and other information.<sup>67</sup> Household income is defined as total gross income (before taxes or deductions), including earnings and wages, certain public assistance benefits (such as unemployment compensation, social security benefits, and child support payments), and retirement and pension income.<sup>68</sup> Households are asked to provide current weekly, biweekly, twice monthly, or monthly income, which school district officials compare to the federal poverty guidelines to determine eligibility for free meals, reduced-price meals, or neither.<sup>69</sup> Households only need to fill out one application if they have multiple children in the same school district.

**Table 3. School Meals Income Eligibility Guidelines for a Household of Four**  
For the 48 Contiguous States and the District of Columbia, School Year 2023-2024

| Meal Type     | Income Eligibility Threshold<br>(% of the federal poverty guidelines) | Annual Income for a Household of Four                    |
|---------------|---|--|
| Free          | Less than or equal to 130%  | Less than or equal to \$39,000                           |
| Reduced-price | Greater than 130% and less than or equal to 185%                      | Greater than \$39,000 and less than or equal to \$55,500 |
| Paid          | N/A   | N/A  |

**Source:** USDA FNS, “Child Nutrition Programs: Income Eligibility Guidelines,” 88 *Federal Register* 8397, February 9, 2023.

**Note:** This school year is defined as July 1, 2023, through June 30, 2024. For other years, household sizes, and guidelines for Alaska and Hawaii, see USDA FNS’s website: <http://www.fns.usda.gov/school-meals/income-eligibility-guidelines>.

<sup>66</sup> USDA FNS, “Child Nutrition Programs: Income Eligibility Guidelines,” 88 *Federal Register* 8397, February 9, 2023.

<sup>67</sup> There is a requirement that the adult household member filling out the application provide the last four digits of his/her Social Security number (Section 9(d)(1) of the NSLA), or, according to program regulations, indicate that they do not have one (7 C.F.R. §245.6(a)(6)). The law does not allow for citizenship eligibility restrictions; Section 742(a) of P.L. 104-193 states that individuals who are eligible for free public education benefits under state and local law shall remain eligible to receive school lunch and school breakfast benefits.

<sup>68</sup> 7 C.F.R. §245.6(a)(5)(ii). Also see USDA-FNS, “Child Nutrition Programs: Income Eligibility Guidelines,” 85 *Federal Register* 16050, March 20, 2020, USDA-FNS, *Eligibility Manual for School Meals: Determining and Verifying Eligibility*, July 2017, <https://www.fns.usda.gov/eligibility-manual-school-meals>, and USDA-FNS, “Applying for Free and Reduced Price School Meals,” <https://www.fns.usda.gov/cn/applying-free-and-reduced-price-school-meals>.

<sup>69</sup> *Ibid.* Households are asked to report this income for the most recent period prior to the application, unless it does not reflect their typical income, in which case they can provide the amount of income they normally receive in a month.

## **Categorical Eligibility**

As an alternative to income eligibility, children can become eligible for free school meals if they fall into a certain category (called *categorical eligibility*). Per statute, children are automatically eligible for free lunches and breakfasts (without consideration of household income) if they are

- in a household receiving benefits through the following programs:
  - SNAP (Supplemental Nutrition Assistance Program);
  - FDPIR (Food Distribution Program on Indian Reservations, a program that operates in lieu of SNAP on some Indian reservations); or
  - TANF (Temporary Assistance for Needy Families);
- enrolled in Head Start;
- in foster care;
- a migrant;
- a runaway; or
- homeless.<sup>70</sup>

Categorical eligibility for free meals may be determined via a household application (households provide a case number on the application) or through direct certification (discussed in the next section). The vast majority of categorically eligible children are certified for free meals through direct certification.<sup>71</sup>

Categorical eligibility for free school meals with SNAP and TANF began in the 1980s (then, the Food Stamp and Aid to Families with Dependent Children programs, respectively).<sup>72</sup> Categorical eligibility enabled schools to make use of other programs' more in-depth certification processes and reduced the number of applications that families had to fill out.<sup>73</sup> Other programs and categories were added over time.

## **Direct Certification**

Direct certification is a process through which state agencies and school districts automatically certify children for free meals based on documentation of the child's status in a program or category without the need for a household application.<sup>74</sup> States are required to conduct direct

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<sup>70</sup> See Section 9(b)(12)(A) of the Russell National School Lunch Act (codified at 42 U.S.C. §1758(b)(12)(A)), for the more specific definitions of these categories. SNAP, FDPIR, and TANF have income limits, but the other qualifications as defined in the statute are not limited by income.

<sup>71</sup> According to CRS calculations using USDA-FNS 742 data for FY2022, 97.5% of categorically eligible students were directly certified for free school meals, compared to 2.5% certified by household application.

<sup>72</sup> USDA-FNS, *Direct Certification in the National School Lunch Program: State Implementation Progress: Report to Congress*, December 2008, p. 3, <https://fns-prod.azureedge.net/sites/default/files/DirectCert08.pdf>.

<sup>73</sup> See, for example, U.S. Government Accountability Office, *School-Meals Programs: USDA Has Enhanced Controls, but Additional Verification Could Help Ensure Legitimate Program Access*, GAO-14-262, May 2014, pp. 16-19, <http://www.gao.gov/products/GAO-14-262>.

<sup>74</sup> Direct certification authority is in Section 9(b)(4)-(5) of the Russell National School Lunch Act (codified at 42 U.S.C. §1758(b)(4)-(5)). Direct certification is defined in NSLP/SBP program regulations at 7 C.F.R. §245.2.

certification with SNAP and have the option of conducting direct certification with the other programs and categories that convey categorical eligibility.

For SNAP and other federal programs, the direct certification process typically involves state agencies (e.g., state SNAP and state educational agencies) cross-checking program rolls.<sup>75</sup> A list of matched children is sent to the school district, which certifies children for free meals without the need for a household application.<sup>76</sup> For foster, homeless, migrant, and runaway children, direct certification typically involves school district communication with a local or state official who can provide documentation of the child's status in one of these categories.<sup>77</sup>

The 2004 child nutrition reauthorization act (P.L. 108-265) required states to conduct direct certification with SNAP, with nationwide implementation taking effect in school year 2008-2009. As of school year 2018-2019 (the most recent data available), USDA reported that 98% of children in SNAP households were directly certified for free school meals.<sup>78</sup>

The HHFKA made further policy changes to expand direct certification. One of those changes was the initiation of a demonstration project to test direct certification with Medicaid (see the text box below). The law also funded performance incentive grants for high-performing states and authorized corrective action plans for low-performing states in direct certification activities.<sup>79</sup>

#### **Direct Certification with Medicaid Demonstration**

The HHFKA initiated a demonstration project to conduct direct certification of children individually participating in Medicaid and children in Medicaid households. Unlike the other programs used to directly certify children for school meals, Medicaid does *not* convey categorical eligibility for free school meals, but rather identifies children in households that would meet the income eligibility thresholds for either free or reduced-price school meals.<sup>80</sup>

Following the demonstration authority in the HHFKA as well as pilot authority in the Richard B. Russell National School Lunch Act, some states are currently directly certifying children based on Medicaid data.<sup>81</sup> As of school year 2023-2024, there were 38 states operating direct certification with Medicaid. Two states used Medicaid to directly certify children for free meals only (130% of the poverty level or below).<sup>82</sup> Thirty-six states were operating under an expanded direct certification demonstration project to test direct certification with Medicaid for free and reduced-price meals (up to 185% of the poverty level).<sup>83</sup>

<sup>75</sup> USDA-FNS, *Direct Certification in the National School Lunch Program: State Implementation Progress, School Year 2014–2015: Report to Congress*, Office of Policy Support, Special Nutrition Programs Report No. CN-15-DC, December 2016, p. xiii, <https://fns-prod.azureedge.net/sites/default/files/ops/NSLPDirectCertification2015.pdf>.

<sup>76</sup> However, parents and guardians are notified of the child's enrollment in free meals and are allowed to opt-out.

<sup>77</sup> USDA-FNS, *Eligibility Manual for School Meals: Determining and Verifying Eligibility*, July 2017, <https://www.fns.usda.gov/eligibility-manual-school-meals>.

<sup>78</sup> USDA-FNS, *Direct Certification in the National School Lunch Program State Implementation Progress Report to Congress SY 2017-2018 and SY 2018-2019*, June 2021, <https://www.fns.usda.gov/cn/direct-certification-national-school-lunch-program-state-implementation-progress-report>.

<sup>79</sup> See CRS Report R41354, *Child Nutrition and WIC Reauthorization: P.L. 111-296*, for further discussion of these and related policies.

<sup>80</sup> USDA-FNS, "Request for Applications to Participate in Demonstration Projects to Evaluate Direct Certification with Medicaid," January 27, 2016, <https://www.medicaid.gov/federal-policy-guidance/downloads/cib-02-12-16.pdf>.

<sup>81</sup> Section 9(b)(15) of the NSLA (codified at 42 USC §1758(b)(15)), as added by Section 103 of P.L. 111-296; Section 18(c) of the NSLA (codified at 42 USC §1769(c)).

<sup>82</sup> Kentucky and New York, according to CRS communication with USDA-FNS in October 2023.

<sup>83</sup> For a list of participating states, see USDA-FNS, "National School Lunch Program and School Breakfast Program Demonstration Projects to Evaluate Direct Certification with Medicaid," January 13, 2023, <https://www.fns.usda.gov/cn/direct-certification-medicaid-demonstration-project>.

FNS has published several evaluations of the demonstration projects.<sup>84</sup> These evaluations found that in states with available data, direct certification with Medicaid led to more children being certified through direct certification rather than application and to some newly certified children. They also found that state administrative costs were “modest” during start-up and declined over time.<sup>85</sup>

## Verification of Eligibility

Each fall, districts are required to verify a sample of approved household applications on file, with a focus on applications close to the eligibility threshold (“error-prone” applications).<sup>86</sup> School districts may also conduct verification of questionable applications. Verification is not required for children who are directly certified for free or reduced-price meals. (Note that districts participating in Provisions 1, 2, and 3 must meet verification requirements for the years in which they administer household applications.)

Many districts employ *direct verification* (matching data from other low-income programs) to conduct their verification activities, but if data cannot be verified in this way, schools must contact households to verify the information provided on the application. A child’s eligibility status may stay the same or change (e.g., from free meals to reduced-price meals or loss of eligibility) as a result of verification of household income, or if the household does not respond to verification outreach (in which case eligibility would be lost, though that decision can be appealed).

## Reimbursement

School food authorities must keep track of the daily number of meals they serve in each category (free, reduced-price, and paid) that meet federal nutrition requirements. School food authorities then submit claims for reimbursement to the state agency, which submits the claims to FNS. Approved reimbursements are distributed to school food authorities by the state agency, usually on a monthly basis. Per statute, reimbursement rates are adjusted for inflation annually.<sup>87</sup> **Table 4** shows NSLP and SBP reimbursement rates for school year 2023-2024. (Note that school food authorities also receive a per-lunch commodity reimbursement, discussed previously under “Commodity Assistance”.)

<sup>84</sup> USDA-FNS, Office of Policy Support, Evaluation of Demonstrations of National School Lunch Program and School Breakfast Program Direct Certification of Children Receiving Medicaid Benefits: Year 1 Report, prepared by Mathematica Policy Research, January 2015, <https://www.fns.usda.gov/evaluation-demonstrations-national-school-lunch-program-and-school-breakfast-program-direct>; USDA-FNS, Final Report: Direct Certification with Medicaid for Free and Reduced-Price Meals (DCMF/RP) Demonstration, Year 1, prepared by Mathematica Policy Research, August 2019, <https://www.fns.usda.gov/cn/evaluation-direct-certification-medicaid-free-and-reduced-price-meals>; USDA-FNS, Direct Certification with Medicaid for Free and Reduced-Price Meals (DCM-F/RP) Demonstration, Year 2, prepared by Mathematica Policy Research, September 2020, <https://www.fns.usda.gov/nslp/evaluation-direct-certification-medicaid-free-and-reduced-price-meals-dcm-frp>; and USDA-FNS, Office of Policy Support, *Direct Certification with Medicaid for Free and Reduced-Price Meals (DCM-F/RP) Demonstration, School Year 2019-2020 Report*, prepared by Mathematica Policy Research, March 2022, <https://www.fns.usda.gov/cn/usda-dcm-frp-demonstration>.

<sup>85</sup> Ibid.

<sup>86</sup> In general, local educational agencies must review the smallest of 3,000 of all applications or 3% of error-prone applications. If the local educational agency has a nonresponse rate below 20% or has more than 20,000 children approved by application for free/reduced-price meals and a recently improved response rate, they may use alternative sampling approaches. See Section 9(b)(3)(D) of the NSLA or program regulations at 7 C.F.R. Section 245.6a.

<sup>87</sup> See Section 4 and Section 11 of the NSLA for the lunch reimbursement rates and Section 4 of the Child Nutrition Act of 1966 for breakfast reimbursement rates.

The law provides a higher reimbursement rate for meals meeting certain criteria. For example, school food authorities that are compliant with the updated federal nutrition standards for school meals receive an additional 8 cents per lunch.<sup>88</sup> School food authorities also receive an additional 2 cents per lunch if they serve 60% or more of their lunches at a free or reduced price. For breakfasts, school food authorities receive higher reimbursements if they serve 40% or more lunches at a free or reduced price (referred to as *severe need* schools).

Once school food authorities receive the cash reimbursements, they can use the funds to support almost any aspect of the school food service operation. However, federal cash reimbursements must go into a nonprofit school food service account that is subject to federal regulations.<sup>89</sup> Payments for non-program foods (e.g., vending machine sales) must also accrue to the nonprofit school food service account.<sup>90</sup>

FNS periodically studies the costs of producing a reimbursable meal. In April 2019, FNS released a *School Nutrition and Meal Cost Study*, which found that the average reported cost of producing a reimbursable lunch was \$3.81 in school year 2014-2015 (reported costs were defined as those charged to the school food service account).<sup>91</sup> This exceeded the average federal cash reimbursement (\$3.32) for lunches in school year 2014-2015. When unreported costs were included (costs outside of the food service account; for example, labor costs associated with processing applications), the cost of producing the average reimbursable lunch was \$6.02. As noted previously, children’s payments and state and local funds may also cover meal costs.

**Table 4. Reimbursement Rates: NSLP and SBP**  
Per-Meal Reimbursements for the 48 Contiguous States and the District of Columbia,  
School Year 2023-2024

| Lunch Rate     |   |   |  |              |
|----------------|---|---|--|--------------|
|                | Base Rate   | Bonus for School Food Authorities (SFAs) That Served 60%+ Lunches at FIRP | Bonus for SFAs Certified as Compliant with Nutrition Standards | Maximum Rate |
| Free           | \$4.25  | +\$0.02   | +\$0.08  | \$4.50       |
| Reduced-price  | \$3.85  | +\$0.02   | +\$0.08  | \$4.10       |
| Paid           | \$0.40  | +\$0.02   | +\$0.08  | \$0.56       |
| Breakfast Rate |   |   |  |              |
|                | SFAs That Served Less Than 40% of Lunches at FIRP |   | SFAs That Served 40%+ Lunches at FIRP                          |              |
| Free           | \$2.28  |   | \$2.73   |              |
| Reduced-price  | \$1.98  |   | \$2.43   |              |
| Paid           | \$0.38  |   | \$0.38   |              |

<sup>88</sup> The Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296) provided an additional 6 cents per-lunch reimbursement (adjusted annually for inflation) to schools meeting the updated nutritional guidelines requirements. USDA-FNS, “National School Lunch, Special Milk, and School Breakfast Programs, National Average Payments/Maximum Reimbursement Rates,” July 7, 2023, 88 *Federal Register* 43266 (separately lists rates for Alaska, Guam, Hawaii, Puerto Rico, and the U.S. Virgin Islands).

<sup>89</sup> 7 C.F.R. §210.14.

<sup>90</sup> Section 12(p) of the NSLA (codified at 42 U.S.C. §1760(q)).

<sup>91</sup> USDA-FNS, *School Nutrition and Meal Cost Study, Final Report Volume 3: School Meal Costs and Revenues*, Office of Policy Support, April 2019, <https://www.fns.usda.gov/school-nutrition-and-meal-cost-study>.

**Sources:** USDA-FNS, “National School Lunch, Special Milk, and School Breakfast Programs, National Average Payments/Maximum Reimbursement Rates,” July 7, 2023, 88 *Federal Register* 43266 (separately lists rates for Alaska, Guam, Hawaii, Puerto Rico, and the U.S. Virgin Islands). For historical rates, see <https://www.fns.usda.gov/school-meals/rates-reimbursement>.

**Notes:** F/RP = free or reduced-price. The percentage of lunches/breakfasts served at F/RP is based on the percentage of meals served two school years prior. The federal per-meal reimbursement rates are averages. States can apportion funds among school food authorities above or below the average rates; however, in NSLP they can only do so up to the maximum rate. States may also supplement federal reimbursements with state funding.

