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(CCHR)

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Last Updated: 02/28/2024

MINUTES

CABINET COUNCIL ON HUMAN RESOURCES November 6, 1981

11:00 am

Room 248, Old Executive Office Building

Attendees: Secretaries Schweiker and Block, Cogan, Savas, Rose,

Cicconi, Moran, Carleson, DeMuth, Garrett, Fairbanks, Leonard, Swoap, Hayes, Scarlett,

Miller, McMillan, Houston, Jarratt, and Hoagland.

Meal Pattern Regulations

Secretary Block presented the recommendation of the Department of Agriculture for proposed school lunch regulations to replace the withdrawn regulations (Proposal attached). After discussion it was agreed without dissent to approve an "offer versus serve" option.

Food Safety

Assistant Secretary of Agriculture McMillan and Food and Drug Administration Commissioner Hayes presented the report of the Working Group on Food Safety. After discussion it was decided that Secretaries Schweiker and Block would consult with members of the Senate and submit a recommendation at a future meeting of the Cabinet Council on Human Resources.

The meeting adjourned at 12:00 Noon.

Attachment

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM:

RICHARD S. SCHWEIKER, CHAIRMAN PRO TEM,

CABINET COUNCIL ON HUMAN RESOURCES

SUBJECT:

Child Nutrition Meal Pattern Regulations

I. ACTION FORCING EVENT:

The Omnibus Reconciliation Act of 1981 (P.L. 97-35) directed the Secretary of Agriculture to review all regulations governing the child nutrition programs—including meal pattern regulations—and to promulgate changes in those regulations that would result in reduced State and local program costs. Changes in regulations were to be implemented within 90 days following enactment of P.L. 97-35—November 11, 1981. On September 4, regulations were proposed that would have amended current meal pattern requirements in the various child nutrition programs. The proposed regulations were widely misinterpreted and, therefore, withdrawn October 2, 1981. It was generally understood that they were to be modified and reissued at a later date.

II. ANALYSIS:

Background

Organizations voluntarily choosing to participate in the various federal child nutrition programs must serve meals meeting minimum amounts of food required to be served in order to qualify for federal reimbursements. The pattern requires each meal to have five items—milk, bread, vegetable, fruit and a meat or meat alternate. The meal pattern is designed to meet a goal of providing one—third of the child's daily recommended dietary allowances (RDA) for most nutrients on the average and over a period of time.

The September 4 regulations were designed to meet four objectives:

- (1) to maintain a nutritionally adequate meal pattern with greater menu variety,
- (2) to lower State and local production costs,
- (3) to provide greater State and local flexibility, and
- (4) to simplify and standardize conflicting program rules.

The proposed regulations maintained the same basic format of the current patterns, except that the current five age and grade meal pattern groups would have been reduced to three, and minimum serving requirements were reduced for some groups. States also would have been allowed to credit certain foods against the serving requirements, and this provision along with reduced portion sizes generated the most public criticism.

Alternate Regulatory Approaches

- A. Goal of One-Third RDA. This option would eliminate all meal pattern regulations and simply have the Secretary establish a policy goal that meals served in the programs should strive to meet one-third of the child's recommended dietary allowance (RDA). While this alternative would be legal, it would be extremely controversial, since it would totally eliminate minimum standards. This approach could also be very costly to the federal budget, since individual items now sold separately (e.g., a sandwich) could be called a meal and thus earn federal reimbursement. Virtually, all food service in schools could thus be subsidized by the federal This option has no Congressional support and both government. the American Dietetic Association and the American School Food Service Association oppose it. Despite strong preference for it among some top USDA and White House staff, the option is unrealistic without major statutory changes in the current funding of child nutrition programs.
- B. Reissue September 4 Regulations. The withdrawn regulations could be reissued with the elimination and clarification of some controversial and misunderstood provisions. The crediting issue of condiments (ketchup and pickle relish) would be eliminated. Certain foods would not be mentioned (i.e., tofu, nuts, seeds, and yogurt). Serving sizes for all meal components would still be reduced and this would continue to be extremely controversial.
- C. Modified Pattern Level. Rather than address all the serving size issues in the September 4 regulations, this approach would follow B above except that only the bread, vegetable, and fruit component sizes would be reduced. While for certain commodity and hunger lobby groups this would be controversial, these are meal components with the greatest documented plate waste. Local budget savings would occur. This option is preferred by some influential Republicans on Capitol Hill.
- D. No Action: Retain the Current Meal Pattern Requirement. This approach to retain current minimum meal requirements has been suggested by some as the "safest" route. However, it is the Department's view that the Congressional intent in the reconciliation bill contemplates Departmental action on meal patterns.

E. Varied Portion Sizes. A final option, similar to C above, would be to permit children to accept smaller portion sizes if they do not intend to eat the entire amount. No changes in minimum meal requirements would be needed. This proposal would be fairly well received by some in the nutrition community as an appropriate program for children of elementary age because it would help meet a broader program goal of exposing children to various types of food rather than having them always select traditional favorites. The option would also clearly reduce plate waste, a factor which should be easily accepted by the public as a reasonable goal. Budget savings at the local level would be likely; however, any proposal to reduce portion sizes, regardless of the justification, could expose the Administration to unfavorable publicity.

III. RECOMMENDATION:

The Department of Agriculture and the White House Cabinet Council on Human Resources recommend Alternative E. This, in conjunction with mandated Congressional regulatory changes, should provide schools with maximum flexibility to meet the needs of their children without waste and at the same time reduce State and local meal production costs.

T .	DECISION:		
		Approve	
	·	Approve As Amended	
		Reject	
		No Action	

Cabinet Council on Human Resources Meeting November 6, 1981 Subject: School Lunch Regs and Food Safety

Attendees

No one from Education
Secretary Schweiker
Secretary Block
John Cogan, Assistant Secretary for Policy Evaluation and Research,
Labor
Emanuel S. Savas, HUD
John Rose, Assistant AG for Legal Policy or Hank Habicht,
Special Assistant to the Attorney General
Jim Ciccone for Baker
Don Moran - OMB
Chris DeMuth - OMB
Thad Garrett for VP
Bob Carleson
Ann F.
Burleigh Leonard

· HHS

Dave Swoap Arthur Hayes, FDA Tom Scarlett, FDA Sanford Miller, FDA

Agriculture

Bill McMillan Donald Houston Mary Jarratt Bill Hoagland

THE WHITE HOUSE WASHINGTON

November 18, 1981

FOR:

CRAIG FULLER

FROM:

BOB CARLESON

Attached is the memorandum to the President from Secretary Schweiker on the subject of Child Nutrition Meal Pattern Regulations acted upon by the Cabinet Council on Human Resources on November 6, 1981.

Attachment

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM:

RICHARD S. SCHWEIKER, CHAIRMAN PRO TEM

CABINET COUNCIL ON HUMAN RESOURCES

SUBJECT:

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I. ACTION FORCING EVENT:

The Omnibus Reconciliation Act of 1981 (P.L. 97-35) directed the Secretary of Agriculture to review all regulations governing the child nutrition programs—including meal pattern regulations—and to promulgate changes in those regulations that would result in reduced State and local program costs. Changes in regulations were to be implemented within 90 days following enactment of P.L. 97-35—November 11, 1981. On September 4, regulations were proposed that would have amended current meal pattern requirements in the various child nutrition programs. The proposed regulations were widely misinterpreted and, therefore, withdrawn October 2, 1981. It was generally understood that they were to be modified and reissued at a later date.

II. ANALYSIS:

Background

Organizations voluntarily choosing to participate in the various federal child nutrition programs must serve meals meeting minimum amounts of food required to be served in order to qualify for federal reimbursements. The pattern requires each meal to have five items--milk, bread, vegetable, fruit and a meat or meat alternate. The meal pattern is designed to meet a goal of providing one-third of the child's daily recommended dietary allowances (RDA) for most nutrients on the average and over a period of time.

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- (1) to maintain a nutritionally adequate meal pattern with greater menu variety,
- (2) to lower State and local production costs,
- (3) to provide greater State and local flexibility, and
- (4) to simplify and standardize conflicting program rules.

