DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Summer Food Service Program; 2024 Reimbursement Rates

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: This notice informs the public of the annual adjustments to the reimbursement rates for meals served in the Summer Food Service Program. These adjustments address changes in the Consumer Price Index, as required under the Richard B. Russell National School Lunch Act. The 2024 reimbursement rates are presented as a combined set of rates to highlight simplified cost accounting procedures. The 2024 rates are also presented individually, as separate operating and administrative rates of reimbursement, to show the effect of the Consumer Price Index adjustment on each rate. On average, the 2024 rates adjustment represents a 5.3 percent increase in the rates from last year.

DATES: This adjustment is applicable January 1, 2024.

FOR FURTHER INFORMATION CONTACT: Penny Burke, Program Monitoring and Operational Support Division, Child Nutrition Programs, Food and Nutrition Service, United States Department of Agriculture, 1320 Braddock Place, Suite 401, Alexandria, Virginia 22314, (303) 844–0357.

SUPPLEMENTARY INFORMATION: The Summer Food Service Program (SFSP) is listed in the Catalog of Federal Domestic Assistance under No. 10.559 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 2 CFR, 415 and final rule-related notice published at 48 FR 20114, April 24, 1983.) In accordance with the Paperwork Reduction Act of 1995, 44 U.S.C. 3501–3520, no new recordkeeping or reporting requirements have been included that are subject to approval from the Office of Management and Budget.

This notice 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. Additionally, this notice has been determined to be exempt from formal review by the Office of Management and Budget under Executive Order 12866.

Special Note: While the United States Department of Agriculture (USDA) Food and Nutrition Service (FNS) does not have the authority to adjust reimbursement rates above inflation in the contiguous United States (CONUS), pursuant to section 12 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760), USDA may make adjustments to reimbursement rates in the outlying areas to reflect differences between the cost of providing meals and supplements in those areas and the costs of providing meals and supplements in all other States. Therefore, FNS is increasing the reimbursement rates for the child nutrition programs in Guam, Hawaii, Puerto Rico, and the Virgin Islands to 30 percent above CONUS rates. This adjustment to the Summer Food Service Program rates will be applied beginning on January 1, 2024, until further notice.

Definitions

The terms used in this notice have the meaning ascribed to them under 7 CFR part 225 of the SFSP regulations.

Background

This notice informs the public of the annual adjustments to the reimbursement rates for meals served in SFSP. In accordance with sections 12(f) and 13, 42 U.S.C. 1760(f) and 1761 of the Richard B. Russell National School Lunch Act (NSLA) and SFSP regulations under 7 CFR part 225, the USDA announces the adjustments in SFSP payments for meals served to participating children during calendar year 2024.

The 2024 reimbursement rates are presented as a combined set of rates to highlight simplified cost accounting procedures. Reimbursement is based solely on a “meals times rates” calculation, without comparison to actual or budgeted costs.

Sponsors receive reimbursement that is determined by the number of reimbursable meals served, multiplied by the combined rates for food service operations and administration. However, the combined rate is based on separate operating and administrative rates of reimbursement, each of which is adjusted differently for inflation.

Calculation of Rates

The combined rates are constructed from individually authorized operating and administrative reimbursements. Simplified procedures provide flexibility, enabling sponsors to manage their reimbursements to pay for any allowable cost, regardless of the cost category. Sponsors remain responsible, however, for ensuring proper administration of the Program, while providing the best possible nutrition benefit to children.

The operating and administrative rates are calculated separately. However, the calculations of adjustments for both cost categories are based on the same set of changes in the Food Away from Home series of the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the United States Department of Labor. They represent a 5.3 percent increase in this series for the 12-month period, from November 2022 through November 2023 (from 342.266 in November 2022 to 360.383 in November 2023).