## Special Options

### Community Eligibility Provision (CEP)

The HHFKA authorized the Community Eligibility Provision (CEP), an option that allows eligible schools, groups of schools, and school districts to offer free meals to all enrolled students.<sup>92</sup> To participate in CEP, the school(s) must have an identified student percentage (ISP) of at least 25% (USDA lowered the eligibility threshold from 40% to 25% as of school year 2023-2024).<sup>93</sup> The ISP is the percentage of students in the school(s) who are certified for free meals without a household application (i.e., who are directly certified for free meals through SNAP or another program/category).<sup>94</sup> In addition, the school(s) must operate both NSLP and SBP in order to participate in CEP, and they must opt-in to CEP.

Based on the statutory parameters, FNS piloted CEP in various states over three school years, and expanded the option nationwide in school year 2014-2015. Eligible schools, groups of schools, and entire school districts may participate; if participation is as a group, the ISP is calculated on a group basis. Local educational agencies have until June 30 of each year to notify USDA of the schools in their jurisdiction that will participate in CEP.<sup>95</sup> According to a database maintained by the Food Research and Action Center, approximately 40,235 schools participated in CEP in school year 2022-2023, up from 30,620 schools in school year 2019-2020.<sup>96</sup> **Figure 6** displays the estimated proportion of CEP schools out of all NSLP schools since school year 2014-2015 (the first year of nationwide implementation).

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<sup>92</sup> For further detail on CEP, see CRS Report R46371, *Serving Free School Meals through the Community Eligibility Provision (CEP): Background and Participation*.

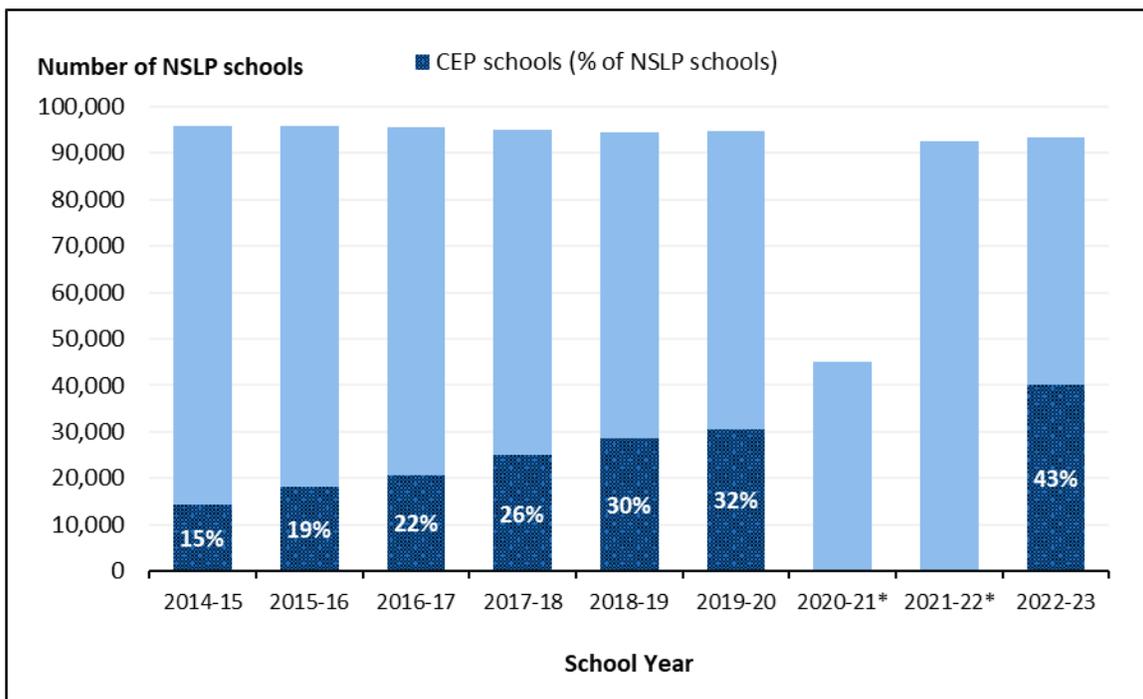
<sup>93</sup> USDA-FNS, “Child Nutrition Programs: Community Eligibility Provision-Increasing Options for Schools,” 88 *Federal Register* 65778, September 26, 2023.

<sup>94</sup> A school’s number of identified students is essentially the same as its number of directly certified students, except that the number of identified students does not include students who are directly certified for reduced-price meals through the Medicaid demonstration. For the definition of “identified students” in regulations, see 7 C.F.R. §245.9(f)(1)(ii).

<sup>95</sup> 7 CFR §245.9(f)(4); USDA-FNS, “National School Lunch Program and School Breakfast Program: Eliminating Applications through Community Eligibility as Required by the Healthy, Hunger-Free Kids Act of 2010,” 81 *Federal Register* 50194, July 29, 2016.

<sup>96</sup> Food Research and Action Center (FRAC), “Community Eligibility: The Key to Hunger-Free Schools, School Year 2022–2023,” May 2023, <https://frac.org/cep-report-2023>.

**Figure 6. CEP Schools as a Proportion of NSLP Schools, SY2014-2015 to SY2022-2023**



**Sources:** CRS estimates applying the number of CEP schools from FRAC, “Community Eligibility: The Key to Hunger-Free Schools, School Year 2022–2023,” May 2023, <https://frac.org/cep-report-2023> to the number of NSLP schools from USDA-FNS Keydata Reports (USDA-FNS, “June 2023 Keydata Report,” September 8, 2023, <https://www.fns.usda.gov/data/june-2023-keydata-report>; USDA-FNS, “September 2022 Keydata Report,” December 9, 2022, <https://www.fns.usda.gov/data/september-2022-keydata-report>; and USDA-FNS, “September 2021 Keydata Report,” December 10, 2021, <https://www.fns.usda.gov/data/september-2021-keydata-report>).

**Notes:** In school years 2020-2021 and 2021-2022, the vast majority of schools operated under pandemic policies that enabled them to receive reimbursement for free meals served to all students. Therefore, CEP participation in these years is not relevant. In addition, NSLP participation is lower in school year 2020-2021 than a typical year because many school food authorities chose to operate the summer meals programs instead of NSLP as a result of pandemic response policies (discussed in the “Child Nutrition Program Operations During the COVID-19 Pandemic” section).

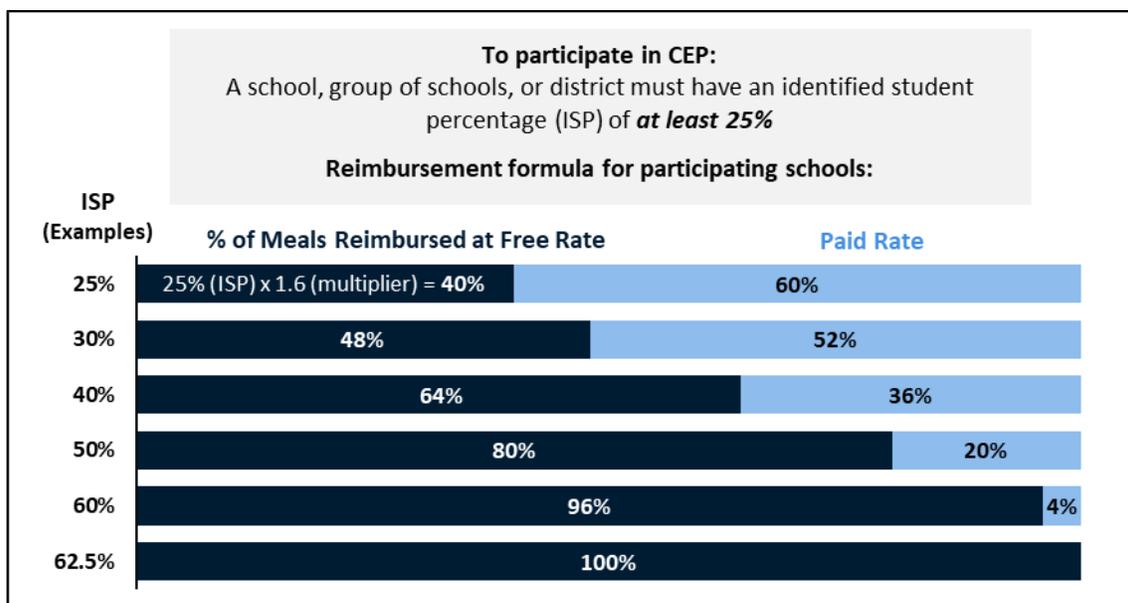
Though CEP schools serve free meals to all students, they are not reimbursed at the free rate for every meal served. Instead, the law provides a funding formula: the ISP is multiplied by a factor of 1.6 to estimate the proportion of students who would be eligible for free or reduced-price meals had they been certified via application.<sup>97</sup> The result is the percentage of meals served that will be reimbursed at the free-meal rate, with the remainder reimbursed at the much lower paid-meal rate. For example, if a CEP school has an ISP of 40%, then 64% of its meals served would be reimbursed at the free-meal rate and 36% would be reimbursed at the paid-meal rate. Schools that identify 62.5% or more students as eligible for free meals receive the free-meal reimbursement for all meals served (62.5% multiplied by 1.6 equals 100%). **Figure 7** provides a visual representation of the CEP reimbursement formula for participating schools, groups of schools, and school districts.

<sup>97</sup> Statute allows USDA to set the reimbursement multiplier between 1.3 and 1.6; USDA has set the multiplier at 1.6. USDA-FNS, “National School Lunch Program and School Breakfast Program: Eliminating Applications Through Community Eligibility as Required by the Healthy, Hunger-Free Kids Act of 2010,” 81 *Federal Register* 50194, July 29, 2016, p. 50201.

CEP participating schools must recalculate their ISP at least once every four years, but they can choose to do so more frequently if desired.<sup>98</sup> While eligibility determinations occur every four years, schools can drop out of CEP at any time.<sup>99</sup>

CEP is intended to reduce paperwork for families and schools and enable schools to provide more free meals. However, the option may or may not be financially beneficial for schools depending on their proportion of identified students.

**Figure 7. Community Eligibility Provision (CEP) Reimbursement Formula**



**Source:** Graphic created by CRS based on current law.

**Notes:** The Identified Student Percentage (ISP) is the percentage of enrolled children who are certified for free meals without a household application. The ISP is multiplied by 1.6 to calculate the proportion of meals reimbursed at the free rate; the remainder of meals are reimbursed at the lower paid rate. For free and paid reimbursement rates in school year 2023-2024, see **Table 4**.

### Provisions 1, 2, and 3

Schools, groups of schools, and school districts can also use Provisions 1, 2, and 3 to establish alternative certification and reimbursement procedures. These options are intended to reduce paperwork for school administrators and families.<sup>100</sup> The options predate CEP, and unlike CEP, they still require some household applications. A school’s decision to participate in a special option may depend on financial considerations. There were approximately 1,500 schools operating Provisions 1, 2, or 3 in FY2022.<sup>101</sup>

**Provision 1** allows schools with high proportions (80% or more) of students eligible for free and reduced-price meals to make free meal eligibility determinations that remain in effect for two

<sup>98</sup> 7 C.F.R. §245.9(f).

<sup>99</sup> 7 C.F.R. §245.9(j).

<sup>100</sup> USDA-FNS, “Provisions 1, 2, and 3,” May 6, 2014, <https://www.fns.usda.gov/school-meals/provisions-1-2-and-3>.

<sup>101</sup> CRS calculations using preliminary USDA-FNS 742 data for FY2022.

school years. This reduces the number of applications they have to process (though they still have to process reduced-price meal applications annually).<sup>102</sup>

**Provision 2** and **Provision 3** are open to all schools. Similar to CEP, schools, groups of schools, or school districts must agree to provide free meals (lunches *or* lunches/breakfasts) to all students in order to participate in Provision 2 or Provision 3. Under Provision 2, schools are reimbursed over a four-year period using the proportion of meals served at a free/reduced-price/paid rate during the first year. Eligibility determinations in the first year are based on direct certification *and* household applications (a difference from CEP). Under Provision 3, schools are similarly required to make eligibility determinations in the first year of a four-year period. However, in this case, schools receive the same level of federal assistance over the next three years, which is adjusted for enrollment and inflation (there are no separate payments for free/reduced-price/paid meals).<sup>103</sup>

## Nutrition Standards and Food Service

### Nutrition Standards for School Meals

Nutritional requirements for school meals have changed throughout the history of the school meals programs.<sup>104</sup> The most recent child nutrition reauthorization, the HHFKA in 2010, required USDA to update the nutrition standards for school meals within 18 months of the law's enactment based on recommendations from the Food and Nutrition Board at the National Academies of Sciences, Engineering, and Medicine.<sup>105</sup> The law also provided a “performance-based” bonus reimbursement of 6 cents per lunch (adjusted annually for inflation) for schools certified as compliant with the updated standards (the rate is 8 cents in school year 2023-2024).

USDA published the updated nutrition standards for school meals in 2012.<sup>106</sup> They were based on the 2010 Dietary Guidelines for Americans (per an existing statutory requirement) as well as the recommendations from the National Academies of Sciences, Engineering, and Medicine.<sup>107</sup> The standards required increased servings of fruits, vegetables, whole grains, and meats/meat alternates in lunches and breakfasts. They also restricted milk to unflavored low-fat (1%) and flavored and unflavored fat-free varieties, set limits on calories and sodium in school meals, and prohibited trans fats in school meals, among other changes. Separate from the final rule, USDA

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<sup>102</sup> Section 11(a)(1) of the NSLA (codified at 42 U.S.C. §1759a(a)(1)); 7 C.F.R. §245.9; USDA-FNS, “Provisions 1, 2, and 3,” May 6, 2014, <https://www.fns.usda.gov/school-meals/provisions-1-2-and-3>.

<sup>103</sup> *Ibid.*

<sup>104</sup> The current nutrition standards for school meals are located at 7 C.F.R. §210.10 (lunches) and 7 C.F.R. §220.8 (breakfasts).

<sup>105</sup> Section 201 of P.L. 111-296. Institute of Medicine, National Academies of Sciences, Engineering, and Medicine, *School Meals: Building Blocks for Healthy Children*, Washington, DC, 2010.

<sup>106</sup> USDA-FNS, “Nutrition Standards in the National School Lunch and School Breakfast Programs,” 77 *Federal Register* 17, January 26, 2012, <https://www.federalregister.gov/documents/2012/01/26/2012-1010/nutrition-standards-in-the-national-school-lunch-and-school-breakfast-programs>. For related resources, see USDA-FNS website at <http://www.fns.usda.gov/school-meals/nutrition-standards-school-meals>.

<sup>107</sup> The 1994 child nutrition reauthorization (P.L. 103-448) required schools to serve meals consistent with the Dietary Guidelines for Americans. The Dietary Guidelines for Americans are food-based recommendations developed jointly by USDA and the U.S. Department of Health and Human Services and updated every five years. For more information, see CRS Report R44360, *Dietary Guidelines for Americans: Frequently Asked Questions*.

also implemented a requirement in the HHFKA that schools make water available to children during meal service in the cafeteria.<sup>108</sup>

The revised nutrition standards largely took effect in school year 2012-2013 for lunches and in school year 2013-2014 for breakfasts. A few requirements phased in over multiple school years.<sup>109</sup> Some schools experienced difficulty implementing the new standards.<sup>110</sup> Subsequent changes to the whole grain, sodium, and milk requirements were made through appropriations acts and USDA rulemaking.<sup>111</sup> Most recently (as of the cover date of this report), in February 2023, USDA released a proposed rule that would make changes to milk, sodium, and whole grain standards and institute a new limit on added sugars in school meals, among other policies.<sup>112</sup>

States and school districts are allowed to implement additional nutritional requirements for school meals, as long as they meet the federal standards.

**Table 5** provides an overview of the federal nutrition standards for school lunches.

**Table 5. Summary of the Nutrition Standards for School Lunches**

|  | Grades K-5  | Grades 6-8  | Grades 9-12 |
|--|-------------|-------------|-------------|
| <b>Required offerings per week (minimum per day)<sup>a</sup></b> |             |             |             |
| Fruits (cups)  | 2.5 (0.5)   | 2.5 (0.5)   | 5 (1)       |
| Vegetables (cups) (subgroup requirements not shown) <sup>b</sup> | 3.75 (0.75) | 3.75 (0.75) | 5 (1)       |
| Grains (ounce equivalents) <sup>c</sup>                          | 8-9 (1)     | 8-10 (1)    | 10-12 (2)   |
| Meats/meat alternates (ounce equivalents)                        | 8-10 (1)    | 9-10 (1)    | 10-12 (2)   |
| Fluid milk (cups) <sup>d</sup>                                   | 5 (1)       | 5 (1)       | 5 (1)       |
| <b>Daily amount based on average weekly requirement</b>          |             |             |             |
| Minimum-maximum calories (kcal) <sup>e</sup>                     | 550-650     | 600-700     | 750-850     |

<sup>108</sup> USDA-FNS, “Revised Child Nutrition Reauthorization 2010: Water Availability During National School Lunch Program Meal Service,” SP-28-2011, July 12, 2011. Also see USDA-FNS, “Clarification on the Milk and Water Requirements in the School Meal Programs,” SP 39-2019, September 23, 2019.