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Alternate Regulatory Approaches

- A. Goal of One-Third RDA. This option would eliminate all meal pattern regulations and simply have the Secretary establish a policy goal that meals served in the programs should strive to meet one-third of the child's recommended dietary allowance (RDA). While this alternative would be legal, it would be extremely controversial, since it would totally eliminate minimum standards. This approach could also be very costly to the federal budget, since individual items now sold separately (e.g., a sandwich) could be called a meal and thus earn federal reimbursement. Virtually, all food service in schools could thus be subsidized by the federal government. This option has no Congressional support and both the American Dietetic Association and the American School Food Service Association oppose it. Despite strong preference for it among some top USDA and White House staff, the option is unrealistic without major statutory changes in the current funding of child nutrition programs.
- B. Reissue September 4 Regulations. The withdrawn regulations could be reissued with the elimination and clarification of some controversial and misunderstood provisions. The crediting issue of condiments (ketchup and pickle relish) would be eliminated. Certain foods would not be mentioned (i.e., tofu, nuts, seeds, and yogurt). Serving sizes for all meal components would still be reduced and this would continue to be extremely controversial.
- C. Modified Pattern Level. Rather than address all the serving size issues in the September 4 regulations, this approach would follow B above except that only the bread, vegetable, and fruit component sizes would be reduced. While for certain commodity and hunger lobby groups this would be controversial, these are meal components with the greatest documented plate waste. Local budget savings would occur. This option is preferred by some influential Republicans on Capitol Hill.
- D. No Action: Retain the Current Meal Pattern Requirement. This approach to retain current minimum meal requirements has been suggested by some as the "safest" route. However, it is the Department's view that the Congressional intent in the reconciliation bill contemplates Departmental action on meal patterns.

1,

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III. RECOMMENDATION:

The Department of Agriculture and the White House Cabinet Council on Human Resources recommend Alternative E. This, in conjunction with mandated Congressional regulatory changes, should provide schools with maximum flexibility to meet the needs of their children without waste and at the same time reduce State and local meal production costs.

IV.	DECISION		
		Approve	
		Approve As	Amended
		Reject	
		No Action	

E.O. 12211 8 A 122

Chronology of Events: Publication of "Meal Pattern" Regulations

- 7/6-10 Meal Pattern Task Force met to review regulation and recommend change.
- 8/13 Reconciliation Act of 1981 was signed by President Reagan. We had 90 days to publish final regulations on cost saving meal pattern changes.
- 1. A Decision Log on meal patterns was forwarded to OBPGA for review by Assistant Secretary Jarratt.
 - 2. Dennis Becker, OGC, received the following guidance from Bob Sheldon at OMB (Attachment A). He stated:
 - mandatory regulations with cost savings of \$100 million were to be considered non-major
 - if deadlines disallowed following normal OMB clearance procedures, we could invoke provisions of E.O. 12291 and send the regulations to the Federal Register with concurrent notification to OMB
- During this week, Sid Clemans, OBPGA, talked with Bob Sheldon who was replacing Charles Ellett. Clemans disagreed with the guidance provided to Dennis Becker on classification as non-major. Sheldon (OMB) subsequently rescinded his directions. Sid informally passed this on to John Bode and Darrel Gray. We were back to square one. Major or non-major?
- 8/25 1. The Administrator, FNS, signed off on meal pattern regulations.
 - 2. Irene Lankford (FNS) and Dennis Becker (OGC) met with Charles Ellett at OMB to get procedural clarification. (See Attachment B which was sent to Ellett to confirm the understanding we reached in this meeting.)

As a result of 8/25 meeting with Ellett, "Meal Patterns" was to be treated as major, but we could invoke Section 8(a)(1) and (2) of E.O. 12291. The letter to Stockman, routed simultaneously with delivery of regulations to the Federal Register, would satisfy the requirement to consult with the Director on why it was impracticable to follow procedures of E.O. 12291. (See Attachment C.)

- 8/26 This decision to call it major caused several additional steps:
 - 1. Advance review copies were sent to James Barnes, OGC, Steve Dewhurst, OBPGA, Assistant Secretary Lesher, and Assistant Secretary Jarratt. They were informed that the clearance document would be hand carried for signature on 9/1, five days later.
 - 2. A summary, required by the USDA Guidelines for Implementing E.O. 12291 and Secretary's Memorandum No. 1512-1, was sent to Secretary Block and Assistant Secretary Lyng.

- 8/27-31 Meal pattern regulation being reviewed by the Department.
- 9/1 1. Assistant Secretary Jarratt signed the Decision Log indicating Departmental oversight.
 - 2. The following items were hand carried as appropriate:

• To Department:

-- clearance copy for signatures of officials who had received advance copies

• To OMB:

- -- letter and press releases to Mr. Miller (early Tuesday morning by special messenger). The late decision to call the rule major caught us unprepared to send advance press releases by the Thursday of the week preceding publication -- August 27. The press releases were still clearing the Department
- -- copy of the regulations and cover letter to Mr. Stockman invoking the exemptions cited in E.O. 12291 and explaining the nature of the emergency
- -- six copies of the regulations and of the SF-83 along with copies of Stockman letter

• To Federal Register

-- copy of the regulation

9/4 Publication of the regulation

- During a meeting between Assistant Secretary Jarratt and Mr. Miller, OMB reversed everything agreed upon at the August 25 meeting. Our current guidance is that statutory deadlines do not constitute an emergency situation and do not exempt anyone from following the procedures of the Executive Order requiring prior clearance of OMB.
- 9/21 Administrator Bill Hoagland met with Mr. James Miller to brief him on meal patterns.
- 9/25 President Reagan recalled the meal pattern regulations.

School Lunch Portion Sizes

	Pres Current	school Proposed		entary Proposed		nda ry Proposed
Meat or, Meat Alternative	1, 1½ oz	1 oz	1½, 2 oz	1½ oz	2 oz	2 oz
Vegetable/ Fruit	½ cup	¹⁄₂ cup	1/2, 3/4 cup	½ cup	¾ cup	½ cup
Bread or Bread Alternative	5, 8 servings per week	½ serving per day	8 servings per week	1 serving per day	8 servings per week	1 serving per day
Milk	6 oz	4 oz	8 oz	6 oz	8 oz	8 oz

TO 40 Inches

Percentage of Recommended Allowances

•	Elementary			
Nutrient	Age 5-8 Current Pattern	Age 5-11 Proposed Pattern		
Energy	21			
Protein	74	56		
Vitamin A	63	47		
Vitamin C	.37			
Niacin	66	51		
Riboflavin	53	38		
Thiamin	41	26		
Vitamin B ₆	28	23		
Vitamin B ₁₂	56	46		
Calcium	49	35		
Magnesium	38	30		
Iron	33	24		

DATE: //- 24-8/	RBC RBC
IMMEDIATE ATTENTION:	<u>/×</u> /
ACTION:	
FYI:	
REFER TO: Ad	N.
RESPOND:	X3864
PEND:	<u> </u>
FILE:	
OTHER: 315	HAVE ME CALL
	H RE: THIS

Date: 11-20-81

TO: Bob

Bob Carleson

ACTION:	
FYI	☐ Please Comment
Appropriate Action	☐ Draft Response
Let's Discuss	
REMARKS:	

Chris DeMuth



EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

NOV 1 9 1981

MEMORANDUM FOR CHRIS DeMUTH

FROM:

GAIL B. COAD

SUBJECT:

School Lunch Pattern Regulation

As you may recollect, USDA withdrew its proposed School Lunch regulations in September. These regulations modified the minimally acceptable composition of meals subsidized by the federal government. The most controversial feature was that condiments could be counted toward the nutritional requirements.

The press announced yesterday that the White House was reviewing a revised school lunch regulation. In fact, the document submitted to White House staff (Bob Carleson) was a five page options paper. This was sent over several weeks ago.

Bob Carleson requested that this paper be reformatted, reduced to 1 1/2 pages and returned to the White House. FNS has complied with that request. The paper contains five options. We do not have the paper and have requested a copy from either FNS or the White House.

The option paper should have been, but was not reviewed by the USDA General Counsel prior to transmittal to the White House. We have had no success in reaching the USDA General Counsel to determine if that office had an opportunity to review the reformatted version requested by the White House prior to its transmittal.

To the best of our knowledge there is no draft regulation prepared or circulating at the White House or USDA.

I will make sure you are kept informed on this.

cc: Jim Tozzi
Tom Hopkins
Nell Minow

President Gets Revised Proposals For Standards on School Lunches

By ROBERT PEAR

Special to The New York Times

WASHINGTON, Nov. 17 - President Reagan has received revised proposals a subcommittee of the House Commitfor school lunch standards, including one that would let children decide whether they wanted small or full-size portions of food, Administration officials said today.