Table of 2024 Reimbursement Rates

Presentation of the 2024 maximum per meal rates for meals served to children in SFSP combines the results from the calculations of operational and administrative payments, which are further explained in this notice. The total amount of payments to State agencies for disbursement to SFSP sponsors will be based upon these adjusted combined rates and the number of meals of each type served. These adjusted rates will be in effect from January 1, 2024, through December 31, 2024.

These changes are reflected below. All States except Alaska and Hawaii—Rural or Self-Prep Sites—Breakfast—2 dollars and 97.75 cents (15.25 cent increase from the 2023 reimbursement rate), Lunch or Supper—5 dollars and 21.25 cents (26.25 cent increase), Snack—1 dollar and 23.50 cents (6.75 cent increase); All Other
Types of Sites—Breakfast—2 dollars and 92.25 cents (15 cent increase), Lunch or Supper—5 dollars and 13 cents (26 cent increase), Snack—1 dollar and 20.50 cents (6.50 cent increase).

Alaska—Rural or Self-prep Sites—Breakfast—4 dollars and 82.50 cents (24.25 cent increase), Lunch or Supper—8 dollars and 45 cents (42 cent increase), Snack—1 dollar and 99.75 cents (10 cent increase); All Other Types of Sites—Breakfast—4 dollars and 73.50 cents (23.75 cent increase), Lunch or Supper—8 dollars and 31.25 cents (41.25 cent increase), Snack—1 dollar and 95.25 cents (10 cent increase).

Guam, Hawaii, Puerto Rico, and Virgin Islands—Rural or Self-prep Sites—Breakfast—3 dollars and 87 cents (6.50 cent increase), Lunch or Supper—6 dollars and 78.25 cents (96.75 cent increase), Snack—1 dollar and 65.75 cents (23 cent increase).

<table>
<thead>
<tr>
<th>Site types</th>
<th>All states except Alaska and Hawaii</th>
<th>All states except Alaska and Hawaii</th>
<th>Rural or self-prep sites</th>
<th>Rural or self-prep sites</th>
<th>All other types of sites</th>
<th>Guam, Hawaii, Puerto Rico, and Virgin Islands</th>
<th>Guam, Hawaii, Puerto Rico, and Virgin Islands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast</td>
<td>2.9775</td>
<td>2.9225</td>
<td>4.8250</td>
<td>4.7350</td>
<td>3.8700</td>
<td>3.7950</td>
<td>6.6725</td>
</tr>
<tr>
<td>Lunch or Supper</td>
<td>5.2125</td>
<td>5.1300</td>
<td>8.4500</td>
<td>8.3125</td>
<td>6.7825</td>
<td>6.6725</td>
<td>1.5675</td>
</tr>
<tr>
<td>Snack</td>
<td>1.2350</td>
<td>1.2050</td>
<td>1.9975</td>
<td>1.9525</td>
<td>1.6050</td>
<td>1.5675</td>
<td>1.5675</td>
</tr>
</tbody>
</table>

### Operating Rates

The portion of the SFSP rates for operating costs is based on payment amounts set in section 13(b)(1) of the NSLA, 42 U.S.C. 1761(b)(1). They are rounded down to the nearest whole cent, as required by section 11(a)(3)(B)(iii) of the NSLA, 42 U.S.C. 1759a(a)(3)(B)(iii).

<table>
<thead>
<tr>
<th>Types of Sites</th>
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<th>Guam, Hawaii, Puerto Rico, and Virgin Islands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breakfast—2 dollars and 71 cents</td>
<td>2.71</td>
<td>4.39</td>
<td>4.39</td>
<td>2.71</td>
<td>3.52</td>
<td>3.52</td>
<td>3.52</td>
</tr>
<tr>
<td>Lunch or Supper—4 dollars and 72 cents</td>
<td>4.72</td>
<td>7.65</td>
<td>7.65</td>
<td>4.72</td>
<td>6.14</td>
<td>6.14</td>
<td>6.14</td>
</tr>
<tr>
<td>Snack—1 dollar and 10 cents</td>
<td>1.10</td>
<td>1.78</td>
<td>1.78</td>
<td>1.10</td>
<td>1.43</td>
<td>1.43</td>
<td>1.43</td>
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### Administrative Rates

The administrative cost component of the reimbursement is authorized under section 13(b)(3) of the NSLA, 42 U.S.C. 1761(b)(3). Rates are higher for sponsors of sites located in rural areas and for “self-prep” sponsors that prepare their own meals at the SFSP site or at a central facility instead of purchasing them from vendors. The administrative portion of SFSP rates are adjusted, either up or down, to the nearest quarter-cent.