<sup>109</sup> For the original implementation schedule based on the January 2012 final rule, see USDA-FNS Implementation Timeline, [http://www.fns.usda.gov/sites/default/files/implementation\\_timeline.pdf](http://www.fns.usda.gov/sites/default/files/implementation_timeline.pdf).

<sup>110</sup> For further background, see CRS Report R45486, *Child Nutrition Programs: Issues in the 115th Congress*.

<sup>111</sup> Appropriations acts in FY2015, FY2016, FY2017, and FY2021 made changes to milk, whole grain, and/or sodium requirements. In December 2018, USDA under the Trump Administration issued a final rule making changes to such requirements in school year 2019-2020 forward (these policies are discussed in CRS Insight IN11009, *USDA’s Final Rule on Milk, Whole Grains, and Sodium in School Meals* and CRS Report R45486, *Child Nutrition Programs: Issues in the 115th Congress*). The December 2018 rule was subsequently vacated by a U.S. District Court (see USDA-FNS, “Child Nutrition Programs: Rescission of Milk, Whole Grains, and Sodium Flexibilities: Notice of Vacatur” 85 *Federal Register* 74847, November 24, 2020), reverting the programs to the milk, sodium, and whole grain policies established in the 2012 final rule. In February 2022, USDA under the Biden Administration issued a final rule making changes to the milk, whole grain, and sodium requirements starting in school year 2022-2023 and stating its intentions to issue further rulemaking for subsequent school years (see USDA-FNS, “Child Nutrition Programs: Transitional Standards for Milk, Whole Grains, and Sodium,” 87 *Federal Register* 6984, February 7, 2022).

<sup>112</sup> For more information, see CRS Report R47522, *USDA’s February 2023 Proposed Rule to Update Nutrition Standards for School Meals*.

|  | Grades K-5  | Grades 6-8 | Grades 9-12 |
|--|---|------------|-------------|
| Saturated fat (percentage of total calories) | <10%  | <10%       | <10%        |
| Sodium Interim Target I (mg) <sup>f</sup>    | ≤1,230  | ≤1,360     | ≤1,420      |
| Sodium Interim Target IA (mg) <sup>f</sup>   | ≤1,110  | ≤1,225     | ≤1,280      |
| Trans fat                                    | Nutrition label or manufacturer specifications must indicate zero grams of trans fat (less than 0.5 grams) per serving. |            |             |

**Source:** Table adapted from 7 C.F.R. §210.10(c) as of October 2023.

- a. School food authorities must allow high school students and can optionally allow students at the middle and elementary school levels to decline up to two components at lunch, except that the students must select at least a 0.5 cup of the fruit or vegetable component.
- b. Requirements related to vegetable subgroups (dark green, red/orange, legumes, starchy, other) are not shown. Up to half of the fruit or vegetable offerings may be in the form of 100% juice.
- c. At least 80% of grains offered weekly must be whole grain-rich (defined as containing at least 50% whole-grains, and the remaining grain, if any, must be enriched).
- d. All fluid milk must be low-fat (1% fat or less) or fat-free. Milk may be flavored or unflavored, provided that unflavored milk is offered. With milk and with other foods, schools *must* make substitutions for students who are considered to have a disability and whose disability restricts their diet, and *may* make substitutions for medical or special dietary needs.
- e. Discretionary sources of calories (solid fats and added sugars) may be added to the meal pattern if within the specifications for calories, saturated fat, trans fat, and sodium.
- f. Sodium Interim Target I must be met in SY2022-2023. Sodium Interim Target IA must be met in SY2023-2024.

## Nutrition Standards for Competitive Foods

The HHFKA also required USDA to develop nutrition standards for other foods sold in NSLP- and SBP-participating schools on campus during the school day. These foods are known as *competitive foods* (i.e., foods sold in competition with school meals). Competitive foods include foods and drinks sold in vending machines, a la carte lines, snack bars and concession stands, and school fundraisers. These foods do not receive a federal reimbursement. The HHFKA required USDA to publish proposed nutrition standards for competitive foods within one year of the law’s enactment and align the standards with the most recent Dietary Guidelines for Americans.

Relying on recommendations made by the National Academies of Sciences, Engineering, and Medicine, FNS promulgated a proposed rule in April 2013 and then an interim final rule in June 2013, which went into effect in school year 2014-2015.<sup>113</sup> The interim final rule created nutrition standards for all non-meal foods and beverages that are sold during the school day (defined as midnight until 30 minutes after dismissal). The final rule, published in July 2016, maintained the

<sup>113</sup> Institute of Medicine, National Academies of Sciences, Engineering, and Medicine, *Nutrition Standards for Foods in Schools: Leading the Way toward Healthier Youth*, 2007, <https://www.nap.edu/catalog/11899/nutrition-standards-for-foods-in-schools-leading-the-way-toward>; USDA-FNS, “Interim Rule: NSLP and SBP Nutrition Standards for All Foods Sold in Schools as Required by the Healthy, Hunger-Free Kids Act of 2010,” 78 *Federal Register* 79567, December 31, 2013, <https://www.federalregister.gov/documents/2013/12/31/2013-31350/national-school-lunch-program-and-school-breakfast-program-nutrition-standards-for-all-foods-sold-in>.

interim final rules with minor changes.<sup>114</sup> Under the final standards, competitive foods must have certain primary ingredients, meet whole-grain requirements, and comply with calorie, sugar, sodium, and fat limits, among other criteria. Schools are also limited to a list of zero- and low-calorie beverages they may sell (with larger portion sizes and caffeine allowed in high schools).<sup>115</sup>

Fundraisers held outside of the school day and fundraisers in which the food sold is clearly not intended for consumption on campus during the school day are not subject to the competitive food nutrition standards. In addition, the law and the final rule provided states with discretion to exempt infrequent fundraisers selling foods or beverages that do not meet the nutrition standards.

The federal standards are minimum standards, and states and school districts are permitted to issue more stringent policies. Many districts already had local competitive food standards in place prior to the HHFKA because of the 2004 child nutrition reauthorization law (P.L. 108-265), which required local educational agencies to implement local school wellness policies that included nutritional guidelines for foods sold in schools (local school wellness policies are discussed in the “Other Child Nutrition Activities” section).

### **Local School Wellness Policies**

Local educational agencies participating in the school meals programs are required to have a local school wellness policy, which sets nutrition and health-related goals and guidelines for schools within the jurisdiction.<sup>116</sup> Local school wellness policies must include goals related to nutrition and physical activity, nutrition standards for school foods that meet or exceed federal nutrition standards, and an implementation plan, among other content. Local educational agencies must provide opportunities for input from parents, students, school nutrition professionals, physical education teachers, school health professionals, school administrators, and the general public in developing and updating local school wellness policies.

### **Food Procurement and Preparation**

The majority of foods used in the school meal programs are purchased by school food authorities using federal cash reimbursements or other funds. School food authorities also receive USDA Foods (as discussed previously). School food authorities must comply with federal procurement rules when purchasing foods for the school meals programs.<sup>117</sup> In addition, there is a “Buy American” requirement in statute that requires schools participating in the school meal programs to purchase domestic commodities and products “to the maximum extent practicable.”<sup>118</sup>

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<sup>114</sup> USDA-FNS, “National School Lunch Program and School Breakfast Program: Nutrition Standards for All Foods Sold in School as Required by the Healthy, Hunger-Free Kids Act of 2010; Final Rule,” 81 *Federal Register* 50131, July 29, 2016, <https://www.federalregister.gov/documents/2016/07/29/2016-17227/national-school-lunch-program-and-school-breakfast-program-nutrition-standards-for-all-foods-sold-in>. Related resources are available at the USDA-FNS website, <https://www.fns.usda.gov/school-meals/tools-schools-focusing-smart-snacks>.

<sup>115</sup> 7 C.F.R. §210.11.

<sup>116</sup> The 2004 child nutrition reauthorization created the requirement that local educational agencies establish school wellness policies, and the HHFKA expanded requirements around local school wellness policies. Section 9A of the Richard B. Russell National School Lunch Act (42 U.S.C. §1758b); 7 C.F.R. §210.31.

<sup>117</sup> 7 C.F.R. §210.21.

<sup>118</sup> Section 12(n) of the NSLA (42 U.S.C. §1760(n)). USDA has issued guidance on the implementation of this provision; see USDA-FNS, “Compliance with and Enforcement of the Buy American Provision in the National School Lunch Program,” SP 38-2017, June 2017, <https://www.fns.usda.gov/school-meals/compliance-enforcement-buy-american>. For further discussion, see CRS Report R45486, *Child Nutrition Programs: Issues in the 115th Congress*.

Purchases may include local foods, as long as they comply with federal, state, and local procurement regulations.<sup>119</sup>

Many school food authorities purchase and prepare their own meals, either at a centralized district kitchen or onsite at individual schools.<sup>120</sup> Alternatively, school food authorities may contract with a private food service management company to contract out procurement and/or meal preparation.<sup>121</sup> The contracted company must comply with all school meal regulations and the school food authority must retain general control over the operation of the school meals programs, including financial oversight and compliance with nutrition standards.<sup>122</sup>

## **Meal Times and Settings**

In general, lunches and breakfasts are intended to be consumed onsite during the school day.<sup>123</sup> Surveys have found that schools typically provide roughly 20 minutes for breakfast and 25-30 minutes for lunch.<sup>124</sup>

Under SBP, students were traditionally required to arrive early for breakfast and eat it in the cafeteria. However, in recent years, schools and states have increasingly adopted alternative models of breakfast service such as breakfast in the classroom, grab-and-go carts, and breakfast during morning breaks. Anti-hunger advocacy groups have encouraged the adoption of new models of breakfast service as a way to increase SBP participation.<sup>125</sup> According to a 2018 survey by the School Nutrition Association (SNA), a membership and advocacy organization, more than half of surveyed school districts offered both a traditional cafeteria line and alternative modes of breakfast service, while 43% of schools offered a cafeteria line only. Common alternatives were

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<sup>119</sup> For more information, see CRS Report R43950, *Local Food Systems: Selected Farm Bill and Other Federal Programs*.

<sup>120</sup> A nationally representative study by USDA in school year 2014-2015 found that nearly 80% of public schools participating in NSLP cooked meals onsite, with the remainder receiving partially or fully prepared meals from a central kitchen or other production facility (USDA-FNS, Office of Policy Support, *School Nutrition and Meal Cost Study, Final Report Volume 1: School Meal Program Operations and School Nutrition Environments*, Prepared by Mathematica Policy Research and Abt Associates, April 2019, p. A.45, <https://fns-prod.azureedge.net/sites/default/files/resource-files/SNMCS-Volume1.pdf>).

<sup>121</sup> The USDA study in school year 2014-2015 (*ibid*, p. A.59) found that 19.7% of public school food authorities used a food service management company. They were most commonly tasked with menu planning, preparing and serving meals, and overseeing private employees. A more recent, nationally representative survey conducted by USDA in school year 2016-2017 found that 26.2% of public school food authorities used a food service management company (USDA-FNS, *Study of School Food Authority Procurement Practices*, prepared by 2M Research, September 22, 2021, p. 44, <https://www.fns.usda.gov/cn/study-school-food-authority-procurement-practices>).

<sup>122</sup> USDA-FNS, “Contracting with Food Service Management Companies: Guidance for School Food Authorities,” SP40, CACFP12, SFSP14-2016, May 2016, <https://www.fns.usda.gov/updated-guidance-contracting-food-service-management>.

<sup>123</sup> USDA-FNS, “Clarification of the Policy on Food Consumption Outside of Foodservice Area, and the Whole Grain-Rich Requirement,” April 2014, <https://fns-prod.azureedge.net/sites/default/files/cn/SP41-2014os.pdf>.

<sup>124</sup> USDA-FNS Office of Policy Support, *Special Nutrition Program Operations Study: State and School Food Authority Policies and Practices for School Meals Programs School Year 2011-12*, March 2014, <https://fns-prod.azureedge.net/sites/default/files/SNOPSYear1.pdf>; and School Nutrition Association, *School Nutrition Operations Report: The State of School Nutrition 2018*, August 2018.

<sup>125</sup> For example, see Food Research and Action Center (FRAC), “School Breakfast Expansion Strategies,” <http://www.frac.org/programs/school-breakfast-program/school-breakfast-expansion-strategies>; and Share Our Strength, “2017-2018 State-level Policy and Legislative Trends,” <http://bestpractices.nokidhungry.org/policy-and-advocacy/school-breakfast>.

grab-and-go stations (particularly in middle and high schools) and breakfast in the classroom (particularly in elementary schools).<sup>126</sup>

### **School Meal Equipment Assistance Grants**

At different points in the school meals programs' history, specific funds have been provided for cafeteria equipment purchases (per-meal reimbursements may also cover equipment costs). Since FY2013, annual appropriations acts have provided funding for school meal equipment assistance grants to help schools prepare meals that comply with updated nutrition standards, improve food safety, and support the establishment, maintenance, or expansion of school breakfast programs (\$30 million was provided for FY2023).<sup>127</sup> These grants are awarded by FNS to state agencies, which distribute funds to school food authorities on a competitive basis.<sup>128</sup>

### **School Breakfast Expansion Grants**

The HHFKA authorized competitive grants to states to help school districts “establish, maintain, or expand the school breakfast program.”<sup>129</sup> The law provides priority for school districts carrying out projects in schools where at least 75% of students qualify for free or reduced-price meals and those that have adopted or commit to adopting effective strategies to increase breakfast participation, as identified by FNS. Appropriations acts in FY2020, FY2021, FY2022, and FY2023 provided \$5 million, \$6 million, \$6 million, and \$3 million for these grants, respectively.<sup>130</sup> USDA awarded funds to four states and one territory in FY2021, and one territory in FY2022.<sup>131</sup>

## **Child and Adult Care Food Program (CACFP)**

CACFP provides federal reimbursements for meals and snacks served in approximately 140,000 child care centers, day care homes, and adult day care centers nationwide in a typical year (see **Table 6** for participation by type of institution).<sup>132</sup> Reimbursements are provided for meals and snacks served to children ages 12 and under, children of any age with disabilities, and chronically disabled and elderly adults.<sup>133</sup> CACFP also supports free meals and snacks for children ages 18

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<sup>126</sup> School Nutrition Association, *School Nutrition Operations Report: The State of School Nutrition 2018*, August 2018.

<sup>127</sup> The American Recovery and Reinvestment Act (P.L. 111-5) provided \$100 million for school meals equipment assistance grants, which was spent in FY2009-FY2011. Appropriations acts in FY2010 and from FY2013 to FY2023 have provided subsequent funding for these grants.

<sup>128</sup> For example, see USDA-FNS, “FY 2023 National School Lunch Program Equipment Assistance Grants for School Food Authorities,” August 3, 2023, <https://www.fns.usda.gov/nslp/fy-2023-equipment-assistance-grants>.

<sup>129</sup> Section 23 of the Child Nutrition Act of 1966 (42 U.S.C. §1793).

<sup>130</sup> P.L. 116-94, P.L. 116-260, P.L. 117-103, and P.L. 117-328. The FY2020 and FY2023 laws included a \$1 million reservation and the FY2021 and FY2022 laws included a \$2 million reservation of funds for Puerto Rico, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, Guam, and American Samoa.

<sup>131</sup> USDA-FNS, “2023 USDA Explanatory Notes—Food and Nutrition Service,” p. 35-35, <https://www.usda.gov/sites/default/files/documents/35-2023-FNS.pdf>; USDA-FNS, “2024 USDA Explanatory Notes—Food and Nutrition Service,” p. 35-39, <https://www.usda.gov/sites/default/files/documents/35-2024-FNS.pdf>.

<sup>132</sup> FY2022 data from USDA-FNS, “June 2023 Keydata Report,” September 8, 2023.

<sup>133</sup> Reimbursements are also available for meals/snacks served to migrant children ages 15 or under and children with disabilities of any age. *Elderly* is defined as individuals age 60 or older. 7 C.F.R. §226.2.

and under in emergency shelters and afterschool programs in low-income areas (discussed in the “After-School Meals and Snacks” section).<sup>134</sup>

In general, CACFP provides cash reimbursements for up to two meals and one snack or one meal and two snacks per participant daily (a meal may be a breakfast, lunch, or supper).<sup>135</sup> A smaller share of federal aid takes the form of commodity assistance or cash in lieu of commodities and funds for administrative costs (discussed previously).<sup>136</sup> The eligibility and funding rules of CACFP differ for centers (facilities or institutions) and day care homes (private homes). Day care homes must be overseen by sponsoring organizations, which handle the financial and administrative functions of the program for local providers. Centers have the option of operating independently or under a sponsor.

Both centers and day care homes must comply with government-established standards for other child care programs and meet federal CACFP nutrition standards.<sup>137</sup>

**Table 6. CACFP Participation: Centers and Day Care Homes, FY2022**

|                        | Outlets | Participants | Average Number of Participants Per Institution |
|------------------------|---------|--------------|--|
| Day care homes         | 74,100  | 571,300      | 8  |
| Child care centers     | 64,600  | 4,102,300    | 64   |
| Adult day care centers | 2,300   | 114,000      | 50   |

**Source:** USDA-FNS, “June 2023 Keydata Report,” September 8, 2023.

**Notes:** Participation estimated by USDA-FNS based on average daily meals served; average number of participants per institutions estimated by CRS. Total number of outlets and participants are rounded to the nearest hundreds. Data are preliminary for FY2022.