G. William Hoagland, administrator of the Food and Nutrition Service in the Agriculture Department, said also that the proposed rules would not permit ketchup and pickle relish to be counted as vegetables.

On Sept. 25, President Reagan announced that he was withdrawing an earlier set of food and nutrition standards for the school lunch program. Those standards, publicly proposed by the department, allowed schools to reduce the size of lunch portions and provided that condiments such as relish and ketchup could be counted as vegetables.

The earlier proposals were withdrawn after sharp criticism from school dietitians, child nutrition advocates and members of Congress, Republicans as well as Democrats.

The effort to revise the school lunch program began as part of Reagan Administration efforts to control Government spending. The program had been providing meals to 26 million children in more than 94,000 schools.

Congress reduced Federal lunch subsidies at the request of the Administration. As a result, Mr. Hoagland reported today, prices have increased an average of 15 cents a meal, and fewer students are buying lunch at school.

"From September 1980 to September 1981," he said, "there was an 11 percent decline in the total average of daily meals served." Schools are serving 2.8 million fewer meals than they did last year, Mr. Hoagland said s

Mr. Hoagland, testifying today before tee on Education and Labor, said that the President would make the decision on a new set of lunch rules. Ordinarily such decisions are made by middle-level officials in the Agriculture Department.

In his testimony and in a subsequent interview, Mr. Hoagland said that one proposal submitted to the President would require schools to serve at least a small "tasting portion" of each of the five lunch components: meat, bread, milk, fruit and vegetables. However, he said, children would not be required to take a full-size portion of any compo-

At present, according to Jane E. Mattern, a spokesman for the Food and Nutrition Service, most meals in the school lunch program contain full-size portions of all five components. How-ever, she said, high school students may, if they choose, take full-size portions of just three of the five compo-

The reason for not requring full-size portions of all items, Miss Mattern said,

was to prevent food from going to waste. Mr. Hoagland said, "A series of options has been presented to the White decisions have been made." Under another option, he said, schools would be required to serve full-size portions of at least three lunch components and small "tasting portions" of the other items.

Administration officials, including Mr. Hoagland, said that the revised rules would preserve the goal of serving lunches that provide one-third of the recommended dietary allowance for various nutrients. That goal, adopted at the start of the school lunch program 35 years ago, would have been abandoned under the proposal made by the Agricul-ture Department last September.

Reagan Gets New School-Lunch Plan

President Reagan has received revised school-lunch regulations that would leave smaller meal portions to a child's discretion and avoid the substitution of condiments for vegetables, the program's administrator

said yesterday.

William Hoagland, head of the Agriculture Department's Food and Nutrition Service, said the proposal "would avoid the lightning rods" that provoked strong criticism when the department first proposed the rules two months ago and forced it to beat a hasty retreat.

"Certainly we've taken care of the condiment issues," Hosgland said, a reference to the earlier proposal for counting ketchup and relish as a vegetable. "But it [the regulation change would avoid the plate waste.

"We're not reducing those portion sizes," he said in comparing the new proposal to the earlier one. "We're just saying that if you're not going to eat those portion sizes, you don't have to take them."

Hoagland told a House committee that three or four options for changing the regulation were sent to President Reagan Monday for review. A final decision could come within two weeks, he said.

The changes are designed to give local schools more flexibility in planning meals so they can recover some of their lost federal subsidies and minimize price increases to pupils.

Hoagland said this year's budget cuts have driven at least 2.8 million of 23 million children out of the school-lunch program and at least 466 of 94,000 participating schools.

Under the proposed regulation changes, Hoagland said school-lunch meal portions would remain sufficient to meet the program goal of providing one-third of the daily dietary allowance for various nutrients, but pupils could forgo full portions if they don't want them.

Hoagland told the committee that no further cuts in the 1981-82 school-lunch program are planned. He indicated there might be cuts in future years, especially in the limited federal subsidy for middle- and upper-income children, but that they are less likely than they were a month ago because of congressional criticism.

OFFICE OF CABINET AFFAIRS ACTION TRACKING WORKSHEET

NOV 96 1981

Action results from	(attached) call onference report should	be .		Date: 81/10/7	CA 27
Subject:	ofe from Sec	, Block		John Block	wegan
	·				
ROUTE TO:				V.	
R Carleso	me Ac 9n 208 FOB	ction FYI	Date Due	Dispos CLOS E	
Comments:					
Originator:	Fuller	□ C	ribb	☐ Hart	☐ Hodapp
Keep this workshee Office of Cabinet Attention: Karen West Wing/Ground	Hart '	incoming mate	erial and when th	e assigned action is co	omplete, return to:

OFFICE OF THE SECRETARY OF AGRICULTURE

October 27, 1981

TO: CRAIG FULLER

I thought that you might want to see this. You may want to show it to Ed Meese or Jim Baker.

046470

Log of the Executive Director



One Toe Over the Line

The 1981 Budget Reconciliation Act passed by Congress charged USDA to develop certain regulatory reforms to lessen the burden of the federal subsidies cuts to the School Lunch Program. The most controversial issue centered around changes in meal pattern requirements.

National publicity, from the Johnny Carson show to local newspapers, spotlighted this event. Telephones rang across the country. Lobbying groups throughout the nation rose up in arms. Congressmen and senators were quick to condemn the proposals. Ultimately, the President and Budget Director David Stockman recalled the proposed regulations for a redraft. So went the scenario.

The American School Food Service Association (ASFSA) evaluated the proposed regulations with a fine-tooth comb. Two separate ASFSA committees-the Legislation and Legislative Policy Development Committee and the Nutrition Standards and Nutrition Education Committee—gave the matter their best shot. There was little difference in each committee's initial proposal. Ultimately, both committees developed a position paper that was approved by the Executive Board. Committee members worked hard at their task and are to be commended for their efforts. I feel they handled the situation very ably.

I want to quote part of the position paper (see p. 20 of this Journal for entire position paper). "ASFSA recognizes the proposed meal pattern changes represent a good faith response to the comments of ASFSA members and a sincere effort by the Department of Agriculture to meet the Congressional directive. The problem remains, however, that we are caught between the restraints of the budget and the fact that children who do not receive 66 percent of the RDA over the course of the day are at a nutritional risk."

The point I want to make is embedded in the significance of the statement, "ASFSA recognizes the proposed meal pattern changes represent a good faith response to the comments of ASFSA members and a sincere effort by the Department of Agriculture to meet the Congressional directive."

First let me say that I truly believe this statement should have been made in behalf of the USDA staffers. They did work in good faith and should be commended. The proposed regs were just what it saysproposed, not final. Some were quick to criticize their efforts. Even the President and David Stockman, due to bad press, pulled the blanket out from under their own appointees. By so doing, the White House brought disrespect on their own people. These actions ultimately will serve no purpose but to damage USDA's credibility.

Yes, there were disagreements with some of the proposed changes in the meal pattern regs; however, the comment period was not yet over when

President Reagan and David Stockman rescinded the regulations. The process of developing and refining regulations was not allowed to work.

In further defense of USDA staffers, it should be point out that an effort was made on their part to gain input from school food service practitioners across the country before the regulations were proposed. Even though we might not have agreed with the entire proposed regulations package, the public and political criticism slapped on USDA was not warranted. It is apparent that the administration succumbed to public pressure and chose to select a sacraficial lamb.

But, why my comments on the proposed regs? First, I wanted the general membership to know the content of ASFSA's position. Secondly, I felt I had to admonish one administration official, namely, David Stockman. He has overstepped his bounds and brought undue disrespect on one member of the presidential cabinet and that member's staff. And no matter how many amends may be attempted, we always will see that one toe over the line.

Executive Director



U.S DEPARTMENT OF AGRICULTURE

FROM: Assistant Secretary for Food & Consumer Services

DATE: 10/28

TO: Bit

 ☐ For your signature ☐ Prepare reply for my signature ☐ For Secretary's signature ☐ Reply directly—copy to me ☐ Copy to me with copy of incoming 	 ☐ Rewrite—text ☐ Rewrite—not enough information ☐ For your action ☐ For your approval ☐ For your comments 	 □ Please return □ As you requested □ For your information □ Please file □ Set up meeting on this □ Call me on this
ACTION DATE:		
REMARKS:		
These are the	two litters	I mentioned.
The Secretary	and I re	commend
backing your	the subside	dimenation
for the fair	in child in	school winch.
I stand use	need to wer	n know Jenos
and along 6	1 we also	ssed _
brunfret, fr	u w win	wrence, it
less so then	, the aurion	t m.
March 1	and Don D	lease call-
we could gut	Remotives	quickly, I think



DEPARTMENT OF AGRICULTURE OFFICE OF THE SECRETARY WASHINGTON, D. C. 20250

OCT 2 8 1981

SUBJECT: School Lunch Meal Pattern Regulations

TO: Robert Carleson, Special Assistant

to the President for Policy Development

Attached is the Agency-developed position paper the Department used in addressing alternative approaches to address the withdrawn September 4 meal pattern regulations.