<table>
<thead>
<tr>
<th>Types of Sites</th>
<th>All states except Alaska and Hawaii</th>
<th>All states except Alaska and Hawaii</th>
<th>Rural or self-prep sites</th>
<th>Rural or self-prep sites</th>
<th>All other types of sites</th>
<th>Guam, Hawaii, Puerto Rico, and Virgin Islands</th>
<th>Guam, Hawaii, Puerto Rico, and Virgin Islands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska—Rural or Self-prep Sites—Breakfast—26.75 cents (1.25 cent increase from the 2023 reimbursement rate), Lunch or Supper—49.25 cents (2.25 cent increase), Snack—13.50 cents (0.75 cent increase); All Other Types of Sites—Breakfast—21.25 cents (1 cent increase), Lunch or Supper—41 cents (2 cent increase), Snack 10.50 cents (0.50 cent increase).</td>
<td>2.71</td>
<td>4.39</td>
<td>4.39</td>
<td>2.71</td>
<td>3.52</td>
<td>3.52</td>
<td>3.52</td>
</tr>
<tr>
<td>Guam, Hawaii, Puerto Rico, and Virgin Islands—Rural or Self-prep Sites—Breakfast—35 cents (5.25 cent increase), Lunch or Supper—64.25 cents (9.50 cents increase), Snack—17.50 cents (2.50 cent increase); All Other Types of Sites—Breakfast—27.50 cents (4 cent increase), Lunch or Supper—53.25 cents (7.75 cent increase), Snack—13.75 cents (2 cent increase).</td>
<td>2.71</td>
<td>4.39</td>
<td>4.39</td>
<td>2.71</td>
<td>3.52</td>
<td>3.52</td>
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</tr>
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</table>

Starting January 1, 2024, Guam, Puerto Rico, and Virgin Islands receive the same reimbursement rates as Hawaii for Summer Food Service Program.
DEPARTMENT OF AGRICULTURE
Food and Nutrition Service

Request for Information: Food Price Data for State of Hawaii

AGENCY: Food and Nutrition Service (FNS), USDA.

ACTION: Notice.

SUMMARY: The U.S. Department of Agriculture’s (USDA) Food and Nutrition Service (FNS) requests comments from the public—including the food industry and research community—to help inform future policy and decisions about potentially updating Thrifty Food Plan (TFP) cost estimates for the State of Hawaii.

Specifically, FNS invites comments and ideas about food price data for the State of Hawaii—including communities in the State outside of the County of Honolulu—that may be available, potentially accessible to FNS, and of sufficient quality, format, sample size, and recent period to be used potentially by FNS to make cost adjustments for the State of Hawaii to the TFP pursuant to section 3(u)(2) of the Food and Nutrition Act of 2008, as amended. Comments must be received on or before March 4, 2024.

DATES: Written comments must be received on or before March 4, 2024.

ADDRESSES: Comments may be sent to: Kevin Meyers Mathieu, Economic Advisor, Nutrition Guidance and Analysis Division, Center for Nutrition Policy and Promotion, Food and Nutrition Service, U.S. Department of Agriculture, 1230 Braddock Place, Fourth Floor, Alexandria, VA 22314. Comments may also be submitted via email to fns.foodplans@usda.gov. Comments will also be accepted through the Federal eRulemaking Portal. Go to http://www.regulations.gov and follow the online instructions for submitting comments electronically. All comments received in response to this notice will be a matter of public record.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of this information collection should be directed to Kevin Meyers Mathieu, Economic Advisor, Nutrition Guidance and Analysis Division, Center for Nutrition Policy and Promotion, Food and Nutrition Service, U.S. Department of Agriculture, at 703–946–3633.