## Administration

At the local level, sponsor organizations administer CACFP for all participating day care homes and centers that elect to have a sponsor. Sponsors are responsible for conducting audits of providers, distributing federal reimbursements, and in some instances, preparing and distributing

<sup>134</sup> For more information on CACFP for emergency shelters, see <https://www.fns.usda.gov/participation-emergency-shelters-child-and-adult-care-food-program-cacfp-questions-and-answers>.

<sup>135</sup> Section 17(f)(2)(B) of the NSLA (42 U.S.C. §1766(f)(2)(B)). Emergency shelters can receive reimbursement for up to three meals per day per child.

<sup>136</sup> In CACFP, states may request any amount of cash-in-lieu of commodities per Section 17(h)(1)(D) of the NSLA (codified at 42 U.S.C. §1766(h)(1)(D)).

<sup>137</sup> Section 17(a)(5) of the NSLA (codified at 42 U.S.C. §1766(a)(5)); 7 C.F.R. §226.6(d). All CACFP-participating child care centers and homes must be licensed child care providers. If federal, state, or local licensing is not available, the institution must comply with federal, state, or local child care standards. Emergency shelters are not subject to this requirement but they must meet state or local health and safety standards.

meals.<sup>138</sup> They can be public or nonprofit institutions or, in some cases, for-profit institutions.<sup>139</sup> Centers that choose to handle their own administrative responsibilities are referred to as independent centers.

Unlike centers, day care homes are required to have a sponsor organization. Sponsors receive monthly federal administrative payments based on the number of homes for which they are responsible (sponsors, on average, have more than 100 day care homes under their supervision).<sup>140</sup> They may also receive a portion of the per-meal reimbursement if they have an agreement with the day care home to prepare meals.<sup>141</sup> If a center opts to have a sponsor, the sponsor may retain a portion of the per-meal reimbursements for its administrative expenses.<sup>142</sup>

In CACFP, the state administering agency is typically the state department of education or department of health and/or human services.<sup>143</sup> The state agency distributes federal funds and conducts reviews of CACFP sponsor organizations and independent centers.<sup>144</sup>

Similar to the school meals programs, FNS provides oversight of state agencies and issues guidance and regulations to states and providers.

## Eligibility and Reimbursement

### CACFP Centers

The following institutions are eligible to participate as centers in CACFP:

- public or private *nonprofit* (tax exempt) organizations providing nonresidential child care or adult day care (including school food authorities and Head Start centers),<sup>145</sup>
- private *for-profit* organizations providing nonresidential child care or adult day care that enroll a certain proportion of low-income participants,<sup>146</sup> and

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<sup>138</sup> Per statute, sponsors must make at least one scheduled visit to sponsored day care homes and centers each year and periodic unannounced site visits at not less than three-year intervals (Section 17(d)(2) of the NSLA [codified at 42 U.S.C. §1766(d)(2)]). Per regulations, sponsors must make at least three site visits each year, two of which must be unannounced, with limited exceptions (7 C.F.R. §226.16(d)(4)(iii)). CACFP has a “serious deficiency” process that outlines the procedures involved in terminating an institution or provider from CACFP, which involves corrective action plans and hearings (Section 17(d)(5) of the NSLA [codified at 42 U.S.C. §1766(d)(5)]).

<sup>139</sup> For-profit institutions may be sponsors of for-profit centers if they are part of the same legal entity. Section 17(a)(2)(D) of the NSLA (codified at 42 U.S.C. §1766(a)(2)(D)).

<sup>140</sup> The number of day care homes divided by the number of sponsors of day care homes. USDA-FNS, “June 2023 Keydata Report,” September 8, 2023.

<sup>141</sup> See program regulations at 7 C.F.R. §226.13.

<sup>142</sup> Sponsors of centers may retain up to 15% of the per-meal reimbursements for administrative expenses. They may also request a state waiver to exceed this limit. See program regulations at 7 C.F.R. §226.7(g).

<sup>143</sup> For a list of CACFP state administering agencies, see USDA-FNS, “CACFP: Contacts,” <https://www.fns.usda.gov/contacts>.

<sup>144</sup> State agencies must annually review at least one-third of sponsors/independent centers. Further rules are specified at 7 C.F.R. §226.6(m).

<sup>145</sup> Section 17(a)(2) of the NSLA (codified at 42 U.S.C. §1766(a)(2)). Private nonprofit institutions must have tax-exempt status under the Internal Revenue Code of 1986 per program regulations (7 C.F.R. §226.15).

<sup>146</sup> Section 17(a)(2) and Section 17(d)(1)(B) of the NSLA (codified at 42 U.S.C. §1766(a)(2), (d)(1)(B)). Private for-profit institutions qualify if at least 25% of enrolled children meet the income eligibility criteria for free or reduced-price school meals, if the institution receives compensation under the Social Services Block Grant for at least 25% of its enrolled children, or if at least 25% of enrolled adults are Medicaid or Social Services Block Grant beneficiaries.

- emergency shelters for homeless families.<sup>147</sup>

Adult day care centers and outside school hour centers fall under the first two categories, but they are subject to specific federal regulations.<sup>148</sup>

Income eligibility rules for CACFP centers are the same as the school meals programs: participants in households at or below 130% of the poverty line qualify for free meals and snacks and those between 130% and 185% of the poverty line qualify for reduced-price meals and snacks (a charge of no more than 40 cents for a lunch or supper, 30 cents for a breakfast, and 15 cents for a snack).<sup>149</sup> CACFP centers also use similar categorical eligibility criteria, including participation in Head Start, foster child status, and household participation in SNAP, FDPIR, or TANF assistance. Adults are categorically eligible if they participate in SNAP, FDPIR, Supplemental Security Income (SSI), or Medicaid.<sup>150</sup> Eligibility is determined through paper applications or, in some states, direct certification-like processes.

For CACFP centers, the reimbursement rates for breakfasts and lunches/suppers are the same as the SBP breakfast reimbursement rate and NSLP lunch reimbursement rate, respectively. The largest subsidies are provided for free and reduced-price meals and snacks, while paid meals receive a lower reimbursement.<sup>151</sup> Unlike the school meals programs, CACFP allows centers certain flexibilities for tracking meal counts and submitting claims for reimbursement.<sup>152</sup>

Compared to school meals, CACFP centers are also less likely to collect meal payments from participants and more likely to incorporate meal costs into tuition. Centers are not required to adjust tuition and fees to account for CACFP funding. Centers are also allowed to charge families separately for meals and snacks, as long as there are no charges for children who qualify for free meals and limited charges for those who qualify for reduced-price meals.<sup>153</sup>

## **CACFP Day Care Homes**

Day care homes are private homes that provide nonresidential child care services. In general, any day care home that meets local, state, or federal child care standards may participate in CACFP.

Unlike centers, day care homes generally do not make eligibility determinations and receive the same reimbursement rate for every meal served. Day care homes located in a low-income area or with a low-income provider receive a higher, Tier I reimbursement rate (shown in **Table 7**). To receive the Tier I rate, the home must be located in an area in which at least 50% of children are eligible for free or reduced-price meals or be operated by a provider whose household income

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<sup>147</sup> Section 17(a)(2) and Section 17(t) of the NSLA (codified at 42 U.S.C. §1766(a)(2), (t)). Emergency shelters are facilities that provide temporary housing as defined in the McKinney-Vento Homeless Assistance Act (42 U.S.C. §11351).

<sup>148</sup> 7 C.F.R. §226.19; 7 C.F.R. §226.19a.

<sup>149</sup> Section 17(c)(4) of the NSLA (codified at 42 U.S.C. §1766(c)(4)); 7 C.F.R. §226.2.

<sup>150</sup> See definition of “free meal” at 7 C.F.R. §226.2. Statute provides categorical eligibility for adults who are members of a household receiving assistance under the Food and Nutrition Act of 2008 (7 U.S.C. §2011 et seq.) and recipients of SSI or Medicaid. Section 17(o)(5) of the NSLA (codified at 42 U.S.C. §1766(o)(5)). Also see a summary of CACFP eligibility rules at the USDA-FNS website, <http://www.fns.usda.gov/cacfp/why-cacfp-important>.

<sup>151</sup> Section 17(c) of the NSLA (codified at 42 U.S.C. §1766(c)).

<sup>152</sup> 7 C.F.R. §226.9. Also see USDA-FNS, *Independent Child Care Centers Handbook: A CACFP Handbook*, May 2014, pp. 46-51, <https://www.fns.usda.gov/cacfp/cacfp-handbooks>.

<sup>153</sup> 7 C.F.R. §226.6(f)(1)(i). Also see USDA-FNS, *Independent Child Care Centers Handbook: A CACFP Handbook*, May 2014, pp. 18-19, <https://www.fns.usda.gov/cacfp/cacfp-handbooks>.

level meets the free or reduced-price income standards.<sup>154</sup> Day care homes that do not qualify for Tier I rates receive Tier II (lower) rates. However, Tier II providers may seek the higher Tier I subsidies for individual low-income children for whom household income information is collected and verified.

Like centers, CACFP-participating day care homes may incorporate meal costs into tuition. Unlike centers, federal rules prohibit any separate meal charges.<sup>155</sup>

**Table 7. Reimbursement Rates: CACFP Centers and Day Care Homes**  
Per-Meal/Snack Reimbursement for the 48 Contiguous States and the District of Columbia,  
School Year 2023-2024

|                       | Breakfast | Lunch/Supper | Snack  |
|-----------------------|-----------|--------------|--------|
| <b>Centers</b>        |           |              |        |
| Free                  | \$2.28    | \$4.25       | \$1.17 |
| Reduced-price         | \$1.98    | \$3.85       | \$0.58 |
| Paid                  | \$0.38    | \$0.40       | \$0.10 |
| <b>Day Care Homes</b> |           |              |        |
| Tier I                | \$1.65    | \$3.12       | \$0.93 |
| Tier II               | \$0.59    | \$1.88       | \$0.25 |

**Sources:** USDA FNS, “CACFP: National Average Payment Rates, Day Care Home Food Service Payment Rates, and Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes for the Period July 1, 2023 Through June 30, 2024,” 88 *Federal Register* 43264, July 7, 2023. Separate rates are provided for Alaska, Guam, Hawaii, Puerto Rico, and the U.S. Virgin Islands. For historical program reimbursement rates, see <http://www.fns.usda.gov/cacfp/reimbursement-rates>.

**Note:** Table does not show monthly administrative payments to sponsoring organizations of day care homes.

## Nutrition Standards and Food Service

### Nutrition Standards

In addition to nutrition standards for school foods, the HRFKA required the Secretary of Agriculture to update CACFP’s meal patterns. USDA’s final rule, effective October 1, 2017, revised the meal patterns for meals and snacks served in centers and day care homes.<sup>156</sup> It also aligned nutrition standards for meals served to preschool-aged children through NSLP and SBP.

For infants (under 12 months of age), the new meal patterns eliminated juice, encouraged breastfeeding, and set guidelines for the introduction of solid foods, among other changes. For

<sup>154</sup> Section 17(f)(3)(A)(ii)(I) of the NSLA (codified at 42 U.S.C. §1766(f)(3)(A)(ii)(I)). Sponsoring organizations may use school data (provided by the state agency) to demonstrate that at least 50% of children in the day care home’s area are eligible for free/reduced-price meals, or use Census data (provided by FNS) to demonstrate that at least 50% of children in the area are members of households that meet the income standards for free or reduced-price meals. See USDA-FNS, *Area Eligibility in Child Nutrition Programs*, CACFP04-2017, December 1, 2016, <https://www.fns.usda.gov/area-eligibility-child-nutrition-programs>.

<sup>155</sup> 7 C.F.R. §226.18(d).

<sup>156</sup> USDA-FNS, “Child and Adult Care Food Program: Meal Pattern Revisions Related to the Healthy, Hunger-Free Kids Act of 2010: Final Rule,” 81 *Federal Register* 24348 et seq., April 25, 2016, <https://www.federalregister.gov/documents/2016/04/25/2016-09412/child-and-adult-care-food-program-meal-pattern-revisions-related-to-the-healthy-hunger-free-kids-act>.

children ages one and older and adult participants, the new meal patterns increased whole grains, fruits, and vegetables, limited milk to certain varieties<sup>157</sup>, limited sugar in cereals and yogurts, and prohibited deep-fried foods. They also required that potable water be available to children throughout the day.

## **Procurement and Meal Service**

CACFP institutions may purchase their own foods and prepare their own meals, or they may contract with a school or a food service management company that prepares meals for them. In either case, institutions must comply with federal, state, and local procurement regulations.<sup>158</sup> As noted previously, CACFP institutions also receive a certain amount of USDA Foods.

Meals must comply with state or local health, safety, and sanitation requirements for storing, preparing, and serving food, and institutions must acquire annual food safety inspections. Family-style meal service is encouraged in CACFP.<sup>159</sup>

## **Summer Food**

The SFSP and the Seamless Summer Option (SSO) provide federal reimbursements for summer meals.<sup>160</sup> SFSP is open to school food authorities, local public agencies, and private nonprofit organizations, while SSO is specifically for school food authorities, allowing them to continue operating under certain NSLP/SBP requirements into the summer. The programs share many of the same requirements, including a requirement that children consume meals onsite—known as the “congregate feeding” requirement—except in rural areas (discussed further below).<sup>161</sup> Summer food benefits for households with school-age children are also available through the Summer Electronic Benefits Transfer for Children (Summer EBT) program, which was permanently authorized by the FY2023 Consolidated Appropriations Act (P.L. 117-328).

During the COVID-19 pandemic, the summer meals programs were used during the school year to facilitate free meal service (not discussed in this section).<sup>162</sup>

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<sup>157</sup> The original rule limited milk to unflavored whole milk for one-year-olds, unflavored low-fat (1%) or fat-free (skim) milk for two- to five-year-olds, and flavored or unflavored fat-free milk or unflavored low fat milk for children six years and older. For children ages six and older, flavored 1% milk is now allowed under USDA-FNS, “Child Nutrition Programs: Transitional Standards for Milk, Whole Grains, and Sodium,” 87 *Federal Register* 6984, February 7, 2022.

<sup>158</sup> 7 C.F.R. §226.22; USDA-FNS, *Independent Child Care Centers Handbook: A CACFP Handbook*, May 2014, pp. 38-39, <https://www.fns.usda.gov/cacfp/cacfp-handbooks>.

<sup>159</sup> *Ibid.*, p. 37.

<sup>160</sup> For an overview of summer meal benefits for children, see CRS In Focus IF11633, *Summer Food for Children: An Overview of Federal Aid*.

<sup>161</sup> 7 C.F.R. §225.6(e)(15). USDA issued waivers of this requirement during the COVID-19 pandemic. USDA has also provided exemptions from the congregate feeding requirement to SFSP and SSO outdoor meal sites experiencing excessive heat.

<sup>162</sup> Pandemic response policies are discussed briefly in the “Background” section of this report and in detail in CRS Report R46681, *USDA Nutrition Assistance Programs: Response to the COVID-19 Pandemic*.

## Summer Food Service Program (SFSP)

The SFSP provides federal aid to school food authorities and other local public and nonprofit organizations that serve meals and snacks to children during the summer months.<sup>163</sup> Federal aid is provided in the form of per-meal cash reimbursements and a smaller amount of commodity foods and administrative funds (discussed previously). The program serves roughly 2.5 million children at around 40,000 meal sites in a typical summer.<sup>164</sup>

Similar to CACFP, SFSP is administered at the local level by sponsor organizations that operate the program at one or more meal sites (the physical location where food is served and eaten). All SFSP meal sites are required to have a sponsor. Sponsors may operate meal sites at a variety of locations, including schools, recreation centers, parks, churches, and public libraries.