Part V of the paper articulates the Department's recommendation. The Secretary concurs in the recommendation that we proceed with a number of non-discretionary and non-controversial regulatory actions quickly. However, it is the Department's recommendation that we delay any revision of or alternative to the withdrawn September 4 regulations until early next year. As you will note, we have come to this conclusion after consultation with our Republican Congressional leaders and with the groups most involved in the implementation of this program.

I will be happy to discuss these recommendations with you at your earliest convenience.

MARY C. JARRATT

Assistant Secretary for

Food and Consumer Services

Many C (Janot

Attachment

I. Current Policy

Schools voluntarily choose to participate in the National School Lunch Program. Each school choosing to participate must serve a meal pattern designed by the Department in order to receive federal meal subsidies. The pattern contains five items--milk, bread, vegetable, fruit and a meat or meat alternates. Minimum portion sizes are set for each item. The meal pattern is designed to meet a goal of providing one-third of the child's daily recommended dietary needs.

II. General Strategy: Objectives

The basic objectives on which the recently withdrawn meal pattern regulations were developed included: (1) maintenance of a nutritionally adequate meal pattern with greater menu variety, (2) lower State and local production costs, (3) provide greater State and local flexibility, and (4) simplify and standardize conflicting program rules. The proposal followed the same basic format as current policy, but minimum portion sizes were reduced for all five items. (Chart 1 attached compares serving sizes under current regulations and the withdrawn regulations.)

Alternative proposals can be developed that meet all or some of these objectives, with varying degrees of success. However, those regulations that the Administration judges would be the most successful in meeting these objectives, will also be the most controversial. The policy decision to be made is one of weighing the programmatic outcome desired (as embodied in these four objectives) versus potential political controversy.

The list of alternative proposals span the spectrum of controversial and program-matically successful, to non-controversial with potentially limited programmatic success. The various alternatives fall into two groups: (1) those that the Secretary has wide discretion in establishing, and (2) those that are primarily non-discretionary and are required by new legislation.

III. Discretionary Alternative Regulatory Approaches

A. Goal of One-third RDA. This approach would be to eliminate all meal pattern regulations and simply have the Secretary of Agriculture establish as a policy goal, that meals served in the programs should strive to meet one-third of the child's recommended dietary allowance (RDA). While this alternative would be legal within the existing statutes, it would be extremely controversial, since it would totally eliminate minimum standards. This approach could also be very costly to the federal budget since individual items now sold separately (e.g., a sandwich) could be called a meal and thus earn federal reimbursement. Virtually, all food service in schools could thus be subsidized by the federal government.

NO

NO

B. Reissue September 4 Regulations. The withdrawn regulations could be reissued with the elimination and clarification of some controversial and misunderstood provisions. The crediting issue of certain foods (ketchup and pickle relish) would be clarified or eliminated. Certain foods would not be mentioned (i.e., tofu, nuts, seeds, and yogurt). Serving sizes for all meal components would still be reduced and this would continue to be extremely controversial.

MAYBE LATER

VERSY

- Selected Components of September 4 Regulations. Rather than address all the serving size issues in the September 4 regulations, this approach would follow B above except that only the bread, vegetable, and fruit component sizes would be reduced. While for certain commodity and hunger lobby groups this would be controversial, these are meal components with the greatest documented plate waste, and powerful meal and dairy producer groups would not be affected. Local budget savings would occur.
- Varied Portion Sizes. Another proposal would allow children to accept NO-SAME OLD D. smaller portion sizes if they do not intend to eat the entire amount. This CONTROprovision would require schools to make full portion sizes available but children would not be required to take more than they wanted. Schools which choose to implement this proposal would also have to offer larger portion sizes to children who requested them. This would probably cause the provision to be utilized mainly in elementary schools. Budget savings at the local level would be likely since schools would be able to prepare less food based on operating experience.

IV. Non-discretionary Related Regulation Actions

- A. Offer versus Serve. This regulation would implement Section 811 of the 1981 Omnibus Reconciliation Act and would expand to all grade levels a provision that allows a student to refuse offered foods they do not intend to consume. Current regulations apply this provision to high schools, and allow the student to accept as few as three of five required meal items. The meal still receives full reimbursement. The regulation extending this provision to elementary schools is required by law and could result in local savings. The impetus for this action was that of the Congress not the Administration. If alternative D above is selected, schools would have the option of allowing students to select three out of five items or of allowing students to select smaller portion sizes. An individual school could not offer both options. We would expect high schools to offer the three out of five option and elementary schools to offer varied portion sizes.
- B. Administrative Regulations. Finally, a series of administrative regulations could be issued that would be viewed as significantly less controversial than meal pattern changes, and while not addressing all four objectives outlined above, could nonetheless meet some of them. The alternative regulations would be a series of proposals that were being developed even before the controversial meal pattern regulations were issued. These regulations would address certain administrative, accounting, and monitoring requirements, and most are required under the Omnibus Reconciliation Act of 1981:

YES

YES

- 1. <u>Lunch Pattern Monitoring</u>: This provision is based on allowing States to monitor bulk quantities rather than individual plates to ensure sufficient quantity to satisfy requirements. The system is optional, allowing State agencies to develop alternate systems described and on file for review. The proposal would eliminate overproduction currently needed to ensure that each plate meets minimum requirements.
- 2. <u>Eliminate Full Cost Account Regulations</u>: This proposal relieves School Food Authorities of many current cost accounting requirements. School Food Authorities would still be required to operate nonprofit food service programs. This is in legislation.
- 3. Eliminate State Plan Requirements: This reduces the administrative burden by eliminating the requirement to submit plans for National School Lunch, School Breakfast, Special Milk, and Food Service Equipment Assistance Programs. The federal government will be able to monitor program activities through ongoing reporting requirements. This is in legislation.
- 4. Review Assessment, Improvements and Monitoring System: Proposes four changes to current rule which sets minimum school lunch monitoring standards for States. This proposal would increase State flexibility in meeting these requirements.

V. Department Recommendation

It is recommended that all the non-discretionary regulatory actions listed above proceed quickly. The offer versus serve provisions, lunch pattern monitoring, State plan requirements, and the States' monitoring standard could be modified by the end of November.

The Department further recommends that we delay any revision of or alternative to the withdrawn regulations until about February 1982. This recommendation is made for the following reasons:

- (1) Any proposed meal pattern change could not be effective for this school year. By February, we will have a clear feel for further budgetary action with regard to this program and could more adequately tailor the regulations to accommodate the budget change.
- (2) It is the Department's best political judgement to put some distance between our withdrawn regulations and further action. Senators Dole and Helms and Congressman Goodling concur that we should go with the mandatory regulatory action now and followup with meal patterns later. Our Regional Administrators are also recommending this course of action.
- (3) The American School Food Service Association has assured the Department that extension of "offer vs. serve" to the elementary level would provide them with some financial relief this year. They would prefer a clearer reading on budgetary action before the meal patterns are addressed. Further, they have assured us that if we pursue this route, they will not attack the Administration for any delay in meal pattern proposals.

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CONGRESS OF THE UNITED STATES HOUSE OF REPRESENTATIVES

COMMITTEE ON EDUCATION AND LABOR

2181 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, D.C. 20515

October 28, 1981

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Honorable David A. Stockman Director Office of Management and Budget 252 Old Executive Office Building Washington, D. C. 20503

Dear Mr. Stockman:

We have learned that a Task Force on Entitlement Programs within the Administration is considering additional reductions in the level of Fiscal Year 1982 Federal assistance to the paying child who participates in the National School Lunch Program.

Until the Administration and the Congress have an opportunity to assess carefully the full impact on the various child nutrition programs of the very recent and major reductions made under the provisions of the Omnibus Reconciliation Act of 1981, requests for additional reductions in the levels of Federal support for these vital programs would, in our judgment, be premature and inappropriate.