SUPPLEMENTARY INFORMATION: FNS makes this request with the goal of maximizing the range of food price data specific to communities in the State of Hawaii outside of the County of Honolulu—that is, the Neighbor Islands—that may become accessible to the Agency and available for the Agency to assess in terms of feasibility to use for updating TFP cost estimates in Hawaii. Data should be of a similar quality, format, and sample size to data used for reevaluating the TFP for the mainland United States in August 2021 (Thrifty Food Plan, 2021, FNS–916)1 and making cost adjustments for Alaska and Hawaii in July 2023 (Thrifty Food Plan Cost Estimates for Alaska and Hawaii, FNS–989).2

The TFP represents a healthy, practical, cost-conscious diet for a family of four, and its cost forms the basis for Supplemental Nutrition Assistance Program (SNAP) benefit levels. Through a rigorous and transparent process, USDA used updated food price data to recalculate the cost estimates of the TFP for Alaska and Hawaii. This update ensured SNAP participants in Alaska and Hawaii have a data-driven benefit amount that is equitable to the benefits provided to people living in the 48 contiguous States and DC so they can afford nutritious food essential for health and well-being.

The updated cost estimates for Alaska and Hawaii were calculated in alignment with the existing statutory and regulatory framework. Namely, TFP costs for Alaska and Hawaii were calculated by comparing food prices in the 48 contiguous States and DC to those in Anchorage and Honolulu, respectively. The Anchorage TFP cost is further adjusted to reflect food prices throughout urban and rural areas of the State of Alaska, as per statute. In contrast, the Honolulu TFP cost, as per regulation, is used as the basis for SNAP benefits throughout the entire State of Hawaii. Evidence suggests that Honolulu was originally used because it was the only location in the State where the Bureau of Labor Statistics routinely collected food price information at the time. The availability of food price data in the State of Hawaii—including communities in the State outside of the County of Honolulu—of sufficient quality, format, sample size, and recent period may motivate a reexamination of the regulatory language that stipulates Honolulu as the basis for the Hawaii TFP cost estimate. The features of the data may also contribute to potential future decisions on a preferred methodology that could be used to calculate a Hawaii TFP cost using food price data from throughout the State of Hawaii.

List of Questions for Commenters

The Agency requests responses to the following questions:

Question 1: How does the cost of food differ between the Island of Oahu (i.e., the County of Honolulu) and the Neighbor Islands (i.e., all other areas of the State of Hawaii)? To what extent are any differences in the cost of food driven by differences in prices for identical foods and beverages versus differences in other factors (e.g., region-

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<table>
<thead>
<tr>
<th>Administrative Component of 2024 Reimbursement Rates</th>
<th>All states except Alaska and Hawaii</th>
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<th>Alaska</th>
<th>Alaska</th>
<th>Guam, Hawaii, Puerto Rico, and Virgin Islands</th>
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<tr>
<td>Site types</td>
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<td>All other types of sites</td>
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<td>All other types of sites</td>
<td>Rural or self-prep sites</td>
<td>All other types of sites</td>
</tr>
<tr>
<td>Breakfast</td>
<td>0.2675</td>
<td>0.2125</td>
<td>0.4350</td>
<td>0.3500</td>
<td>0.2750</td>
<td></td>
</tr>
<tr>
<td>Lunch or Supper</td>
<td>0.4925</td>
<td>0.4100</td>
<td>0.8000</td>
<td>0.6625</td>
<td>0.6425</td>
<td></td>
</tr>
<tr>
<td>Snack</td>
<td>0.1350</td>
<td>0.1050</td>
<td>0.2175</td>
<td>0.1725</td>
<td>0.1375</td>
<td></td>
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</table>