Unlike the other child nutrition programs, SFSP participation is generally limited (with the exception of camps) to meal sites that serve children from “areas in which poor economic conditions exist”—defined as areas or sites in which at least 50% of children are eligible for free and reduced-price school meals (discussed further below).<sup>165</sup>

### Administration

The following public and private nonprofit institutions are eligible to participate in SFSP as sponsors:

- nonprofit organizations,
- school food authorities,
- state and local governments (including tribal governments),
- public or nonprofit summer camps (overnight and day camps), and
- public or nonprofit colleges and universities participating in the National Youth Sports Program.<sup>166</sup>

**Figure 8** displays the proportion of summer meal sponsors by institution type.

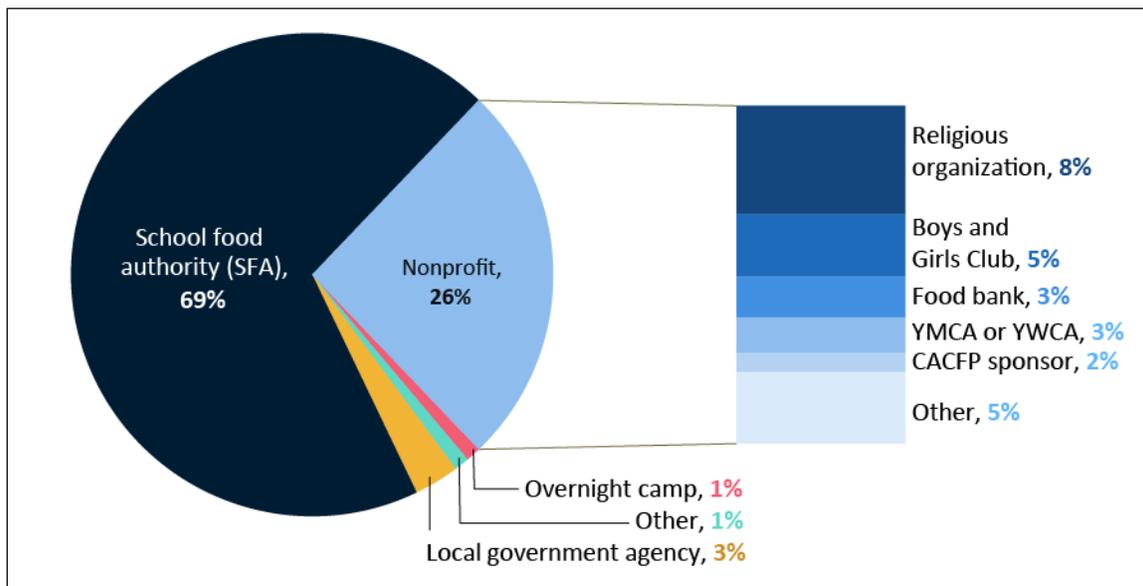
<sup>163</sup> Sponsors may operate SFSP from May through September for children on school vacation. Sponsors may also receive SFSP reimbursements for meals during unanticipated school closures, and sponsors administering SFSP under a continuous school calendar system may operate SFSP at any time (7 C.F.R. §225.6(e)).

<sup>164</sup> USDA-FNS, “June 2023 Keydata Report,” September 8, 2023. Participation data prior to the COVID-19 pandemic from USDA-FNS, “November Keydata Report (September 2019 data),” December 13, 2019, <https://www.fns.usda.gov/data/november-keydata-report-september-2019-data>. According to a May 2018 GAO report, estimates of participation in SFSP may be unreliable because they have been calculated inconsistently across states and years. See U.S. Government Accountability Office, *Actions Needed to Improve Participation Estimates and Address Program Challenges*, GAO-18-369, May 2018, <https://www.gao.gov/products/GAO-18-369>.

<sup>165</sup> Section 13(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. §1761(a)).

<sup>166</sup> Section 13(a)(7) of the NSLA (codified at 42 U.S.C. §1761(a)(7)). “Nonprofit” means tax exempt under Section 501(a) of the Internal Revenue Code of 1986 (7 C.F.R. §225.2). While SFSP sponsors are limited to nonprofit or public institutions, state agencies may approve open meal sites located at a for-profit institution. Federal funding for the National Youth Sports Program expired in 2006 (U.S. Department of Health and Human Services, Office of the Assistant Secretary for Health, *The National Youth Sports Strategy*, October 2019, p. 31, [https://health.gov/sites/default/files/2019-10/National\\_Youth\\_Sports\\_Strategy.pdf](https://health.gov/sites/default/files/2019-10/National_Youth_Sports_Strategy.pdf)).

**Figure 8. Summer Meal Sponsors by Type, 2018**  
 Estimated Percentage of Sponsors in SFSP and SSO by Organization Type



**Source:** USDA-FNS, *USDA Summer Meals Study Volume 2. Sponsor and Site Operational Characteristics*, prepared by Westat, October 2021, pp. 3-4 to 3-7, <https://www.fns.usda.gov/cn/usda-summer-meals-study>.

**Notes:** Numbers may not sum to 100% due to rounding.

Eligible sponsors must also provide year-round services to the community, with limited exceptions.<sup>167</sup> In addition, all sponsors except camps must “conduct a regularly scheduled food service for children from areas in which poor economic conditions exist” (discussed further in the next section).<sup>168</sup>

According to statute, when selecting sponsors, states must give priority to school food authorities, public and nonprofit organizations that have demonstrated successful program performance in a prior year, new public sponsors, and new nonprofit sponsors (in that order). States must also prioritize sponsors located in rural areas.<sup>169</sup>

Sponsors are responsible for selecting meal sites, distributing meals to sites, and monitoring sites.<sup>170</sup> Officials at meal sites are responsible for distributing meals to children, monitoring the food service, and keeping track of meals served for reimbursement. At times, a sponsor may also be a site (for example, camps are both sponsors and meal sites).

State administering agencies (often state departments of education) approve sponsors, distribute federal funds, and conduct reviews of sponsors and sites.<sup>171</sup> State agencies receive SFSP funds for

<sup>167</sup> Residential camps are not subject to this requirement. Section 13(a)(3)(D) of the NSLA (codified at 42 U.S.C. §1761(a)(3)(D)).

<sup>168</sup> Section 13(a)(3)(C) of the NSLA (codified at 42 U.S.C. §1761(a)(3)(C)).

<sup>169</sup> Section 13(a)(4) of the NSLA (codified at 42 U.S.C. §1761(a)(4)).

<sup>170</sup> Most sponsors are responsible for overseeing 1-10 sites according to USDA-FNS, *USDA Summer Meals Study Volume 2. Sponsor and Site Operational Characteristics*, prepared by Westat, October 2021, p. 3-1, <https://www.fns.usda.gov/cn/usda-summer-meals-study>. Sponsors must conduct at least one site visit during the first week of program operation; review food service operations at least once during the first four weeks of program operation; and then maintain “a reasonable level of site monitoring” (7 C.F.R. §225.15(d)).

<sup>171</sup> State agencies must review sponsors at least once every three years, with more frequent reviews of certain sponsors. Further details are available at 7 C.F.R. §225.7(d)(2)(ii).

administrative costs in addition to general child nutrition program administrative funds (discussed previously in the “Administrative Funds” section).

FNS distributes funds and commodities to state agencies, oversees states’ implementation of SFSP, and provides guidance and technical assistance to states and participating institutions.

## **Eligibility and Reimbursement**

SFSP’s eligibility and reimbursement rules differ for different types of areas and meal sites.

**Rural areas:** As a result of the FY2023 Consolidated Appropriations Act (P.L. 117-328), sponsors may provide free meals for off-site consumption (i.e., pick-up or delivery) to children in rural areas<sup>172</sup> if (1) the area is also considered low-income (defined as at least 50% of children qualifying for free or reduced-price school meals)<sup>173</sup> or (2) the individual child qualifies for free or reduced-price school meals.<sup>174</sup> Sponsors may receive reimbursement for up to two meals, or one meal and one snack, per child daily (however, sponsors may seek state approval to distribute up to 10 days worth of meals at a time). This policy became effective in summer 2023.

**Open sites** are meal sites that are open to all children in the community.<sup>175</sup> Open sites are the most common type of site, comprising an estimated 83% of summer meal sites in summer 2018.<sup>176</sup> In order to participate in SFSP, open sites must be located in an area in which at least 50% of the children would be eligible for free or reduced-price school meals as demonstrated through school data, Census data, or other approved data sources.<sup>177</sup> Meals must be served free to all children at these sites, and the sponsor of the site receives reimbursement for every meal served (up to two meals or one meal and one snack per child daily).

**Closed enrolled sites** are meal sites (other than camps) that only serve enrolled children. In order for the site to participate in SFSP, at least 50% of the enrolled children must qualify for free or reduced-price school meals based on the submission of a household application or other documentation.<sup>178</sup> Like open sites, meals are served free to all children and the sponsor receives reimbursement for every meal served (up to two meals or one meal and one snack per child daily).

**Camps** include residential and day camps that provide organized programs for enrolled children. Unlike open and closed enrolled sites, camps do not have to demonstrate that a certain percentage of children meet the free and reduced-price eligibility standards in order to participate in SFSP.

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<sup>172</sup> SFSP regulations define *rural* at 7 C.F.R. §225.2. USDA-FNS publishes a map of such rural areas at USDA-FNS, “Rural Designations,” <https://www.fns.usda.gov/sfsp/rural-designation>.

<sup>173</sup> USDA-FNS, “Area Eligibility in Child Nutrition Programs,” SP 08-2017, CACFP 04-2017, SFSP 03-2017, December 1, 2016, [https://fns-prod.azureedge.net/sites/default/files/cn/SP08\\_CACFP04\\_SFSP03-2017os.pdf](https://fns-prod.azureedge.net/sites/default/files/cn/SP08_CACFP04_SFSP03-2017os.pdf).

<sup>174</sup> USDA-FNS, “Implementation Guidance: Summer 2023 Non-Congregate Meal Service in Rural Areas – Revised,” February 28, 2023, <https://www.fns.usda.gov/sfsp/implementation-guidance-summer-2023-non-congregate-meal-service-rural-areas>.

<sup>175</sup> Open sites may become “restricted open sites” if they need to restrict attendance for reasons related to security, safety, or control (7 C.F.R. §225.2). According to USDA guidance, sponsors of restricted open sites must publicly announce the restriction. USDA-FNS, *Administration Guide: Summer Food Service Program*, September 2016, p. 12, <https://www.fns.usda.gov/sfsp/handbooks>.

<sup>176</sup> USDA-FNS, *USDA Summer Meals Study Volume 2. Sponsor and Site Operational Characteristics*, prepared by Westat, October 2021, p. 3-7, <https://www.fns.usda.gov/cn/usda-summer-meals-study>.

<sup>177</sup> Section 13(a)(1)(A) of the NSLA (42 U.S.C. §1761(a)(1)(A)). For more information on area eligibility, see USDA-FNS, “Area Eligibility in Child Nutrition Programs,” SP 08-2017, CACFP 04-2017, SFSP 03-2017, December 1, 2016, [https://fns-prod.azureedge.net/sites/default/files/cn/SP08\\_CACFP04\\_SFSP03-2017os.pdf](https://fns-prod.azureedge.net/sites/default/files/cn/SP08_CACFP04_SFSP03-2017os.pdf).

<sup>178</sup> 7 C.F.R. §225.15(f).

Instead, eligibility works like NSLP and SBP: camps make eligibility determinations using similar income and categorical eligibility criteria for free and reduced-price meals. However, unlike the school meals programs, camps receive the same reimbursement rate for free and reduced-price meals. Camps may receive reimbursement for up to three meals or two meals and one snack per eligible child daily. Camps are not required to serve meals for free to all children, and there is no paid reimbursement provided for full-price meals.

**Migrant sites** must demonstrate that they predominantly serve migrant children as certified by a migrant organization or a sponsor. They follow the same eligibility and reimbursement rules as open sites, except that they may receive reimbursement for up to three meals or two meals and one snack per child daily.

SFSP reimbursement rates (inflation-adjusted rates displayed in **Table 8**) are based on a statutory formula that takes into account operating costs (e.g., food, storage, and labor costs) and administrative costs.<sup>179</sup> While such factors are taken into account in calculating the rates, once sponsors receive the funds they can use them for any allowable program cost. Higher reimbursements are provided for sponsors of rural meal sites and “self-preparation” sites (meal sites in which a sponsor rather than vendor prepares food).

**Table 8. Reimbursement Rates: SFSP**

Per-Meal/Snack Reimbursement Rates for the 48 Contiguous States and the District of Columbia,  
Calendar Year 2023

|                    | <b>Breakfast</b> | <b>Lunch/Supper</b> | <b>Snack</b> |
|--------------------|------------------|---------------------|--------------|
| Rural or Self-Prep | \$2.83           | \$4.95              | \$1.17       |
| All Other Sites    | \$2.77           | \$4.87              | \$1.14       |

**Source:** For program reimbursement rates as well as Alaska’s and Hawaii’s rates, see USDA-FNS, “Summer Food Service Program: 2023 Reimbursement Rates,” 88 *Federal Register* 1039, January 6, 2023.

**Notes:** Rates are rounded to the nearest cent. “Rural” means “(a) any area in a county which is not a part of a Metropolitan Statistical Area or (b) any ‘pocket’ within a Metropolitan Statistical Area” that is geographically isolated from urban areas (7 C.F.R. 225.2). “Self-Prep” means that meals are prepared by the sponsor or site (and not by a vendor).

## Nutrition Standards

Meals and snacks served through SFSP must meet federal nutrition standards. In contrast to the child nutrition programs discussed thus far, SFSP’s nutrition standards are not required to align with the Dietary Guidelines for Americans, but are “prescribed by the Secretary on the basis of tested nutritional research.”<sup>180</sup> Program regulations outline the nutrition standards for breakfasts, lunches/suppers, and snacks.<sup>181</sup> The standards prescribe minimum servings of fruits and vegetables, meats/meat alternatives, breads/bread alternatives, and milk. Unlike school meals and CACFP, there are no limits on calories, saturated and trans fats, and milk varieties in SFSP. Participating school food authorities may instead choose to use the NSLP and/or SBP nutrition standards for SFSP.<sup>182</sup>

<sup>179</sup> The authority for operating cost reimbursements is provided in Section 13(b)(1) of the NSLA (42 U.S.C. §1761(b)(1)), and the authority for the administrative cost reimbursement is provided in Section 13(b)(3) of the NSLA (42 U.S.C. §1761(b)(3)).

<sup>180</sup> Section 13(f) of the NSLA (codified at 42 U.S.C. §1761(f)).

<sup>181</sup> 7 C.F.R. §225.16(d).

<sup>182</sup> 7 C.F.R. §225.16(f).

## Meal Service

As noted, children are required to consume meals onsite in SFSP. There are also requirements around the timing of meals in SFSP: there must be at least three hours between meal or snack services and four hours between lunch and dinner if there is no snack served.<sup>183</sup> Like the other child nutrition programs, SFSP sponsors must comply with local or state health and sanitation requirements.

## Seamless Summer Option (SSO)

School food authorities may participate in SFSP, or they can choose to offer summer meals through SSO. SSO allows school food authorities to continue operating under certain NSLP/SBP requirements into the summer.<sup>184</sup> For example, it allows them to use the school meals programs' nutrition standards, administrative review process, and reimbursement rates (see **Table 4** for NSLP/SBP reimbursement rates). Other requirements are the same as SFSP, including rural area and site eligibility rules.<sup>185</sup> School food authorities are the only eligible sponsor in SSO, but they can operate the program at a variety of meal sites (e.g., parks, recreation centers, libraries).

The school lunch and breakfast reimbursement rates used in SSO are lower than SFSP's reimbursement rates. However, school food authorities participating in SSO also receive the NSLP commodity reimbursement (discussed in the "Commodity Assistance" section). School food authorities may also have a reduced administrative burden under SSO. A 2018 study by USDA found that three-quarters of sponsors operated SFSP and one-quarter operated SSO.<sup>186</sup>

## Summer EBT

Following a more than decade-long demonstration (discussed below), the Summer EBT program was given permanent authorization by the FY2023 Consolidated Appropriations Act (P.L. 117-328), which gave all states and territories and some ITOs the option to operate Summer EBT starting in summer 2024. According to the law, participating jurisdictions are to distribute federal funds to eligible households—in an amount of \$40 per child per month during the summer—which households can redeem at SNAP-authorized retailers for groceries. Children who receive free or reduced-price meals during the school year will be automatically enrolled in the program (though families may opt out). States participating in the program must also establish an application process—using the same eligibility criteria as free or reduced-price school meals—for other children.

P.L. 117-328 establishes separate program options for ITOs participating in WIC (some of whom previously operated the Summer EBT demonstration through WIC), territories that do not operate SNAP (American Samoa, Puerto Rico, and the Northern Mariana Islands), and children who attend year-round schools.

The law requires grantees to cover at least half of administrative costs and authorizes federal funding to cover the other half.

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<sup>183</sup> In addition, suppers cannot be served after 7 p.m. without a waiver from the state agency. 7 C.F.R. §225.16(c).

<sup>184</sup> Section 13(a)(8) of the NSLA (codified at 42 U.S.C. §1761(a)(8)).

<sup>185</sup> For a comparison of SFSP and SSO, see USDA-FNS, "Comparison of Programs: SFSP/NSLP/Seamless Option," January 22, 2015, [https://fns-prod.azureedge.us/sites/default/files/SFSP\\_SeamlessComparisonChart.pdf](https://fns-prod.azureedge.us/sites/default/files/SFSP_SeamlessComparisonChart.pdf).

<sup>186</sup> USDA-FNS, *USDA Summer Meals Study Volume 2. Sponsor and Site Operational Characteristics*, prepared by Westat, October 2021, pp. 3-4 to 3-7, <https://www.fns.usda.gov/cn/usda-summer-meals-study>.