According to responsible and high-level Administration spokesmen within the U.S. Department of Agriculture, the data necessary for any analysis of the impact of the newly-enacted reductions in Federal support on these programs is not now available -- nor will such data be forthcoming for several months. Nonetheless, it should be noted that the preliminary data which is available does suggest a decline in the number of schools continuing to participate in the National School Lunch Program, thereby eliminating thousands of youngsters who are otherwise eligible for free and reduced price lunches. Moreover, a drop in the level of participation by the so-called paying students has been experienced nationwide.

We concur in the President's objective to continue to provide a nutritious meal service to this Nation's truly needy youngsters. To this end, the role and participation of the paying student is crucial. Since free and reduced price lunches for the truly needy are only mandated when schools participate in the NSLP, any decision which results in the large scale dropout of schools from the program would mean a serious breach of the safety net. Unfortunately, it is a role which many top-level policymakers within this Administration do not fully appreciate.

Should large numbers of paying youngsters decline to participate in the school lunch program, education decision-makers at the local level will be faced with a most difficult decision as to whether or not they can afford to continue to offer the benefits afforded through the National School Lunch Program to fewer pupils while simultaneously having to continue to meet a number of fixed costs which cannot be further reduced or eliminated.

Sizeable additional reductions in Federal support coupled with, in many cases, a further reduction in the level of State support plus an uncertain immediate future for this program will make the decision an easy one -- the National School Lunch Program will be terminated in school district after school district across the country. Should this be the case, the Administration and those of us in the Congress who concur in President Reagan's stated objective to meet the nutrition needs of the Nation's truly needy youngsters will be without the only reliable and proven vehicle that will enable us to honor this commitment.

We firmly believe that the full impact of the changes called for in the Omnibus Reconciliation Act of 1981 -- when fully realized at the State and local levels -- will be all that the traffic can bear. In short, further cut-backs in Federal assistance to the National School Lunch Program, in particular, and the child nutrition programs, in general, are simply out of the question at this time.

We regret to advise you, therefore, that we would have difficulty entertaining any further reductions in Fiscal Year 1982 Federal outlays to these important programs which may be under consideration within the Office of Management and Budget or elsewhere within the Administration. Our side of the aisle could not deliver the votes you would need.

Sincerely,

John M. Ashbrook M.C.

Tom Coleman M.C.

James M Jeffords M.C.

Bill Goodling
Bill Goodling

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Arlen Erdahl M.C.

Lawrence J. DeNardis M.C.

Larry E. Craig M.C.

cc: Mr. Edwin Meese, III Mr. James A. Baker, III Hon. John R. Block JESSE HELMS, N.C., CHAIRMAN

BOP DOLE, KAMS, S. f. HAYAKAWA, CALIF, RICHARD G. LUGAR, IND, THAD COCHRAN, MISS, RUDY BOSCHWITZ, MINN, ROGLE W. JEPSEN, IOWA PAULA HAWKINE, FLA, MARK ANDREWS, N. DAK, WALTER D. HUDDLESTON, KY. PATRICK J. LEAHY, YT. EDWARD ZORINSKY, NEBR. JOHN MELCHER, MONT, DAVID H. PRYOR, ARK. DAVID L. BOREN, OKLA. ALAN J. DIXON, ILL. HOWELL HEFLIN, ALA.

United States Senate

COMMITTEE ON
AGRICULTURE, NUTRITION, AND FORESTRY
WASHINGTON, D.C. 20510

October 27, 1981

Mr. James A. Baker, III Chief of Staff and Assistant to the President The White House Washington, D. C. 20500

Dear Jim:

There is speculation that the Administration is planning to propose, as part of its next round of budget cuts, a total elimination of the subsidy to "paying" students in the National School Lunch Program.

When the Administration proposed this method of achieving savings in the area of child nutrition programs last time around, the input from the local level on the potential impact caused a great amount of concern among members of Congress. In marking up legislation to achieve savings called for in the First Concurrent Budget Resolution for Fiscal Year 1982, no member of the Senate Committee on Agriculture, Nutrition and Forestry even suggested the Administration's proposal to terminate the subsidy to "paying" students. As you know, Congress did agree to reduce substantially the subsidy to the paying child, but specifically rejected the Administration's proposal to eliminate it entirely.

A total elimination of the subsidy to "paying" students participating in the National School Lunch Program could have a devastating effect on the viability of the Federal program. Over 90 percent of all the schools in the country participate in the National School Lunch Program. This year, schools will receive 21.5¢ in Federal general assistance toward each lunch served (11¢ in USDA-donated commodity support and 10.5¢ in cash). This 21.5¢ represents a 40 percent reduction in Federal assistance. The 21.5¢ subsidy is not a subsidy directly to non-poor children, or the "paying" child -- it is a grant-in-aid to the schools to help defray the cost based on total student participation, regardless of income.

Mr. Jim Baker Page Two

In thousands of school districts throughout the country, less than one-third of the students are eligible for free or reduced price lunches. According to last year's figures, about 55 percent of all school lunch participants are in the "paid" category: they are children whose parents' income exceeds 185 percent of poverty (or about \$15,600 for a family of four).

Those at the local level who administer the program and are most familiar with how it works argue that a complete elimination of general assistance for lunches served to "paying" children would cripple the Federal lunch program. There is substantial evidence to support their point of view. The loss of the Federal reimbursement would result in sharply rising school lunch costs for these children, with resultant high dropout rates and potential program termination. Thus needy and non-needy alike would fail to receive Federal support.

When the Administration first proposed significant reductions in school lunch funding, it also listed this as one of the seven "safety net" programs. If the Administration continues to consider this a "safety net" program, we suggest that it consider other alternatives to the elimination of the "paid" lunch subsidy in order to achieve the needed level of savings. We would like to make members of our staff readily available to discuss options with the Administration.

It seems to us that the Federal savings that would be gained by eliminating the "paid" subsidy are more than overshadowed by the severe consequences it could have for the program, and therefore the Administration. We feel certain this proposal would fail dramatically in Congress. In short, as members of the Senate Committee on Agriculture, Nutrition, and Forestry, we are deeply concerned about the program and the political consequences of such a proposal. Because more viable options are available, we wanted to share our concern with you before the Administration is irrevocably committed to an option which is certain to fail.

Sincerely,

BOB DOLE

JESSE HELMS

THAD COCHRAN

S. I Hayakawa Paula Hawkins

Rudy Boschwitz Mark Andrews

Mark Jepsen

Roger W Jepsen

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM:

RICHARD S. SCHWEIKER, CHAIRMAN PRO TEM,

CABINET COUNCIL ON HUMAN RESPURCES

SUBJECT:

Child Nutrition Meal Pattern Regulations

I. ACTION FORCING EVENT:

The Omnibus Reconciliation Act of 1981 (P.L. 97-35) directed the Secretary of Agriculture to review all regulations governing the child nutrition programs—including meal pattern regulations—and to promulgate changes in those regulations that would result in reduced State and local program costs. Changes in regulations were to be implemented within 90 days following enactment of P.L. 97-35—November 11, 1981. On September 4, regulations were proposed that would have amended current meal pattern requirements in the various child nutrition programs. The proposed regulations were widely misinterpreted and, therefore, withdrawn October 2, 1981. It was generally understood that they were to be modified and reissued at a later date.

II. ANALYSIS:

Background

Organizations voluntarily choosing to participate in the various federal child nutrition programs must serve meals meeting minimum amounts of food required to be served in order to qualify for federal reimbursements. The pattern requires each meal to have five items—milk, bread, vegetable, fruit and a meat or meat alternate. The meal pattern is designed to meet a goal of providing one—third of the child's daily recommended dietary allowances (RDA) for most nutrients on the average and over a period of time.

The September 4 regulations were designed to meet four objectives:

- (1) to maintain a nutritionally adequate meal pattern with greater menu variety,
- (2) to lower State and local production costs,
- (3) to provide greater State and local flexibility, and
- (4) to simplify and standardize conflicting program rules.

The proposed regulations maintained the same basic format of the current patterns, except that the current five age and grade meal pattern groups would have been reduced to three, and minimum serving requirements were reduced for some groups. States also would have been allowed to credit certain foods against the serving requirements, and this provision along with reduced portion sizes generated the most public criticism.

