

Total annual reporting hours: 1,560.

Dated: February 19, 2002.

**George A. Braley,**

*Acting Administrator, Food and Nutrition Service.*

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**BILLING CODE 3410-30-U**

## 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, 2002 through June 30, 2003. 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 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, 2002.

**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) 305-2620.

**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 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

"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 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, 2002 through June 30, 2003. The Department's guidelines for free meals and milk and reduced price meals were obtained by multiplying the year 2002 Federal income poverty guidelines by 1.30 and 1.85, respectively, and by rounding the result upward to the next whole dollar. Weekly and monthly guidelines were computed by dividing annual income by 52 and 12, respectively, and by rounding upward to the next whole dollar. The numbers reflected in this notice for a family of four represent an increase of 2.55 % over the July 2001 numbers for a family of the same size.

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

Dated: February 19, 2002.

**George A. Braley,**

*Acting Administrator.*

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**INCOME ELIGIBILITY GUIDELINES**  
(Effective from July 1, 2002 to June 30, 2003)

Household size	Federal Poverty Guidelines			Reduced Price Meals - 185%			Free Meals - 130%		
	Annual	Month	Week	Annual	Month	Week	Annual	Month	Week
	48 CONTIGUOUS UNITED STATES, DISTRICT OF COLUMBIA, GUAM AND TERRITORIES								
1.....	8,860	739	171	16,391	1,366	316	11,518	960	222
2.....	11,940	995	230	22,089	1,841	425	15,522	1,294	299
3.....	15,020	1,252	289	27,787	2,316	535	19,526	1,628	376
4.....	18,100	1,509	349	33,485	2,791	644	23,530	1,961	453
5.....	21,180	1,765	408	39,183	3,266	754	27,534	2,295	530
6.....	24,260	2,022	467	44,881	3,741	864	31,538	2,629	607
7.....	27,340	2,279	526	50,579	4,215	973	35,542	2,962	684
8.....	30,420	2,535	585	56,277	4,690	1,083	39,546	3,296	761
For each add'l family member add	+3,080	+257	+60	+5,698	+475	+110	+4,004	+334	+77
ALASKA									
1.....	11,080	924	214	20,498	1,709	395	14,404	1,201	277
2.....	14,930	1,245	288	27,621	2,302	532	19,409	1,618	374
3.....	18,780	1,565	362	34,743	2,896	669	24,414	2,035	470
4.....	22,630	1,886	436	41,866	3,489	806	29,419	2,452	566
5.....	26,480	2,207	510	48,988	4,083	943	34,424	2,869	662
6.....	30,330	2,528	584	56,111	4,676	1,080	39,429	3,286	759
7.....	34,180	2,849	658	63,233	5,270	1,217	44,434	3,703	855
8.....	38,030	3,170	732	70,356	5,863	1,353	49,439	4,120	951
For each add'l family member add	+3,850	+321	+75	+7,123	+594	+137	+5,005	+418	+97
HAWAII									
1.....	10,200	850	197	18,870	1,573	363	13,260	1,105	255
2.....	13,740	1,145	265	25,419	2,119	489	17,862	1,489	344
3.....	17,280	1,440	333	31,968	2,664	615	22,464	1,872	432
4.....	20,820	1,735	401	38,517	3,210	741	27,066	2,256	521
5.....	24,360	2,030	469	45,066	3,756	867	31,668	2,639	609
6.....	27,900	2,325	537	51,615	4,302	993	36,270	3,023	698
7.....	31,440	2,620	605	58,164	4,847	1,119	40,872	3,406	785
8.....	34,980	2,915	673	64,713	5,393	1,245	45,474	3,790	875
For each add'l family member add	+3,540	+295	+69	+6,549	+546	+126	+4,602	+384	+89