



## Food and Nutrition Service

### 7 CFR Part 245

[Docket No. FNS-2025-0008]

RIN 0584-AF08

## National School Lunch Program and School Breakfast Program: Elimination of the State Ameliorative Action Reporting Requirement for School Meals Eligibility Verification

**AGENCY:** Food and Nutrition Service (FNS), Department of Agriculture (USDA).

**ACTION:** Interim final rule.

**SUMMARY:** This rule rescinds an unnecessary reporting requirement for the school meals application verification process.

### **DATES:**

*Effective date:* This rule is effective on [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

*Comment date:* Comments must be received by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

### **ADDRESSES:**

Comments can be submitted through the Federal e-rulemaking portal at <https://www.regulations.gov> and should reference the document number and the date and page number of this issue of the Federal Register. FNS strongly prefers comments be submitted electronically. However, written comments may be submitted (i.e., postmarked) via mail to Docket No. FNS-2025-0008, FNS, USDA, 1320 Braddock Place, Alexandria, VA 22314. All comments submitted in response to this notice of interim final rulemaking will be included in the record and will be made available to the public.

Please be advised that the identity of individuals or entities submitting comments will be made public on the internet at the address provided above. Parties who wish to comment anonymously

may do so by entering “N/A” in the fields that would identify the commenter. A plain language summary of this notice of interim final rule is available at <https://www.regulations.gov> in the docket for this rulemaking.

**FOR FURTHER INFORMATION CONTACT:** James C. Miller, Administrator, Food and Nutrition Service, at (703) 305-2060, or [James.Miller@usda.gov](mailto:James.Miller@usda.gov) with a subject line of “RIN 0584-AF15”.

**SUPPLEMENTARY INFORMATION:** In school year 2023-2024, school districts approved 1.52 million applications for free or reduced-price school meals. Each year, school districts must verify a sample of those applications for certification error, i.e., errors made in determining a household’s eligibility for free or reduced-price meal benefits.

Additionally, current regulations (7 CFR 245.12(i)). require State education agencies to report to FNS any ameliorative actions that they have taken or intend to take in local educational agencies with high levels of applications changed due to verification.

Review and verification of school meals applications is an important oversight and corrective action process required under Federal law, and consistent with Agriculture Secretary Rollins’s priorities to protect both program participants and taxpayers, and to minimize the risk of program abuse. USDA has not made changes to the annual requirement to conduct verification or report verification outcomes to USDA. Nor does USDA change the requirement that states analyze annual verification outcomes to identify any potential problems and the appropriate corrective action. USDA is eliminating only the annual reporting of corrective actions taken or proposed in response to this analysis.

The ameliorative action reporting requirement included in paragraph 245.12(i) is an unnecessary burden on program operators. Consistent with Executive Order 14192, “Unleashing Prosperity

through Deregulation,” FNS rescinds the reporting requirement for ameliorative action. To the extent there is any uncertainty about the costs and benefits of the 7 CFR 245.12(i) regulations, it is the policy of USDA to err on the side of deregulation. USDA’s limited resources should be focused on fairly and rationally enforcing a discrete and manageable number of regulations.

## **Procedural Matters**

### **Executive Orders 12866 and 13563**

Under Executive Order 12866, as amended by Executive Orders 14215 and 13563, agencies must assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, select regulatory approaches that maximize net benefits. The Office of Management and Budget’s (OMB) Office of Information and Regulatory Affairs has determined that this regulatory action is not significant and, therefore, is not subject to OMB review.

### **Regulatory Flexibility Act**

Under the Regulatory Flexibility Act (5 U.S.C. 601-612) (as amended by the Small Business Regulatory Enforcement Fairness Act of 1996; 5 U.S.C. 601 et seq.), agencies must prepare and make available for public comment a regulatory flexibility analysis that describes the effect of the rule on small entities (i.e., small businesses, small organizations, and small government jurisdictions). FNS has concluded and hereby certifies that this rule will not have a significant economic impact on a substantial number of small entities.

### **Unfunded Mandates Reform Act**

This rule does not contain Federal mandates (under the regulatory provisions of Title II of the Unfunded Mandates Reform Act (UMRA)) for State, local, and Tribal governments, or the

private sector of \$100 million or more in any one year. Thus, the rule is not subject to the requirements of sections 202 and 205 of the UMRA.

### **Executive Order 13175**

Executive Order 13175 requires Federal agencies to consult and coordinate with Tribes on a government-to-government basis on policies that have Tribal implications, including regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes. As this rule is purely deregulatory, FNS has assessed the impact of this rule on Indian tribes and determined that this rule would not have Tribal implications that require consultation under Executive Order 13175.

### **Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520), an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information, unless the collection displays a currently valid OMB control number. This rule is deregulatory and so would not impose any additional information collection requirements; rather, it would reduce future collection requirements by removing reporting burdens. Specifically, the changes in this rule will remove the ameliorative action reporting part of the requirement currently under OMB Control Number 0584-0594 to report on the results of verification reviews. That collection shows 40 hours of total burden for 57 respondents. This interim final rule will reduce burden by a portion of that amount. USDA will revise this collection to reflect this burden reduction as part of its next renewal of 0584-0594.

### **E-Government Act Compliance**

The Department is committed to complying with the E-Government Act, 2002 to promote the use of the internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

### **Executive Order 13132; Federalism Summary Impact Statement**

The rule is deregulatory and has little effect on States and local governments, so FNS anticipates that this rule will not have implications for federalism. Therefore, under section 6(b) of the Executive order, a federalism summary is not required.

### **List of Subjects in 7 CFR Part 245**

Civil rights, Food assistance programs, Grant programs-education, Grant programs-health, Infants and children, Milk, Reporting and recordkeeping requirements, School breakfast and lunch programs.

Accordingly, 7 CFR part 245 is amended as follows:

#### **PART 245—DETERMINING ELIGIBILITY FOR FREE AND REDUCED PRICE MEALS AND FREE MILK IN SCHOOLS**

1. The authority citation for part 245 continues to read as follows:

**Authority:** 42 U.S.C. 1752, 1758, 1759a, 1772, 1773, and 1779.

#### **§ 245.12 Action by State agencies and FNSROs.**

2. Amend § 245.12 by revising paragraph (i) to read as follows:

\* \* \* \* \*

- (i) No later than February 1, 2013, and by February 1st each year thereafter, each State agency must collect annual verification data from each local educational agency as described in § 245.6a(h). Each State agency must analyze these data, determine if there

are potential problems, and formulate corrective actions and technical assistance activities that will support the objective of certifying only those children eligible for free or reduced price meals. No later than March 15, 2013, and by March 15th each year thereafter, each State agency must report to FNS, in a consolidated electronic file by local educational agency, the verification information that has been reported to it as required under § 245.6a(h). State agencies are encouraged to collect and report any or all verification data elements before the required dates.

**James C. Miller,**

*Administrator.*

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