## Summer Meal Demonstration Projects

Summer meal demonstration projects were first authorized and funded by the FY2010 appropriations law (P.L. 111-80).<sup>187</sup> Using such funds, USDA tested a number of summer meal delivery alternatives, including Summer EBT, food backpacks, food boxes, and meal delivery for children in rural areas.<sup>188</sup> Findings from Summer EBT were among the most promising, showing significant impacts on reducing food insecurity and improving nutrient intake.<sup>189</sup> Starting in FY2015, appropriations acts designated summer meal demonstration funding for Summer EBT.<sup>190</sup>

Using appropriated funds, the Summer EBT demonstration operated during summers 2011-2023 in selected states and ITOs.<sup>191</sup> The project provided electronic food benefits to households with children eligible for free or reduced-price school meals. Depending on the site and year, either \$30 or \$60 per month was provided on an EBT card. States and jurisdictions had the option to administer the project through SNAP or WIC. Participants in jurisdictions providing benefits through SNAP redeemed benefits for SNAP-eligible foods at SNAP-authorized retailers, while participants in the WIC EBT jurisdictions were limited to a smaller set of eligible foods at WIC-authorized retailers.<sup>192</sup>

## Special Milk Program (SMP)

SMP provides funding for milk served in approximately 1,700 schools, child care institutions, summer camps, and other institutions in FY2022.<sup>193</sup> Generally, schools and other participating institutions may not participate in another child nutrition meal service program along with SMP. However, schools may administer SMP for pre-kindergartners and kindergartners who are in part-day sessions and do not have access to the school meals programs.<sup>194</sup>

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<sup>187</sup> Section 749(g) of P.L. 111-80. The FY2010 appropriation was \$85 million, which funded demonstration activities in summers 2011 to 2014. For more information, see CRS Report R45486, *Child Nutrition Programs: Issues in the 115th Congress*.

<sup>188</sup> For further discussion, see CRS In Focus IF11633, *Summer Food for Children: An Overview of Federal Aid*; USDA-FNS, “Enhanced Summer Food Service Program (eSFSP),” <https://www.fns.usda.gov/enhanced-summer-food-service-program-esfsp>; and USDA-FNS, “USDA Highlights Success of Rural Summer Meals Delivery Project in Texas,” August 13, 2019, <https://www.fns.usda.gov/pressrelease/fns-001119>.

<sup>189</sup> Collins et al., *Summer Electronic Benefits Transfer for Children (SEBTC) Demonstration: Evaluation Findings for the Full Implementation Year*, prepared by Abt Associates, Mathematica Policy Research, and Maximus (Alexandria, VA: USDA-FNS, 2013), p. 105. Improvements in food insecurity varied significantly between Summer EBT sites. For evaluations of other approaches tested through the Enhanced Summer Food Service Program (eSFSP), see USDA-FNS, “Enhanced Summer Food Service Program,” November 8, 2013, <https://www.fns.usda.gov/ops/enhanced-summer-food-service-program-esfsp>.

<sup>190</sup> Additional appropriations for Summer EBT have been provided in each of FY2015 through FY2023.

<sup>191</sup> Grantees in various years included Connecticut, the Cherokee Nation, the Chickasaw Nation, Delaware, the Inter Tribal Council of Arizona, Michigan, Missouri, Nevada, Oregon, Tennessee, Texas, Virginia, Washington, and Wisconsin. In summers 2021-2023, state grantees did not operate Summer EBT demonstrations due to the availability of the Pandemic Electronic Benefit Transfer (P-EBT) program. However, three tribes (the Cherokee Nation, Chickasaw Nation, and Inter Tribal Council of Arizona) operated Summer EBT demonstration projects.

<sup>192</sup> For more information on the Summer EBT demonstration, see USDA-FNS, “2024 USDA Explanatory Notes – Food and Nutrition Service,” p. 35-49; and USDA-FNS, *Summer Electronic Benefit Transfer for Children (SEBTC) Demonstration: Summary Report*, prepared by Abt Associates Inc., May 2016, <https://www.fns.usda.gov/sfsp/summer-electronic-benefit-transfer-children-sebtc-demonstration-summary-report>.

<sup>193</sup> USDA-FNS, “National Level Annual Summary Tables FY1969-2021: Special Milk—Outlets and Milk Served,” April 7, 2022, <https://www.fns.usda.gov/pd/child-nutrition-tables>.

<sup>194</sup> Section 3 of the Child Nutrition Act of 1966 (42 U.S.C. §1772).

In SMP, participating institutions provide milk to children for free and/or at a subsidized paid price. Institutions are reimbursed differently based on whether they decide to provide milk for free to all children, sell milk to all children, or combine these options (provide free milk to eligible children and sell milk to other children) (see **Table 9**). If institutions choose the combined option, they must establish eligibility rules for free milk.<sup>195</sup>

USDA updated the nutritional requirements for milk served in SMP alongside changes to the CACFP nutrition standards.<sup>196</sup> The final rule, which took effect on October 1, 2017, required unflavored whole milk for one-year-olds, unflavored low-fat (1%) or unflavored fat-free milk for children ages 2-5, and unflavored low-fat (1%) or flavored/unflavored fat-free milk for children ages six and older (a subsequent rule in February 2022 allows flavored low-fat milk for the six-and-older age group).<sup>197</sup> The regulations also allowed for reimbursement of non-dairy milk substitutes in cases of medical or special dietary needs.

**Table 9. Reimbursement Rates: SMP**

Per Half-Pint Reimbursement, 50 States and the District of Columbia, School Year 2023-2024

|  | All Milk Served | Paid Milk | Free Milk to Low-Income Children   |
|--|-----------------|-----------|------------------------------------|
| Schools that only sell milk                  | \$0.26          | N/A       | N/A                                |
| Schools that provide only free milk          | \$0.26          | N/A       | N/A                                |
| Schools that sell milk and provide free milk | N/A             | \$0.26    | Average cost per half-pint of milk |

**Source:** USDA-FNS, “National School Lunch, Special Milk, and School Breakfast Programs, National Average Payments/Maximum Reimbursement Rates,” July 1, 2023, 88 *Federal Register* 43266.

**Note:** The average cost per half-pint of milk is determined based on receipts submitted by the institution.

## After-School Meals and Snacks

CACFP and NSLP both provide federal support for snacks and meals served during after-school programs.<sup>198</sup> The CACFP At-Risk Afterschool component provides reimbursement for up to one snack and one meal (usually supper) per child daily, whereas the NSLP Afterschool Snack option provides reimbursement for snacks only. Reimbursement rates for CACFP At-Risk Afterschool meals/snacks and NSLP afterschool snacks are the same as CACFP reimbursement rates (listed in **Table 7**).

<sup>195</sup> Institutions can set eligibility at or below the income threshold for free school meals (130% of the poverty line) (7 C.F.R. §215.13a).

<sup>196</sup> USDA-FNS, *Child and Adult Care Food Program: Meal Pattern Revisions Related to the Healthy, Hunger-Free Kids Act of 2010*, final rule, 81 *Federal Register* 24347, April 25, 2016, <https://www.federalregister.gov/documents/2016/04/25/2016-09412/child-and-adult-care-food-program-meal-pattern-revisions-related-to-the-healthy-hunger-free-kids-act>.

<sup>197</sup> *Ibid*; USDA-FNS, “Child Nutrition Programs: Transitional Standards for Milk, Whole Grains, and Sodium,” 87 *Federal Register* 6984, February 7, 2022.

<sup>198</sup> The CACFP At-Risk Afterschool snack/meal program is authorized in Section 17(r) of the NSLA (42 U.S.C. §1766(r)); the NSLP snack program is authorized in Section 17A of the NSLA (42 U.S.C. §1766a).

## **CACFP At-Risk Afterschool Meals and Snacks**

The CACFP At-Risk Afterschool component was authorized as a demonstration project in 1994 (P.L. 103-448), expanded over time, and made available to all states by the HHFKA.<sup>199</sup> At-Risk Afterschool meal providers include the same types of institutions that are eligible to become CACFP centers (see the institutional eligibility rules in the “CACFP Centers” section); however, they do not need to operate the child/day care component of CACFP in order to operate the At-Risk Afterschool component. Additionally, At-Risk Afterschool providers must be located in areas where at least 50% of children in the community are eligible for free or reduced-price school meals.<sup>200</sup> The afterschool program must also have “an educational or enrichment purpose.”<sup>201</sup> Unlike the traditional CACFP, which is available to children ages 12 and under, the At-Risk Afterschool component allows participation through age 18.

Participating institutions receive reimbursement for up to one snack and one meal (e.g., supper) per child daily, and meals and snacks are provided for free to all children. Meals and snacks must meet federal nutrition standards.<sup>202</sup> Institutions may operate the At-Risk Afterschool program in the after-school hours and on weekends, holidays, and breaks during the school year.

In FY2022, the CACFP At-Risk Afterschool component served a daily average of 3.1 million children.<sup>203</sup>

## **NSLP Afterschool Snacks**

The NSLP Afterschool Snack option was authorized in the 1998 child nutrition reauthorization act (P.L. 105-336). It allows NSLP-participating schools to receive federal reimbursement for one snack per child daily in eligible afterschool programs during the school year.<sup>204</sup> According to USDA guidance, eligible afterschool programs must provide “organized, regularly scheduled activities in a structured and supervised environment,” including an educational or enrichment activity.<sup>205</sup>

Schools that choose to operate the NSLP Afterschool Snack component may do so in one of two ways: (1) like the CACFP At-Risk Afterschool component, if at least 50% of children are eligible for free and reduced-price meals, the schools may provide free snacks to all children, or (2) if this criterion is not met, the schools may offer free, reduced-price, or full price snacks, based on household income eligibility (like the school meals programs). The vast majority of snacks provided through this program are under the first option.<sup>206</sup> Snacks served through the NSLP Afterschool Snack component must comply with federal nutrition standards.<sup>207</sup>

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<sup>199</sup> Prior to HHFKA, 13 states were permitted to offer CACFP At-Risk After-School meals (instead of just a snack); the law allowed all CACFP state agencies to offer such meals. S.Rept. 111-178, p. 7.

<sup>200</sup> Emergency shelters do not need to meet this requirement.

<sup>201</sup> Section 17(r) of the NSLA (42 U.S.C. §1766(r)).

<sup>202</sup> 7 C.F.R. §226.20.

<sup>203</sup> CRS communication with USDA-FNS in November 2023.

<sup>204</sup> Schools may also operate the NSLP Afterschool Snack component in the hours after summer school sessions.

<sup>205</sup> USDA-FNS, “NSLP Afterschool Snack Service—FAQs,” November 2013, <https://www.fns.usda.gov/school-meals/afterschool-snacks-faqs>.

<sup>206</sup> J. Guthrie, *Feeding Children After School: The Expanding Role of USDA Child Nutrition Programs*, USDA Economic Research Service, Amber Waves, March 1, 2012, <https://www.ers.usda.gov/amber-waves/2012/march/feeding-children-after-school>.

<sup>207</sup> 7 C.F.R. §210.10(o).

In recent years, the NSLP Afterschool Snack component has served a daily average of roughly one million children.<sup>208</sup>

## **Fresh Fruit and Vegetable Program (FFVP)**

FFVP provides formula grants to states to fund fresh fruit and vegetable snacks in selected elementary schools.<sup>209</sup> Under a statutory formula, about half the funding is distributed equally to each state and the remainder is allocated by state population. States must prioritize funding for schools with high proportions of students who are eligible for free or reduced-price meals. Schools must participate in NSLP in order to receive a FFVP grant. States set annual per-student grant amounts (between \$50 and \$75). Schools may provide fresh fruit and vegetable snacks to students at any time of day outside of the breakfast or lunch service.<sup>210</sup> Schools offer snacks to all children in attendance (regardless of family income).

As noted previously, FFVP's funding structure differs from the other child nutrition programs. FFVP is funded by a mandatory transfer of funds from Section 32 of the Act of August 24, 1935. The authorizing law provided \$150 million for school year 2011-2012, which is adjusted annually for inflation.<sup>211</sup> For FY2023, FNS allocated approximately \$238 million (including carryover funds) for FFVP to states.<sup>212</sup>

FFVP has been amended over time both by farm bills and by child nutrition reauthorization bills. FFVP was created by the 2002 farm bill (P.L. 107-171) as a pilot project. The 2004 child nutrition reauthorization act (P.L. 108-265) made the program permanent and provided funding for a limited number of states and Indian reservations. The 2008 farm bill (P.L. 110-246) expanded FFVP's mandatory funding through Section 32 and enabled all states to participate in the program. The 2014 farm bill (P.L. 113-79) essentially made no changes to FFVP but provided \$5 million for a demonstration project to test offering frozen, canned, and dried fruits and vegetables in the program. Four states (Alaska, Delaware, Kansas, and Maine) participated in the pilot in school year 2014-2015 and an evaluation was published in 2017.<sup>213</sup>

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<sup>208</sup> FY2019 data from USDA-FNS, "September 2020 Keydata Report," January 27, 2021, <https://www.fns.usda.gov/data/september-2020-keydata-report>; FY2020 data from USDA-FNS, "March Keydata Report (November 2020 data)," March 12, 2021, <https://www.fns.usda.gov/data/march-keydata-report-november-2020-data>; FY2021 data from "September 2022 Keydata Report," December 9, 2022, <https://www.fns.usda.gov/data/september-2022-keydata-report>; FY2022 data from USDA-FNS, "June 2023 Keydata Report," September 8, 2023, <https://www.fns.usda.gov/data/June-2023-keydata-report>.

<sup>209</sup> Section 19 of the NSLA (42 U.S.C. §1769a). FFVP currently operates according to statute and USDA guidance. USDA-FNS issued a proposed rule in 2012 to codify statutory requirements in regulations, but a final rule has not been published.

<sup>210</sup> USDA-FNS, *Fresh Fruit and Vegetable Program: A Handbook for Schools*, December 2010, <https://fns-prod.azureedge.net/sites/default/files/handbook.pdf>.

<sup>211</sup> Section 19(i) of the NSLA (42 U.S.C. §1769a(i)).

<sup>212</sup> USDA-FNS, "Fresh Fruit and Vegetable Program (FFVP): Allocation of Funds for FY2023," June 23, 2022, <https://www.fns.usda.gov/ffvp/allocation-funds-fy-2023>.

<sup>213</sup> Briefel et al., Evaluation of the Pilot Project for Canned, Frozen, or Dried Fruits and Vegetables in the Fresh Fruit and Vegetable Program (FFVP-CFD), prepared by Mathematica Policy Research (Alexandria, VA: USDA-FNS, January 2017), <https://fns-prod.azureedge.net/sites/default/files/ops/FFVP-CFD.pdf>. For more information on proposals to include frozen, canned, and dried fruits and vegetables in FFVP, see CRS Report R45486, *Child Nutrition Programs: Issues in the 115th Congress*.

## Other Child Nutrition Activities

Federal child nutrition laws authorize, and child nutrition funding supports, several additional initiatives and activities, such as studies and evaluations, training and technical assistance, technology improvements, and food safety initiatives.<sup>214</sup> Selected initiatives and activities are discussed below.

### Healthy Meals Incentives Initiative

In 2022, USDA (during the Biden Administration) announced that it would use \$100 million in COVID-19 response funding under the Consolidated Appropriations Act, 2021 (P.L. 116-260) to implement a *Healthy Meals Incentives Initiative*.<sup>215</sup> The initiative includes (1) grants for small and/or rural school food authorities to invest in staffing, training, and kitchen improvements, among other changes intended to improve nutrition in school meals,<sup>216</sup> (2) *School Food System Transformation Challenge* grants to “stimulate innovation ... in the K-12 school food marketplace” through collaborative projects between school districts, food producers, suppliers, distributors, and/or community partners,<sup>217</sup> (3) non-monetary recognition awards for school food authorities that have made significant improvements to nutrition in school meals,<sup>218</sup> and (4) summits for grant recipients to share best practices.

FNS contracted with four entities (Boise State University, Chef Ann Foundation, Full Plates Full Potential, and Illinois Public Health Institute) to carry out the *School Food System Transformation Challenge* grants and with Action for Healthy Kids to carry out the other three components of the initiative.<sup>219</sup>

### Farm to School Program

The farm to school program, which includes grants to organizations, technical assistance, and research, was authorized by the HHFKA in 2010.<sup>220</sup> It expanded upon FNS’s existing farm to

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<sup>214</sup> This section does not list all related child nutrition activities. For further details on these and other functions funded by the child nutrition programs account, see USDA-FNS, “2024 USDA Explanatory Notes—Food and Nutrition Service,” <https://www.usda.gov/sites/default/files/documents/35-2024-FNS.pdf>.

<sup>215</sup> USDA-FNS, “Healthy Meals Incentives for Schools,” <https://www.fns.usda.gov/cn/healthy-meals-incentives>. Broadly, Division N, Title VII, Section 751 of P.L. 116-260 provided funding for the Secretary of Agriculture “to prevent, prepare for, and respond to coronavirus by providing support for agricultural producers, growers, and processors impacted by coronavirus, including producers and growers of specialty crops, non-specialty crops, dairy, livestock, and poultry, producers that supply local food systems, including farmers markets, restaurants, and schools.” According to USDA’s Request for Applications (RFA) for the subgrants, “the activities under this RFA are expected to result in increased demand for nutritious agricultural products and therefore benefit the producers that supply SFAs with these products.”

<sup>216</sup> Action for Healthy Kids, “Healthy Meals Incentives Grants for Small and/or Rural School Food Authorities: Request for Applications,” April 6, 2023, [https://healthymealsincentives.org/wp-content/uploads/2023/04/HMI\\_SubGrantRFA\\_4623\\_FINAL.pdf](https://healthymealsincentives.org/wp-content/uploads/2023/04/HMI_SubGrantRFA_4623_FINAL.pdf).

