
DEPARTMENT OF AGRICULTURE**Food and Nutrition Service****Child Nutrition Programs—Income
Eligibility Guidelines**

AGENCY: Food and Nutrition Service,
USDA.

ACTION: Notice.

SUMMARY: This Notice announces the Department's annual adjustments to the Income Eligibility Guidelines to be used in determining eligibility for free and reduced price meals or free milk for the period from July 1, 2005 through June 30, 2006. These guidelines are used by schools, institutions, and facilities participating in the National School Lunch Program (and Commodity School Program), School Breakfast Program, Special Milk Program for Children, Child and Adult Care Food Program and Summer Food Service Program. The annual adjustments are required by section 9 of the Richard B. Russell National School Lunch Act. The guidelines are intended to direct benefits to those children most in need and are revised annually to account for changes in the Consumer Price Index.

EFFECTIVE DATE: July 1, 2005.

FOR FURTHER INFORMATION CONTACT: Mr. Robert M. Eadie, Chief, Policy and Program Development Branch, Child Nutrition Division, FNS, USDA, Alexandria, Virginia 22302, or by phone at (703) 305-2590.

SUPPLEMENTARY INFORMATION: This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601–612) and thus is exempt from the provisions of that Act.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), no new recordkeeping or reporting requirements have been included that are subject to approval from the Office of Management and Budget.

This action is exempted from review by the Office of Management and Budget under Executive Order 12866.

These programs are listed in the Catalog of Federal Domestic Assistance under No. 10.553, No. 10.555, No. 10.556, No. 10.558 and No. 10.559 and are subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, subpart V, and the final rule related notice published at 48 FR 29114, June 24, 1983.)

Background

Pursuant to sections 9(b)(1) and 17(c)(4) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)(1) and 42 U.S.C. 1766(c)(4)), and sections 3(a)(6) and 4(e)(1)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1772(a)(6) and 1773(e)(1)(A)), the Department annually issues the Income Eligibility Guidelines for free and reduced price meals for the National School Lunch Program (7 CFR part 210), the Commodity School Program (7 CFR part 210), School Breakfast Program (7 CFR part 220), Summer Food Service Program (7 CFR part 225) and Child and Adult Care Food Program (7 CFR part 226) and the guidelines for free milk in the Special Milk Program for Children (7 CFR part 215). These eligibility guidelines are based on the Federal income poverty guidelines and are stated by household size. The guidelines are used to determine eligibility for free and reduced price meals and free milk in accordance with applicable program rules.

Definition of Income

In accordance with the Department's policy as provided in the Food and

Nutrition Service publication *Eligibility Guidance for School Meals Manual*, "income," as the term is used in this Notice, means income before any deductions such as income taxes, Social Security taxes, insurance premiums, charitable contributions and bonds. It includes the following: (1) Monetary compensation for services, including wages, salary, commissions or fees; (2) net income from nonfarm self-employment; (3) net income from farm self-employment; (4) Social Security; (5) dividends or interest on savings or bonds or income from estates or trusts; (6) net rental income; (7) public assistance or welfare payments; (8) unemployment compensation; (9) government civilian employee or military retirement, or pensions or veterans payments; (10) private pensions or annuities; (11) alimony or child support payments; (12) regular contributions from persons not living in the household; (13) net royalties; and (14) other cash income. Other cash income would include cash amounts received or withdrawn from any source including savings, investments, trust accounts and other resources that would be available to pay the price of a child's meal.

"Income," as the term is used in this Notice, does *not* include any income or benefits received under any Federal programs that are excluded from consideration as income by any legislative prohibition. Furthermore, the value of meals or milk to children shall not be considered as income to their households for other benefit programs in accordance with the prohibitions in section 12(e) of the Richard B. Russell National School Lunch Act and section 11(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1760(e) and 1780(b)).

The Income Eligibility Guidelines

The following are the Income Eligibility Guidelines to be effective from July 1, 2005 through June 30, 2006. The Department's guidelines for free meals and milk and reduced price meals were obtained by multiplying the year 2005 Federal income poverty guidelines by 1.30 and 1.85, respectively, and by

rounding the result upward to the next whole dollar.

The income eligibility chart for School Year 2005–2006 contains a few minor changes that were implemented for School Year 2004–2005. Prior to School Year 2004–2005, the Department displayed the monthly and weekly amounts for the Federal poverty guidelines in addition to the annual figures as issued by the Department of Health and Human Services. This Notice, however, only displays the annual figures because the monthly and weekly Federal poverty guidelines were not used to determine the Income Eligibility Guidelines. As detailed below, all calculations are based on the annual figures.