Alternate Regulatory Approaches

- A. Goal of One-Third RDA. This option would eliminate all meal pattern regulations and simply have the Secretary establish a policy goal that meals served in the programs should strive to meet one-third of the child's recommended dietary allowance (RDA). While this alternative would be legal, it would be extremely controversial, since it would totally eliminate minimum standards. This approach could also be very costly to the federal budget, since individual items now sold separately (e.g., a sandwich) could be called a meal and thus earn federal reimbursement. Virtually, all food service in schools could thus be subsidized by the federal government. This option has no Congressional support and both the American Dietetic Association and the American School Food Service Association oppose it. Despite strong preference for it among some top USDA and White House staff, the option is unrealistic without major statutory changes in the current funding of child nutrition programs.
- B. Reissue September 4 Regulations. The withdrawn regulations could be reissued with the elimination and clarification of some controversial and misunderstood provisions. The crediting issue of condiments (ketchup and pickle relish) would be eliminated. Certain foods would not be mentioned (i.e., tofu, nuts, seeds, and yogurt). Serving sizes for all meal components would still be reduced and this would continue to be extremely controversial.
- C. Modified Pattern Level. Rather than address all the serving size issues in the September 4 regulations, this approach would follow B above except that only the bread, vegetable, and fruit component sizes would be reduced. While for certain commodity and hunger lobby groups this would be controversial, these are meal components with the greatest documented plate waste. Local budget savings would occur. This option is preferred by some influential Republicans on Capitol Hill.
- D. No Action: Retain the Current Meal Pattern Requirement. This approach to retain current minimum meal requirements has been suggested by some as the "safest" route. However, it is the Department's view that the Congressional intent in the reconciliation bill contemplates Departmental action on meal patterns.

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E. Varied Portion Sizes. A final option, similar to C above, would be to permit children to accept smaller portion sizes if they do not intend to eat the entire amount. No changes in minimum meal requirements would be needed. This proposal would be fairly well received by some in the nutrition community as an appropriate program for children of elementary age because it would help meet a broader program goal of exposing children to various types of food rather than having them always select traditional favorites. The option would also clearly reduce plate waste, a factor which should be easily accepted by the public as a reasonable goal. Budget savings at the local level would be likely; however, any proposal to reduce portion sizes, regardless of the justification, could expose the Administration to unfavorable publicity.

III. RECOMMENDATION:

The Department of Agriculture and the White House Cabinet Council on Human Resources recommend Alternative E. This, in conjunction with mandated Congressional regulatory changes, should provide schools with maximum flexibility to meet the needs of their children without waste and at the same time reduce State and local meal production costs.

IV.	DECISION:		
	Approve		
	Approve As Amended		
	Reject		
	No Action		

THE WHITE HOUSE

WASHINGTON

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RICHARD S. SCHWEIKER, CHAIRMAN PRO TEM CABINET COUNCIL ON HUMAN RESOURCES

SUBJECT:

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II. ANALYSIS:

Background

Organizations voluntarily choosing to participate in the various federal child nutrition programs must serve meals meeting minimum amounts of food required to be served in order to qualify for federal reimbursements. The pattern requires each meal to have five items--milk, bread, vegetable, fruit and a meat or meat alternate. The meal pattern is designed to meet a goal of providing one-third of the child's daily recommended dietary allowances (RDA) for most nutrients on the average and over a period of time.

The September 4 regulations were designed to meet four objectives:

- (1) to maintain a nutritionally adequate meal pattern with greater menu variety,
- (2) to lower State and local production costs,
- (3) to provide greater State and local flexibility, and
- (4) to simplify and standardize conflicting program rules.

The proposed regulations maintained the same basic format of the current patterns, except that the current five age and grade meal pattern groups would have been reduced to three, and minimum serving requirements were reduced for some groups. States also would have been allowed to credit certain foods against the serving requirements, and this provision along with reduced portion sizes generated the most public criticism.

Alternate Regulatory Approaches

- Goal of One-Third RDA. This option would eliminate all meal pattern regulations and simply have the Secretary establish a policy goal that meals served in the programs should strive to meet one-third of the child's recommended dietary allowance (RDA). While this alternative would be legal, it would be extremely controversial, since it would totally eliminate minimum standards. This approach could also be very costly to the federal budget, since individual items now sold separately (e.g., a sandwich) could be called a meal and thus earn federal reimbursement. Virtually, all food service in schools could thus be subsidized by the federal government. This option has no Congressional support and both the American Dietetic Association and the American School Food Service Association oppose it. Despite strong preference for it among some top USDA and White House staff, the option is unrealistic without major statutory changes in the current funding of child nutrition programs.
- B. Reissue September 4 Regulations. The withdrawn regulations could be reissued with the elimination and clarification of some controversial and misunderstood provisions. The crediting issue of condiments (ketchup and pickle relish) would be eliminated. Certain foods would not be mentioned (i.e., tofu, nuts, seeds, and yogurt). Serving sizes for all meal components would still be reduced and this would continue to be extremely controversial.
- C. Modified Pattern Level. Rather than address all the serving size issues in the September 4 regulations, this approach would follow B above except that only the bread, vegetable, and fruit component sizes would be reduced. While for certain commodity and hunger lobby groups this would be controversial, these are meal components with the greatest documented plate waste. Local budget savings would occur. This option is preferred by some influential Republicans on Capitol Hill.
- D. No Action: Retain the Current Meal Pattern Requirement. This approach to retain current minimum meal requirements has been suggested by some as the "safest" route. However, it is the Department's view that the Congressional intent in the reconciliation bill contemplates Departmental action on meal patterns.

E. Varied Portion Sizes. A final option, similar to C above, would be to permit children to accept smaller portion sizes if they do not intend to eat the entire amount. No changes in minimum meal requirements would be needed. This proposal would be fairly well received by some in the nutrition community as an appropriate program for children of elementary age because it would help meet a broader program goal of exposing children to various types of food rather than having them always select traditional favorites. The option would also clearly reduce plate waste, a factor which should be easily accepted by the public as a reasonable goal. Budget savings at the local level would be likely; however, any proposal to reduce portion sizes, regardless of the justification, could expose the Administration to unfavorable publicity.

III. RECOMMENDATION:

IV. DECISION:

The Department of Agriculture and the White House Cabinet Council on Human Resources recommend Alternative E. This, in conjunction with mandated Congressional regulatory changes, should provide schools with maximum flexibility to meet the needs of their children without waste and at the same time reduce State and local meal production costs.

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		Approve	
		Approve As	Amended
		Reject	
		No Action	



LEGISLATIVE NOTICE

Notice # 120 November 10, 1981

U.S. SENATE REPUBLICAN POLICY COMMITTEE

John Tower, Chairman

Calendar 363

S. Res. 218: RETAINING NUTRITIONAL GOALS IN THE SCHOOL LUNCH

PROGRAM

REPORTED: October 30 (legis. day, Oct. 14), 1981; Agriculture, Nutrition, and Forestry (S. Rept. 97-263)

CAPSULE VERSION

PURPOSE: To provide that it is the Sense of the Senate that the school lunch program retain goal of providing one-third of the recommended dietary allowances of nutrients for children as established by the National Academy of Sciences.

(For details, see below.)

BACKGROUND: Senator Melcher introduced S. Res. 218, on October 1, 1981, following the Department of Agriculture's withdrawal of controversial proposed regulations relaxing Federal meal requirements for the school lunch program on September 25, 1981. Since 1946, the National School Lunch Act has required that lunches offered by schools participating in the national school lunch program meet minimum nutritional standards prescribed by the Secretary of Agriculture. From the program's incention, the

schools participating in the national school lunch program meet minimum nutritional standards prescribed by the Secretary of Agriculture. From the program's inception, the Secretary has applied the theory that the lunches should aim to provide, over a period of time, approximately one-third of the Recommended Dietary Allowance (RDA) for children as specified by the National Academy of Sciences. This determination of one-third RDA goal was simply derived from the assumption that lunch, as one of the three daily meals, should contribute about one-third of the daily food intake requirements.

To assist school personnel in planning menus that meet the program's nutritional goal, the Department established by regulation Federal meal patterns that specified minimum quantity requirements for the four basic food components of a meal (meat and meat alternates, vegetables and fruit, bread and bread alternates, and milk). The patterns have been revised, and in doing so, the department has recognized that the minimum requirements must provide flexibility to school personnel providing meals under the lunch program. In recent years, the complexity of the meal pattern requirements has increased markedly in what appears to be an effort to make the one-third RDA more of a requirement than a goal. However, the meal patterns have never attained the goal of providing one-third RDA for every essential nutrient.