<sup>217</sup> USDA-FNS, “USDA Makes Available More Than \$60 Million in School Meals, Launches New Partnership,” October 11, 2023, <https://www.fns.usda.gov/news-item/usda-0207.33>; USDA-FNS, “Development and Implementation of Healthy Meals Incentives School Food System Transformation Challenge Sub-Grants – Cooperative Agreement: Fiscal Year 2023 Request for Applications (RFA),” CFDA 10.579, November 10, 2022.

<sup>218</sup> Ibid. This initiative is based in part on the previous USDA HealthierUS School Challenge (carried out under the Obama Administration), according to USDA-FNS, “2024 USDA Explanatory Notes—Food and Nutrition Service,” <https://www.usda.gov/sites/default/files/documents/35-2024-FNS.pdf>.

<sup>219</sup> USDA-FNS, “Healthy Meals Incentives for Schools,” <https://www.fns.usda.gov/cn/healthy-meals-incentives>.

<sup>220</sup> Section 243 of P.L. 111-296, adding Section 18(g) of the NSLA (42 U.S.C. §1769(g)).

school efforts, defined broadly as “efforts that bring regionally and locally produced foods into school cafeterias,” with a focus on enhancing child nutrition.<sup>221</sup> The goals of these efforts include increasing fruit and vegetable consumption among students, supporting local farmers and rural communities, and providing nutrition and agriculture education. The farm to school program has mandatory funding of \$5 million, which has been supplemented with discretionary funds in recent years.<sup>222</sup>

One component of the farm to school program is farm to school grants, which are awarded by FNS on a competitive basis to schools, nonprofit entities, and agricultural producers and processors for the purpose of establishing programs that improve schools’ access to locally produced foods. They may be used for training, supporting operations, planning, purchasing equipment, developing school gardens, nutrition education, developing partnerships, and other activities.<sup>223</sup> In FY2023, FNS awarded \$10.7 million for 103 grants, which were projected to serve more than 3,000 schools and 1.2 million students.<sup>224</sup>

In FY2022, FNS used American Rescue Plan Act of 2021 (P.L. 117-2) funding to provide an additional \$60 million in non-competitive farm to school program funding to states for use over a four-year period. FNS distributed the funding using a formula based on states’ NSLP participation.<sup>225</sup>

## **Institute of Child Nutrition**

The Institute of Child Nutrition provides technical assistance, instruction, and materials for nutrition and food service professionals and other local administrators of child nutrition programs on a variety of topics. The institute receives \$5 million a year in mandatory funding appropriated in statute.<sup>226</sup> The institute is currently located at the University of Mississippi.

## **Team Nutrition**

The Team Nutrition initiative supports federally and state-developed nutrition education and promotion initiatives. This includes grants for state agencies to develop programs to improve school meal quality, such as by training school nutrition professionals. From 2004 to 2018, Team Nutrition also included the HealthierUS Schools Challenge, which was a voluntary certification initiative designed to recognize schools that create a healthy school environment through the promotion of nutrition and physical activity.<sup>227</sup>

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<sup>221</sup> USDA-FNS, *The Farm to School Program—2012-2015: Four Years in Review*, p. 3.

<sup>222</sup> Mandatory funding for the farm to school program is provided under Section 18(g)(8)(A) of the NSLA (42 U.S.C. §1769(g)(8)(A)). The program also received \$14 million in annual appropriations in FY2023.

<sup>223</sup> For more information, see USDA-FNS’s Office of Community Food Systems website: <http://www.fns.usda.gov/farmtoschool/farm-school>; and CRS Report R46538, *Local and Urban Food Systems: Selected Farm Bill and Other Federal Programs*.

<sup>224</sup> USDA-FNS, “Biden-Harris Administration Announces Investments in Urban Agriculture, Food and Market Access through President Biden’s Investing in America Agenda,” July 21, 2023, <https://www.fns.usda.gov/news-item/usda-0155.23>.

<sup>225</sup> USDA-FNS, “2024 USDA Explanatory Notes – Food and Nutrition Service,” p. 35-40.

<sup>226</sup> Section 21(e)(1)(A) of the NSLA (42 U.S.C. §1769b-1(e)(1)(A)).

<sup>227</sup> See the USDA-FNS website, <http://www.fns.usda.gov/hussc/healthierus-school-challenge-smarter-lunchrooms>.

## Food Safety

Foods served in any child nutrition program must comply with state or local health, safety, and sanitation standards for food storage, preparation, and service. Schools participating in the school meals programs must obtain food safety inspections by a state or local government agency at least twice a year.<sup>228</sup> There are also food safety inspections for USDA Foods.<sup>229</sup> FNS also receives annual funding to carry out food safety training for state and local program operators.<sup>230</sup>

## FNS Activities

Approximately \$100 million was provided in FY2023 for FNS activities including technology, research, training and technical assistance, and payment oversight.<sup>231</sup> This funding supports, for example, computer systems such as the USDA Foods ordering and purchasing application, FNS technical assistance, and guidance to states in implementing corrective actions to payment errors.<sup>232</sup>

## Further Information

CRS reports:

- CRS In Focus IF10266, *Child Nutrition Reauthorization (CNR): An Overview*
- CRS Report R46681, *USDA Nutrition Assistance Programs: Response to the COVID-19 Pandemic*
- CRS In Focus IF11633, *Summer Food for Children: An Overview of Federal Aid*
- CRS Report R46888, *Amending Eligibility Rules for Free and Reduced-Price School Meals: Background and Policy Options*
- CRS Report R46371, *Serving Free School Meals through the Community Eligibility Provision (CEP): Background and Participation*
- CRS Report R47199, *The School Foodservice Workforce: Characteristics and Labor Market Outcomes*
- CRS Report R42353, *Domestic Food Assistance: Summary of Programs*
- CRS Report R45486, *Child Nutrition Programs: Issues in the 115th Congress*
- CRS Report R44373, *Tracking Child Nutrition Reauthorization in the 114th Congress: An Overview*
- CRS Report R41354, *Child Nutrition and WIC Reauthorization: P.L. 111-296* (summarizes the Healthy, Hunger-Free Kids Act of 2010)
- CRS Report RL34081, *Farm and Food Support Under USDA's Section 32 Program*

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<sup>228</sup> Section 9(h) of the NSLA (42 U.S.C. §1758(h)).

<sup>229</sup> Section 29 of the NSLA (42 U.S.C. §1769j).

<sup>230</sup> USDA, FNS, “2024 USDA Explanatory Notes – Food and Nutrition Service,” p. 35-14.

<sup>231</sup> *Ibid.*

<sup>232</sup> For more information on these and other USDA-FNS activities, see USDA-FNS, “2023 USDA Explanatory Notes—Food and Nutrition Service,” <https://www.usda.gov/sites/default/files/documents/35-2023-FNS.pdf>.

- CRS Report RL33299, *Child Nutrition and WIC Legislation in the 108th and 109th Congresses* (summarizes the Child Nutrition and WIC Reauthorization Act of 2004)

Other resources:

- USDA-FNS website: <https://www.fns.usda.gov>
- The USDA-FNS page of the *Federal Register*: <https://www.federalregister.gov/agencies/food-and-nutrition-service>
- USDA-FNS Congressional Budget Justifications: <https://www.usda.gov/cj>

## Appendix A. A Brief History of Federal Child Nutrition Programs

### The Emergence of School Lunches and the National School Lunch Program

When the first federal aid for school lunches was provided in the 1930s, local school lunch programs were already operational in many cities and localities across the United States.<sup>233</sup>

Many of these early lunch programs were started by charitable women's organizations at the turn of the century in an effort to feed hungry children. Over time, they transitioned to school boards and school districts. These programs received a combination of private, local, and state funding.<sup>234</sup>

The federal government became involved in school lunch programs during the Great Depression both as a way to feed hungry children and support the farm economy. Initially, federal aid was provided in the form of cafeteria equipment and labor. In 1932, the Reconstruction Finance Corporation began providing loans to states and school districts to cover the cost of cafeteria space and equipment for school lunch programs.<sup>235</sup> In 1935, the Works Progress Administration, a New Deal agency, began sponsoring women's employment in school lunchrooms. Federal food support for school lunches began that same year, when Section 32 of the Act of August 24, 1935 (P.L. 74-320) was enacted. The act provided 30% of customs receipts to USDA to purchase surplus commodities from farmers impacted by the depression. These commodities were donated through various outlets for domestic consumption, including school lunch programs.

With commodity aid came the first federal regulations for school lunch programs. USDA required recipient organizations, through their agreements with state agencies, to operate school lunch programs on a nonprofit basis, maintain any existing local funding for school lunches, keep records of foods received, serve meals free to poor children, and ensure that such children would not be identified to their peers, among other requirements.<sup>236</sup>

The availability of federal aid contributed to a rapid increase in the number of school lunch programs. However, in 1943, federal commodity aid declined as Section 32 surplus commodities were diverted to feed U.S. armed forces in World War II. In addition, federal support for

#### Other Historical Resources

The National Food Service Management Institute (now the Institute of Child Nutrition), with funding from USDA, produced a 15-minute video documenting the history of the child nutrition programs through 2007. "A Journey Through the History of Child Nutrition Programs" is available on the Institute of Child Nutrition's YouTube page (<https://youtu.be/9E29Qg5G0g4>).

<sup>233</sup> The first cities to institute school lunch programs included Boston, Chicago, Cleveland, Cincinnati, Los Angeles, Milwaukee, New York, Philadelphia, and St. Louis. G.W. Gunderson, *The National School Lunch Program: Background and Development*, USDA-FNS, 1971, <https://www.fns.usda.gov/nslp/history> (hereinafter, Gunderson 1971); A.R. Ruis, *Eating to Learn, Learning to Eat: The Origins of School Lunch in the United States* (New Brunswick: Rutgers University Press, 2017), pp. 22-27; Susan Levine, *School Lunch Politics: The Surprising History of America's Favorite Welfare Program* (Princeton, NJ: Princeton University Press, 2008), p. 22 (hereinafter, Levine 2008).

<sup>234</sup> Ibid.

<sup>235</sup> Levine 2008, p. 44.

<sup>236</sup> Gunderson 1971; The Bureau of Agricultural Economics, USDA, "The School Lunch Program and Agricultural Surplus Disposal," Miscellaneous Publications No. 467, October 1941.

lunchroom labor disappeared with the elimination of the Works Progress Administration.<sup>237</sup> In the midst of declining aid, Congress provided the first cash assistance—\$50 million in Section 32 funds—for “a school milk and lunch program” in the 1944 Department of Agriculture Appropriation Act (P.L. 78-129). The introduction of cash assistance marked a shift in the lunch program.<sup>238</sup> For the first time, schools could purchase their own foods in addition to receiving federally purchased commodities.

Annual appropriations acts continued cash support for school lunches until 1946, when the National School Lunch Act (P.L. 79-396) was enacted. Signed into law on June 4, 1946, by President Truman, the National School Lunch Act permanently authorized appropriations of “such sums as may be necessary” for the National School Lunch Program. (The act would later be renamed the “Richard B. Russell National School Lunch Act,” recognizing Senator Russell’s role in the passage of the legislation and his earlier support for the school lunch program within New Deal programs and during his tenure as the Chairman of the Agriculture Appropriations subcommittee.<sup>239</sup>) The law required participating schools to serve lunches for free or at a reduced price to students who were deemed by local school authorities as unable to pay the full cost of a lunch. Funds were to be distributed to states based on the number of school-aged children in the state and the state’s need, as measured by per-capita income, and states were to match federal funds dollar-for-dollar. States were to distribute funding on a monthly basis to schools based on the number of meals served that met “minimum nutritional requirements prescribed by the Secretary on the basis of tested, nutritional research” (P.L. 79-396).<sup>240</sup> Cash assistance could not be used for cafeteria equipment, and separate funds were authorized for this purpose (\$10 million annually); however, Congress subsequently prohibited appropriations for equipment assistance from FY1948 to FY1967.<sup>241</sup>

NSLP remained relatively unchanged from 1946 to 1960. However, during this timeframe, concerns emerged over the funding formula. One concern was that the formula prioritized funding for schools with large numbers of school-aged children rather than actual participants in the program. There was also concern that schools with high proportions of needy children received the same amount of aid as those with wealthier families, even though they had to serve a larger number of meals for free or at a reduced-price.<sup>242</sup> In 1962, P.L. 87-823 changed the funding formula to be based on the number of school lunches served in the state in the preceding school year instead of the number of school-aged children. The law also authorized additional “special assistance” for state-selected schools in poor economic areas (however, special assistance was not funded until 1966).<sup>243</sup>

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<sup>237</sup> Gunderson 1971.

<sup>238</sup> However, commodity assistance continued to make up a large share of federal support for school lunches, and exceeded cash assistance until 1970. J.Y. Jones, “Appendix A: Child Nutrition Programs: A Narrative Legislative History and Program Analysis” in U.S. Congress, House Committee on Education and Labor, *Child Nutrition Programs: Issues for the 103<sup>d</sup> Congress*, 103<sup>rd</sup> Cong., 2<sup>nd</sup> sess., Serial No. 103-H (Washington, DC: GPO, 1994) (hereinafter, Jones 1994).

<sup>239</sup> J.T. Gay, “Richard B. Russell and the National School Lunch Program,” *The Georgia Historical Quarterly*, 80(4), 1996, pp. 860-863.

<sup>240</sup> Jones 1994, p. 41. USDA provided the highest reimbursement (up to 9 cents) for a “complete” Type A meal that was designed to provide one-third to one-half of a child’s daily nutritional intake; up to 6 cents was provided for an “incomplete” Type B meal; and up to 2 cents for a Type C meal, which was simply a half-pint of milk. To see the original nutritional requirements for each type of meal, see Gunderson 1971.

<sup>241</sup> Jones 1994, pp. 59-61.

<sup>242</sup> Jones 1994, pp. 41, 63-64; Levine 2008, p. 128.

<sup>243</sup> CRS DL741517, “Brief History of Child Nutrition Legislation,” by Kathryn Michelman and Joe Richardson, 1974. (continued...)

Other notable changes to NSLP occurred in the 1970s. In 1970, P.L. 91-248 extended special assistance to all schools participating in NSLP.<sup>244</sup> The law also reduced the state matching requirement and established the first national eligibility guidelines for free and reduced-price meals at 100% of the federal poverty level (later in the decade increased to 125% for free lunches and 195% for reduced-price lunches). In 1971, another significant change occurred with the enactment of P.L. 92-153, which guaranteed states a certain level of federal cash assistance by specifying average per-meal reimbursement rates for free, reduced-price, and paid lunches.<sup>245</sup>

## **The Addition of Other Child Nutrition Programs**

In the 1960s, federal child nutrition efforts expanded beyond school lunches.<sup>246</sup> On October 11, 1966, the Child Nutrition Act of 1966 (P.L. 89-642) was enacted.<sup>247</sup> It formally authorized the Special Milk Program (SMP) and authorized the School Breakfast Program (SBP) as a pilot program. The SMP was based on predecessor USDA school milk programs that had operated since the 1940s.<sup>248</sup> SBP was a newer concept that USDA had piloted in the 1965-1966 school year.<sup>249</sup> In a House Agriculture Committee hearing on the Child Nutrition Act, then-Secretary of Agriculture Orville L. Freeman testified that:

These proposals will permit us to begin a comprehensive effort to broaden child nutrition programs in this country. They are based on what we have learned in 20 years of administration of the National School Lunch Act, and they reflect a careful assessment of gaps which now exist in the nutritional needs of children in this country.<sup>250</sup>

The SMP provided reimbursements for milk in schools, nonprofit child care centers, summer camps, and other nonprofit institutions. At the time, schools and institutions could participate in both SMP and NSLP. Meanwhile, SBP was authorized for two fiscal years and required states to prioritize funds for “schools drawing attendance from areas in which poor economic conditions exist and to those schools to which a substantial proportion of the children enrolled must travel long distances daily” (P.L. 89-642).<sup>251</sup> (Congress later expanded priority to include “schools in

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According to Gunderson 1971, “The selection of the schools for receiving the special reimbursement from Section 11 funds was to be based upon five factors: The economic condition of the area from which the schools draw attendance; The need for free or reduced-price lunches; The percent of free or reduced-price lunches being served in such schools; The price of the lunch in such schools as compared with the average price of lunches served in the State; [and] The need for additional assistance as evidenced by the financial position of the lunch program in such schools.”

<sup>244</sup> CRS Memorandum 831481, *Chronology of Major Federal Food Assistance Legislation (Food Stamps, Child Nutrition Programs and Elderly Nutrition) 1932-1983*, by Jean Yavis Jones, November 1983 (hereinafter, CRS Memorandum 831481 (1983)).

<sup>245</sup> CRS Memorandum 831481 (1983); Jones 1994, p. 43.

<sup>246</sup> Levine 2008, p. 127; Jones 1994, p. 64.

<sup>247</sup> Section 2 provided the purpose of the act: “In recognition of the demonstrated relationship between food and good nutrition and the capacity of children to develop and learn, based on the years of cumulative successful experience under the National School Lunch Program with its significant contributions in the field of applied nutrition research, it is hereby declared to be the policy of Congress that these efforts shall be extended, expanded, and strengthened under the authority of the Secretary of Agriculture as a measure to safeguard the health and well-being of the Nation’s children, and to encourage the domestic consumption of agricultural and other foods, by assisting States, through grants-in-aid and other means, to meet more effectively the nutritional needs of our children.”