In addition, the chart which details the free and reduced price eligibility criteria includes columns for income received twice monthly as well as income received every two weeks. To differentiate: a person paid every two weeks is paid 26 times per year, whereas a person paid twice monthly is paid 24 times per year. Furthermore, the inclusion of information about income received twice per month as well as income received every two weeks conforms to the format used by the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) (42 U.S.C. 1786; 7 CFR part 246).

Income calculations are made based on the following formulas: Monthly income is calculated by dividing the annual income by 12; twice monthly income is computed by dividing annual income by 24; income received every two weeks is calculated by dividing annual income by 26; and weekly income is computed by dividing annual income by 52. All numbers are rounded upward to the next whole dollar. The numbers reflected in this notice for a family of four in the 48 contiguous states, the District of Columbia, Guam and the territories represent an increase of 2.65 % over the July 2004 numbers for a family of the same size.

BILLING CODE 3410-30-P

INCOME ELIGIBILITY GUIDELINES											
Effective from July 1, 2005 to June 30, 2006											
HOUSEHOLD SIZE	FEDERAL POVERTY GUIDELINES			REDUCED PRICE MEALS - 185 %			FREE MEALS - 130 %				
	ANNUAL	MONTHLY	EVERY TWO WEEKS	ANNUAL	MONTHLY	EVERY TWO WEEKS	ANNUAL	MONTHLY	EVERY TWO WEEKS	WEEKLY	
48 CONTIGUOUS STATES, DISTRICT OF COLUMBIA, GUAM, AND TERRITORIES											
1	9,570	17,705	738	681	341	12,441	1,037	519	479	240	
2	12,830	23,736	989	913	457	16,679	1,390	695	642	321	
3	16,090	29,767	1,241	1,145	573	20,917	1,744	872	805	403	
4	19,350	35,798	1,492	1,377	689	25,155	2,097	1,049	968	484	
5	22,610	41,829	1,743	1,609	805	29,393	2,450	1,225	1,131	566	
6	25,870	47,860	1,995	1,841	921	33,631	2,803	1,402	1,294	647	
7	29,130	53,891	2,246	2,073	1,037	37,869	3,156	1,578	1,457	729	
8	32,390	59,922	2,497	2,305	1,153	42,107	3,509	1,755	1,620	810	
For each add'l family member, add	3,260	6,031	503	232	116	4,238	354	177	163	82	
ALASKA											
1	11,950	22,108	1,843	922	851	15,535	1,295	648	598	299	
2	16,030	29,656	2,472	1,236	1,141	20,839	1,737	869	802	401	
3	20,110	37,204	3,101	1,551	1,431	26,143	2,179	1,090	1,006	503	
4	24,190	44,752	3,730	1,865	1,722	31,447	2,621	1,311	1,210	605	
5	28,270	52,300	4,359	2,180	2,012	36,751	3,063	1,532	1,414	707	
6	32,350	59,848	4,988	2,494	2,302	42,055	3,505	1,753	1,618	809	
7	36,430	67,396	5,617	2,809	2,593	47,359	3,947	1,974	1,822	911	
8	40,510	74,944	6,246	3,123	2,883	52,663	4,389	2,195	2,026	1,013	
For each add'l family member, add	4,080	7,548	629	315	291	5,304	442	221	204	102	
HAWAII											
1	11,010	20,369	1,698	849	784	14,313	1,193	597	551	276	
2	14,760	27,306	2,276	1,138	1,051	19,188	1,599	800	738	369	
3	18,510	34,244	2,854	1,427	1,318	24,063	2,006	1,003	926	463	
4	22,260	41,181	3,432	1,716	1,584	28,938	2,412	1,206	1,113	557	
5	26,010	48,119	4,010	2,005	1,851	33,813	2,818	1,409	1,301	651	
6	29,760	55,056	4,588	2,294	2,118	38,688	3,224	1,612	1,488	744	
7	33,510	61,994	5,167	2,584	2,385	43,563	3,631	1,816	1,676	838	
8	37,260	68,931	5,745	2,873	2,652	48,438	4,037	2,019	1,863	932	
For each add'l family member, add	3,750	6,938	579	290	267	4,875	407	204	188	94	

Authority: (42 U.S.C. 1758(b)(1)).

Dated: March 11, 2005.

Roberto Salazar,

Administrator.

[FR Doc. 05-5393 Filed 3-17-05; 8:45 am]

BILLING CODE 3410-30-C