The Omnibus Budget Reconciliation Act of 1981, enacted on August 13, 1981, directs the Secretary to review regulations governing programs under the National School Lunch Act and the Child Nutrition Act of 1966, including regulations pertaining to nutritional requirements, for purpose of determining ways in which to accomplish cost savings at the local level without impairing the nutritional value of meals. The Secretary must then promulgate changes in regulations within 90 days of enactment to effectuate such savings. The conference report accompanying P.L. 97-35 makes clear that any changes in nutritional requirements should be made after other savings options are exhausted, and that these changes must have a sound nutritional basis. Also, the report states that the phrase "without impairing the nutritional value of meals" is not to be interpreted as requiring one-third RDA for every meal provided.

On September 4, 1981, the Department proposed revised meal pattern requirements that would simplify current requirements as well as reduce costs to schools. These revisions included reducing the number of meal patterns, reducing the minimum

quantity of food required to be served, and expanding the list of allowable meal alternatives, among other changes. As a result of strong negative publicity, the Department withdrew the proposed regulations on September 25, 1981, and the Secretary announced his intent to restructure the proposal and present a revised version for public comment. In light of the controversy over the proposed regulations, the Committee felt it was necessary to clarify its intent that the school lunch program should retain the overall goal of providing one-third of the recommended dietary allowances of nutrients for children, as established by the National Academy of Sciences, despite changes the Department might make in specific meal pattern requirements.

When the Committee considered S. Res. 218, Chairman Helms proposed that any mention of program regulations or of the specific date, September 25, 1981, be stricken from S. Res. 218. These changes would make clear that the Committee intended no endorsement of current meal pattern regulations by supporting S. Res. 218. The

resolution, as amended by Chairman Helms, was adopted without objection.

PURPOSE: To retain nutritional goals in the school lunch program:

RESOLVED, That it is the Sense of the Senate that the school lunch program under the National School Lunch Act will retain the goal of providing one-third of the recommended dietary allowances of nutrients for children as established by the National Academy of Sciences.

Alternative Regulatory Approaches: School Lunch Meal Pattern Regulations

I. What are "Meal Patterns"?

- - "

Each school voluntarily choosing to participate in the National School Lunch Program (NSLP) must serve a meal designed by the Department of Agriculture in order to receive federal meal subsidies. It is important to remember that "meal patterns" are not menus; rather, they represent the minimum amount of food required to be served in order for schools to qualify for the reimbursement. The pattern requires each meal to have five items—milk, bread, vegetable, fruit and a meat or meat alternate. Minimum portion sizes are set for each item. The meal pattern is designed to meet a goal of providing one—third of the child's daily recommended dietary allowances (RDA) for most nutrients on the average and over a period of time.

II. Current Situation

During the reconciliation process this summer, the Congress adopted much of the Administration's proposal to reduce the Federal subsidy to the "paying category" of children in the program (those whose family's income exceeds 185 percent of poverty). In so doing, however, the Congress directed USDA to come up with some savings to accrue to the local level to help offset the Federal subsidy reduction.

Accordingly, proposed regulations amending the meal pattern requirements were published September 4. The proposal followed the same basic format as current policy, but portion sizes were reduced minimally for all five items, especially for younger children whose food intake is less than that of older children. The proposed regulations were widely misinterpreted and were withdrawn October 2, 1981.

The basic objectives of the recently withdrawn meal pattern proposal were: (1) to maintain a nutritionally adequate meal pattern with greater menu variety, (2) to lower State and local production costs, (3) to provide greater State and local flexibility, and (4) to simplify and standardize conflicting program rules.

III. Alternative Approaches:

The list of alternative proposals spans the spectrum of controversial and programmatically successful to non-controversial with potentially limited programmatic success. The various alternatives fall into two groups: (1) those that are primarily non-discretionary and are required by new legislation, and (2) those that the Secretary has wide discretion in establishing.

Non-Discretionary Related Regulation Actions

- A. Offer versus Serve. This regulation would implement Section 811 of the 1981 Omnibus Reconciliation Act and at local option would expand to all grade levels a provision that allows a student to refuse offered foods he does not intend to consume. Current regulations apply this provision to high schools and allow the student to accept as few as three of five required meal items. The meal still receives full reimbursement. The regulation extending this provision to elementary schools is required by law and could result in local savings. The impetus for this action was that of the Congress, not the Administration.
- B. Administrative Regulations. Finally, a series of administrative regulations, also required in the reconciliation process, must be issued. They will be viewed as significantly less controversial than meal pattern changes, and while not addressing all four objectives outlined above, could nonetheless meet some of them. These regulations were being developed even before the controversial meal pattern regulations were issued. They address certain administrative, accounting, and monitoring requirements, and most are required under the Omnibus Reconciliation Act of 1981:
 - 1. <u>Lunch Pattern Monitoring</u>: This mandatory provision is based on allowing States to monitor bulk quantities rather than individual plates to ensure sufficient quantity to satisfy requirements. The system is optional, allowing State agencies to develop alternate systems described and on file for review. The proposal would eliminate overproduction currently needed to ensure that each plate meets minimum requirements.
 - 2. Eliminate Full Cost Account Regulations: This mandatory proposal relieves School Food Authorities of many current cost accounting requirements. School Food Authorities would still be required to operate nonprofit food service programs.
 - 3. Eliminate State Plan Requirements: This mandatory provision reduces the administrative burden by eliminating the requirement to submit plans for National School Lunch, School Breakfast, Special Milk, and Food Service Equipment Assistance Programs. The Federal government will be able to monitor program activities through ongoing reporting requirements.
 - 4. Review Assessment, Improvements and Monitoring System: This mandatory proposal changes the current rule which sets minimum school lunch monitoring standards for States. This proposal would increase State flexibility in meeting these requirements.

While these regulations do not have much budgetary reduction impact, they do significantly place regulatory burden on the schools.

Discretionary Alternative Regulatory Approaches

- A. Goal of One-Third RDA. This approach would be to eliminate all meal pattern regulations and simply have the Secretary of Agriculture establish a policy goal that meals served in the programs should strive to meet one-third of the child's recommended dietary allowance (RDA). While this alternative would be legal within the existing statutes, it would be extremely controversial, since it would totally eliminate minimum standards. This approach could also be very costly to the federal budget, since individual items now sold separately (e.g., a sandwich) could be called a meal and thus earn federal reimbursement. Virtually, all food service in schools could thus be subsidized by the Federal Government. There was no Congressional support for this alternative, and both the American Dietetic Association and the American School Food Service Association oppose it. Despite strong preference for it among some of our top staff, we do not believe this approach politically realistic.
- B. Reissue September 4 Regulations. The withdrawn regulations could be reissued with the elimination and clarification of some controversial and misunderstood provisions. The crediting issue of condiments (ketchup and pickle relish) would be eliminated. Certain foods would not be mentioned (i.e., tofu, nuts, seeds, and yogurt). Serving sizes for all meal components would still be reduced and this would continue to be extremely controversial.
- C. Modified Pattern Level. Rather than address all the serving size issues in the September 4 regulations, this approach would follow B above except that only the bread, vegetable, and fruit component sizes would be reduced. While for certain commodity and hunger lobby groups this would be controversial, these are meal components with the greatest documented plate waste. Local budget savings would occur. This approach will be the hardest to achieve but is probably the most equitable.
- D. Retain the Current Meal Pattern Requirement. This approach to retain current minimum meal requirements has been suggested by some as the "safest" route. However, it is the Department's view that the Congressional intent in the reconciliation bill contemplates Departmental action on meal patterns.
- E. Varied Portion Sizes. Another stand-alone provision and similar to Item C above, a regulation could be proposed for schools not participating in offer versus serve programs to permit children to accept smaller portion sizes if they do not intend to eat the entire amount. This proposal would be fairly well received by some in the nutrition community as an appropriate program for children of elementary age because it would help meet a broader program goal of exposing children to various types of foods rather than having them always select traditional favorites, as they will in "offer versus serve" programs. Budget savings at the local level would be likely; however, the Department feels any proposal to reduce portion sizes, regardless of the justification, will expose the Administration to

IV. Department Recommendation

It is recommended that all the non-discretionary regulatory actions listed above proceed quickly. The offer versus serve provisions, lunch pattern monitoring, State plan requirements, and the States' monitoring standard likely could be proposed by the end of November.