<sup>248</sup> Gunderson 1971.

<sup>249</sup> U.S. Congress, House Committee on Agriculture, *Hearing on H.R. 13361 and Bills to Amend and Make Permanent the Special Milk Program for Children*, committee print, 89<sup>th</sup> Cong., 2<sup>nd</sup> Sess., June 23 and June 24, 1966, H. Prt. 66-126 (Washington, DC: GPO, 1966), p. 16.

<sup>250</sup> *Ibid.*, p. 12.

<sup>251</sup> USDA-FNS, “School Breakfast Program: Program History,” July 2013, <https://www.fns.usda.gov/sbp/program-history>.

which there is a special need for improving the nutrition and dietary practices of children of working mothers and children from low-income families” (P.L. 92-32.) The Child Nutrition Act of 1966 also gave the Secretary the authority to provide higher reimbursements to schools with “severe need.” Like NSLP, the law specified that breakfasts “meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research,” and be served for free or at a reduced price to children unable to pay the full price of a meal, as determined by local school authorities (P.L. 89-642).

In 1968, child nutrition efforts were further expanded with the authorization of the Special Food Service Program for Children (SFSPC), a pilot program to fund meals in summer and child care settings (P.L. 90-302). SFSPC provided the first federal assistance for summer meals for children and the first dedicated assistance for meals served in child care settings.<sup>252</sup> Similar to SBP, SFSPC was targeted to areas with poor economic conditions and a high number of working mothers.

In 1975, the program was split into the separate Child Care Food Program (CCFP) and the Summer Food Service Program (SFSP) (P.L. 94-105). CCFP was open to public and nonprofit institutions that met child care licensing or other official child care standards, while SFSP retained a focus on institutions in low-income areas.<sup>253</sup> Meals were provided for free to all children at SFSP sites, whereas CCFP conducted free and reduced-price eligibility determinations like NSLP.

## **1980 to 2010**

The long-standing growth of child nutrition programs was contrasted with budget cuts in the early 1980s, which were part of larger efforts to reduce federal domestic spending.<sup>254</sup> The Omnibus Reconciliation Act of 1980 (P.L. 96-499) reduced FY1981 funding for child nutrition programs by approximately \$400 million (9%) of the child nutrition budget.<sup>255</sup> The law achieved savings by lowering reimbursement rates in the programs and eliminating commodity assistance for breakfast, among other changes.<sup>256</sup> Larger spending cuts followed with the Omnibus Reconciliation Act of 1981, which made changes that collectively cut \$1.4 billion (25%) of the child nutrition budget (Title VIII of P.L. 97-35).<sup>257</sup> Many of the policy changes made by the law remain in place today. For example, the law restricted eligibility from 195% of poverty to 185% of poverty for reduced-price meals and set eligibility at 130% for free meals in the NSLP, SBP, and CCFP. It also raised allowable charges for reduced-price lunches from 20 cents to 40 cents and for reduced-price breakfasts from 10 cents to 30 cents.<sup>258</sup> In a major change to SMP, the law excluded schools/institutions that participated in another child nutrition meals program from participating in SMP—cutting SMP’s budget by 77%.<sup>259</sup> In CCFP, the law restricted participation from children ages 18 and under to children ages 12 and under, and reduced the maximum

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<sup>252</sup> Early appropriations for school lunches in 1944 and 1945 had allowed states to spend a small percentage of funds on food served in child care centers. The National School Lunch Act of 1946 made permanent support for meals served in residential child care institutions only.

<sup>253</sup> Low-income areas were defined as areas in which at least one-third of children qualified for free or reduced-price meals.

<sup>254</sup> Jones 1994, p. 44.

<sup>255</sup> CRS Memorandum 831481 (1983); Jones 1994, p. 44.

<sup>256</sup> CRS Memorandum 831481 (1983); Jones 1994, p. 86.

<sup>257</sup> Jones 1994, p. 44.

<sup>258</sup> CRS Memorandum 831481 (1983).

<sup>259</sup> Jones 1994, pp. 44-45.

number of reimbursable meals from three meals and two snacks per child daily to two meals and one snack per child daily. The law also eliminated equipment assistance for school meals.

Child nutrition programs were subsequently excluded from budget deficit reduction measures in the late 1980s and 1990s, and new policies led to the expansion of the programs during this timeframe.<sup>260</sup> For example, amendments to the programs in these years authorized start-up grants for school breakfast programs, expanded CCFP to adult day care centers (and renamed the Child and Adult Care Food Program, or CACFP), and provided new funding for afterschool snacks through NSLP and CACFP.<sup>261</sup> But what had potentially the longest-term impact on expansion was a policy change intended to reduce paperwork in the school meals programs: automatic (categorical) eligibility for free meals for children in food stamp (now SNAP) and Aid to Families with Dependent Children (now TANF) households, which was enacted in 1986—and direct certification of such children for free meals without household applications, which was enacted in 1989.<sup>262</sup>

Other policies in the late 1980s and 1990s focused on improving program integrity. The 1989 child nutrition reauthorization (P.L. 101-147) required USDA to create a standardized process through which states would review school food authorities' administration of NSLP and SBP (known as administrative reviews).<sup>263</sup> In CACFP, following USDA Office of the Inspector General (OIG) audits in the 1990s that found instances of abuse and mismanagement, the Agricultural Risk Protection Act of 2000 (P.L. 106-224) made a number of changes aimed at improving program integrity in CACFP.<sup>264</sup> The act required CACFP sponsors to conduct more frequent and unannounced site visits of sponsored centers and homes, restricted nonprofit institutions' eligibility to those with tax-exempt status, and excluded institutions deemed ineligible to participate in any other public program based on violations of program requirements. Other legislation was aimed at improving program integrity in the school meals programs.

Program integrity continued to be a focus in the 2004 child nutrition reauthorization (P.L. 108-265), which made changes to school food authorities' verification of household applications for free and reduced-price meals. Specifically, the law set a sample size of applications that schools must review, established a focus on “error-prone” applications (applications near the income eligibility thresholds), and authorized direct (automatic) household application verification processes.<sup>265</sup> In addition, the law required states to conduct additional administrative reviews of school food authorities with a high level of administrative error or risk of error.<sup>266</sup>

The 2004 child nutrition reauthorization also continued the expansion of free school meals to new categories of children. Specifically, the law extended categorical eligibility and direct certification

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<sup>260</sup> Jones 1994, p. 45.

<sup>261</sup> Jones 1994, pp. 46-47.

<sup>262</sup> USDA-FNS, *Direct Certification in the National School Lunch Program: State Implementation Progress Report to Congress*, Office of Research and Analysis, December 2008, p. 3, <https://www.fns.usda.gov/direct-certification-national-school-lunch-program-state-implementation-progress>.

<sup>263</sup> Jones 1994, p. 68.

<sup>264</sup> See, for example, USDA Office of Inspector General, *Food and Nutrition Service: Child and Adult Care Food Program: National Report on Program Abuses*, Audit Report No. 27601-7-SF, August 1999, <https://www.usda.gov/oig/webdocs/27601-7-SF.pdf>.

<sup>265</sup> USDA-FNS, *Verification of Eligibility for Free and Reduced Price Meals in the National School Lunch and School Breakfast Programs*, 73 *Federal Register* 76847, December 18, 2008.

<sup>266</sup> For more information, see CRS Report RL33299, *Child Nutrition and WIC Legislation in the 108th and 109th Congresses*.

for free school meals to homeless children, migrant children, and children served under the Runaway and Homeless Youth Act.

The most recent child nutrition reauthorization as of the date of this report was the Healthy, Hunger-Free Kids Act of 2010 (HHFKA; P.L. 111-296). The HHFKA continued the expansion of school meals in a few ways. It made foster children categorically eligible for free school meals, and allowed direct certification of such children. It also included a pilot project for direct certification (but not categorical eligibility) of children in Medicaid households for free and reduced-price meals based on an income test. In addition, the HHFKA created the Community Eligibility Provision (CEP), through which eligible schools can provide free meals to all students.

As discussed in this report, the HHFKA also made changes to nutritional requirements in the school meals programs and CACFP. Specifically, the law required USDA to update the nutrition standards for school meals within a certain timeframe and align the standards with the Dietary Guidelines for Americans (per an existing statutory requirement).<sup>267</sup> The law also required USDA to issue new nutrition standards regulating all foods sold on school campuses during the school day (“competitive foods”). (Previous standards applied only to competitive foods sold during meal service.) In addition, the HHFKA required USDA to update the nutrition standards for CACFP meals and snacks within a certain timeframe and align them with the Dietary Guidelines for Americans.<sup>268</sup>

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<sup>267</sup> The 1994 child nutrition reauthorization (P.L. 103-448) required schools to serve breakfasts and lunches that were consistent with the Dietary Guidelines for Americans.

<sup>268</sup> For more information, see CRS Report R45486, *Child Nutrition Programs: Issues in the 115th Congress*. Also see Janet Poppendieck, *Free for All: Fixing School Food in America* (Berkeley, CA: University of California Press, 2010).

## Appendix B. Spending on Child Nutrition Programs, FY1992-FY2022

**Table B-1. Expenditures on Selected Child Nutrition Programs, FY1992-FY2022 (Actual)**

(billions of nominal dollars)

| Fiscal Year | NSLP  | SBP  | CACFP | SFSP | Total |
|-------------|-------|------|-------|------|-------|
| 1992        | 4.56  | 0.79 | 1.10  | 0.21 | 6.65  |
| 1993        | 4.75  | 0.87 | 1.22  | 0.22 | 7.07  |
| 1994        | 5.02  | 0.96 | 1.35  | 0.23 | 7.56  |
| 1995        | 5.16  | 1.05 | 1.46  | 0.24 | 7.91  |
| 1996        | 5.35  | 1.12 | 1.53  | 0.25 | 8.26  |
| 1997        | 5.55  | 1.21 | 1.57  | 0.24 | 8.58  |
| 1998        | 5.83  | 1.27 | 1.55  | 0.26 | 8.92  |
| 1999        | 6.02  | 1.35 | 1.62  | 0.27 | 9.25  |
| 2000        | 6.15  | 1.39 | 1.68  | 0.27 | 9.49  |
| 2001        | 6.48  | 1.45 | 1.74  | 0.27 | 9.93  |
| 2002        | 6.85  | 1.57 | 1.85  | 0.26 | 10.53 |
| 2003        | 7.19  | 1.65 | 1.93  | 0.26 | 11.02 |
| 2004        | 7.63  | 1.78 | 2.02  | 0.26 | 11.68 |
| 2005        | 8.03  | 1.93 | 2.11  | 0.27 | 12.34 |
| 2006        | 8.19  | 2.04 | 2.15  | 0.28 | 12.66 |
| 2007        | 8.74  | 2.16 | 2.24  | 0.29 | 13.43 |
| 2008        | 9.32  | 2.37 | 2.40  | 0.33 | 14.41 |
| 2009        | 9.99  | 2.58 | 2.53  | 0.35 | 15.46 |
| 2010        | 10.88 | 2.86 | 2.64  | 0.36 | 16.74 |
| 2011        | 11.30 | 3.03 | 2.72  | 0.37 | 17.43 |
| 2012        | 11.58 | 3.28 | 2.85  | 0.40 | 18.11 |
| 2013        | 12.22 | 3.51 | 2.99  | 0.43 | 19.16 |
| 2014        | 12.66 | 3.69 | 3.13  | 0.47 | 19.94 |
| 2015        | 13.00 | 3.89 | 3.31  | 0.49 | 20.69 |
| 2016        | 13.57 | 4.21 | 3.52  | 0.48 | 21.78 |
| 2017        | 13.64 | 4.25 | 3.54  | 0.48 | 21.92 |
| 2018        | 13.82 | 4.40 | 3.62  | 0.47 | 22.32 |
| 2019        | 14.20 | 4.55 | 3.73  | 0.47 | 22.96 |
| 2020        | 10.32 | 3.55 | 3.02  | 4.31 | 21.20 |

| <b>Fiscal Year</b> | <b>NSLP</b> | <b>SBP</b> | <b>CACFP</b> | <b>SFSP</b> | <b>Total</b> |
|--------------------|-------------|------------|--------------|-------------|--------------|
| 2021               | 9.32        | 3.13       | 3.80         | 10.67       | 26.92        |
| 2022               | 22.98       | 6.50       | 3.93         | 0.60        | 34.01        |

**Source:** USDA-FNS, “Child Nutrition Tables: NSLP, SBP and SMP—Program Costs—Cash and Commodities; Child and Adult Care Food—Participation, Meals and Costs; and Summer Food Service—Participation, Meals and Costs,” October 13, 2023, <https://www.fns.usda.gov/pd/child-nutrition-tables>.

**Notes:** NSLP category includes entitlement and bonus commodities and spending on the Seamless Summer Option. Graph does not show all child nutrition program spending (e.g., it excludes FFVP, state administrative expenses, and discretionary grants). FY2022 data are preliminary.

**Table B-2. Expenditures on Selected Child Nutrition Programs, FY1992-FY2022  
(Inflation-Adjusted)**  
(billions of FY2022 dollars)

| <b>Fiscal Year</b> | <b>NSLP</b> | <b>SBP</b> | <b>CACFP</b> | <b>SFSP</b> | <b>Total</b> |
|--------------------|-------------|------------|--------------|-------------|--------------|
| 1992               | 8.74        | 1.52       | 2.10         | 0.39        | 12.75        |
| 1993               | 8.84        | 1.63       | 2.28         | 0.41        | 13.16        |
| 1994               | 9.18        | 1.76       | 2.48         | 0.42        | 13.84        |
| 1995               | 9.17        | 1.86       | 2.60         | 0.42        | 14.05        |
| 1996               | 9.32        | 1.95       | 2.67         | 0.43        | 14.37        |
| 1997               | 9.47        | 2.07       | 2.68         | 0.42        | 14.63        |
| 1998               | 9.86        | 2.15       | 2.62         | 0.44        | 15.07        |
| 1999               | 10.06       | 2.25       | 2.71         | 0.45        | 15.46        |
| 2000               | 10.01       | 2.27       | 2.74         | 0.44        | 15.46        |
| 2001               | 10.27       | 2.30       | 2.76         | 0.43        | 15.76        |
| 2002               | 10.71       | 2.45       | 2.89         | 0.41        | 16.46        |
| 2003               | 10.91       | 2.51       | 2.92         | 0.39        | 16.73        |
| 2004               | 11.28       | 2.63       | 2.99         | 0.39        | 17.28        |
| 2005               | 11.48       | 2.76       | 3.02         | 0.38        | 17.64        |
| 2006               | 11.31       | 2.82       | 2.97         | 0.38        | 17.49        |
| 2007               | 11.74       | 2.91       | 3.01         | 0.39        | 18.05        |
| 2008               | 12.10       | 3.07       | 3.12         | 0.42        | 18.71        |
| 2009               | 13.00       | 3.36       | 3.30         | 0.45        | 20.10        |
| 2010               | 13.90       | 3.65       | 3.37         | 0.46        | 21.38        |
| 2011               | 14.10       | 3.79       | 3.40         | 0.47        | 21.75        |
| 2012               | 14.17       | 4.01       | 3.49         | 0.49        | 22.17        |
| 2013               | 14.75       | 4.24       | 3.61         | 0.52        | 23.12        |
| 2014               | 15.04       | 4.38       | 3.72         | 0.55        | 23.69        |
| 2015               | 15.37       | 4.60       | 3.91         | 0.58        | 24.45        |
| 2016               | 15.94       | 4.95       | 4.13         | 0.56        | 25.57        |
| 2017               | 15.76       | 4.91       | 4.08         | 0.56        | 25.31        |

|      |       |      |      |       |       |
|------|-------|------|------|-------|-------|
| 2018 | 15.61 | 4.96 | 4.09 | 0.53  | 25.20 |
| 2019 | 15.75 | 5.04 | 4.14 | 0.53  | 25.46 |
| 2020 | 11.23 | 3.86 | 3.29 | 4.69  | 23.08 |
| 2021 | 9.87  | 3.31 | 4.02 | 11.30 | 28.50 |
| 2022 | 22.98 | 6.50 | 3.93 | 0.60  | 34.01 |

**Source:** CRS calculations using USDA-FNS, “Child Nutrition Tables: NSLP, SBP and SMP—Program Costs—Cash and Commodities; Child and Adult Care Food—Participation, Meals and Costs; and Summer Food Service—Participation, Meals and Costs,” October 13, 2023, <https://www.fns.usda.gov/pd/child-nutrition-tables>.

**Notes:** Amounts are in FY2022 dollars, adjusted for GDP inflation by CRS using Office of Management and Budget (OMB), “Historical Tables: Table 10.1—Gross Domestic Product and Deflators Used in the Historical Tables: 1940–2028,” March 2023. NSLP category includes entitlement and bonus commodities and spending on the Seamless Summer Option. Graph does not show all child nutrition program spending (e.g., it excludes FFVP, state administrative expenses, and discretionary grants). FY2022 data are preliminary.

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