The Department further recommends that we propose Option C around Christmas or early 1982. This option is preferred because it will permit substantial local savings and flexibility while exposing the Administration to minimal criticism. Significant support for this proposal can be arranged prior to its announcement.

This modest delay after the release of the non-discretionary regulations is suggested because any proposed meal pattern change could not be effective for this school year. By Christmas, we will have a better feel for further budgetary action with regard to this program and could more adequately tailor the regulations to accommodate the budget change.

- I. SUBJECT: Child Nutrition Meal Pattern Regulations
- II. ORIGINATOR: U.S. Department of Agriculture DATE: November 15, 1981

III. ACTION FORCING EVENT:

The Omnibus Reconciliation Act of 1981 (P.L. 97-35) directed the Secretary of Agriculture to review all regulations governing the child nutrition programs—including meal pattern regulations—and to promulgate changes in those regulations that would result in reduced State and local program costs. Changes in regulations were to be implemented within 90 days following enactment of P.L. 97-35—November 11, 1981. On September 4, regulations were proposed that would have amended current meal pattern requirements in the various child nutrition programs. The proposed regulations were widely misinterpreted and, therefore, withdrawn October 2, 1981. It was generally understood that they were to be modified and reissued at a later date.

IV. ANALYSIS:

Background

Organizations voluntarily choosing to participate in the various federal child nutrition programs must serve meals meeting minimal nutritional requirements. The meal pattern represents minimum amounts of food required to be served in order to qualify for federal reimbursements. The pattern requires each meal to have five items--milk, bread, vegetable, fruit and a meat or meat alternate. (Tab 1). The meal pattern is designed to meet a goal of providing one-third of the child's daily recommended dietary allowances (RDA) for most nutrients on the average and over a period of time.

The September 4 regulations were designed to meet four objectives:

- (1) to maintain a nutritionally adequate meal pattern with greater menu variety,
- (2) to lower State and local production costs,
- (3) to provide greater State and local flexibility, and
- (4) to simplify and standardize conflicting program rules.

The proposed regulations maintained the same basic format of the current patterns, except that the current five age and grade meal pattern groups would have been reduced to three, and minimum serving requirements were reduced for some groups. States also would have been allowed to credit certain foods against the serving requirements, and this provision along with reduced portion sizes generated the most public criticism.

Alternate Regulatory Approaches

- A. Goal of One-Third RDA. This option would eliminate all meal pattern regulations and simply have the Secretary establish a policy goal that meals served in the programs should strive to meet one-third of the child's recommended dietary allowance (RDA). While this alternative would be legal, it would be extremely controversial, since it would totally eliminate minimum standards. This approach could also be very costly to the federal budget, since individual items now sold separately (e.g., a sandwich) could be called a meal and thus earn federal reimbursement. Virtually, all food service in schools could thus be subsidized by the federal government. This option has no Congressional support and both the American Dietetic Association and the American School Food Service Association oppose it. Despite strong preference for it among some top USDA and White House staff, the option is unrealistic without major statutory changes in the current funding of child nutrition programs.
- B. Reissue September 4 Regulations. The withdrawn regulations could be reissued with the elimination and clarification of some controversial and misunderstood provisions. The crediting issue of condiments (ketchup and pickle relish) would be eliminated. Certain foods would not be mentioned (i.e., tofu, nuts, seeds, and yogurt). Serving sizes for all meal components would still be reduced and this would continue to be extremely controversial.
- C. Modified Pattern Level. Rather than address all the serving size issues in the September 4 regulations, this approach would follow B above except that only the bread, vegetable, and fruit component sizes would be reduced. While for certain commodity and hunger lobby groups this would be controversial, these are meal components with the greatest documented plate waste. Local budget savings would occur. This option is preferred by some influential Republicans on Capitol Hill.
- D. No Action: Retain the Current Meal Pattern Requirement. This approach to retain current minimum meal requirements has been suggested by some as the "safest" route. However, it is the Department's view that the Congressional intent in the reconciliation bill contemplates Departmental action on meal patterns.
- E. <u>Varied Portion Sizes</u>. A final option, similar to C above, would be to permit children to accept smaller portion sizes if they do not intend to eat the entire amount. No changes in minimum meal requirements would be needed. This proposal would be fairly well received by some in the nutrition community as an appropriate program for children of elementary age because it would help meet a broader program goal of exposing children to various types of foods rather than having them always select traditional favorites. The option would also clearly reduce plate waste, a factor which should be easily accepted by the public as a reasonable goal. Budget savings at the local level would be likely; however, any proposal to reduce portion sizes, regardless of the justification, could expose the Administration to unfavorable publicity.

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The Department of Agriculture and the White House Cabinet Council on Human Resources recommend Alternative E. This, in conjunction with mandated Congressional regulatory changes should provide schools with maximum flexibility to meet the needs of their children without waste and at the same time reduce State and local meal production costs.

VI.	DECISION:			
	approve	approve as amended	reject	no action



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Mr. James C. Miller III
Executive Director
Presidential Task Force on
Regulatory Relief
Office of Management and Budget
Washington, D.C. 20503

Son

Dear Mr. Miller:

The adverse publicity subsequent to issuance of proposed meal pattern changes included the statement that Food and Nutrition Service had not complied with a Presidential order to clear regulations with the Office of Management and Budget before publication. It is important I believe to set the record straight on the procedures we followed in the clearance of meal pattern regulations. I'm quite sensitive to the public accusation of noncompliance by FNS to Executive Order 12291. As you can see by the chronology of events attached, we made every effort we believed necessary to assure compliance. In the past our regulations had cleared OMB quickly. We had absolutely no reason or intention to by-pass your review where it was required.

The disappointing and frustrating part of this whole incident was the variety of opinions and interpretations -- albeit both inside and outside OMB -- of the Executive Order in cases where statutory deadlines created emergency situations and where the definition of major and non-major was required. It was our understanding that we had the definitive answer on August 25, the day I signed the regulation, and the day of a meeting with the OMB desk officer to confirm a procedure previously discussed on the phone. Apparently, we were misinformed.

The attachments provide you with a list of steps taken by FNS, along with documentation of our efforts. I consider this issue closed. I offer this chronology of events only to demonstrate where problems occurred in the sincere hope that future such incidents can be prevented.

Sincerely,

G. WILLIAM HOAGLAND Administrator

Enclosures

cc: Mary Jarratt
Ray Lett
Jim Barnes
Steve Dewhurst

Chronology of Events: Publication of "Meal Pattern" Regulations

- 7/6-10 Meal Pattern Task Force met to review regulation and recommend change.
- Reconciliation Act of 1981 was signed by President Reagan. We had 90 days to publish final regulations on cost saving meal pattern changes.
- A Decision Log on meal patterns was forwarded to OBPGA for review by Assistant Secretary Jarratt.
 - 2. Dennis Becker, OGC, received the following guidance from Bob Sheldon at OMB (Attachment A). He stated:
 - mandatory regulations with cost savings of \$100 million were to be considered non-major
 - if deadlines disallowed following normal OMB clearance procedures, we could invoke provisions of E.O. 12291 and send the regulations to the Federal Register with concurrent notification to OMB
- During this week, Sid Clemans, OBP&A, talked with Bob Sheldon who was replacing Charles Ellett. Clemans disagreed with the guidance provided to Dennis Becker on classification as non-major. Sheldon (OMB) subsequently rescinded his directions. Sid informally passed this on to John Bode and Darrel Gray. We were back to square one. Major or non-major?
- 8/25 1. The Administrator, FNS, signed off on meal pattern regulations
 - 2. Irene Lankford (FNS) and Dennis Becker (OGC) met with Charles Ellett at OMB to get procedural clarification. (See Attachment B which was sent to Ellett to confirm the understanding we reached in this meeting.)

As a result of 8/25 meeting with Ellett, "Meal Patterns" was to be treated as major, but we could invoke Section 8(a)(1) and (2) of F.O. 12291. The letter to Stockman, routed simultaneously with delivery of regulations to the Federal Register, would satisfy the requirement to consult with the Director on why it was impracticable to follow procedures of E.O. 12291. (See Attachment C.)

- 8/26 This decision to call it major caused several additional steps:
 - 1. Advance review copies were sent to James Barnes, OGC, Steve Dewhurst, OBP&A, Assistant Secretary Lesher, and Assistant Secretary Jarratt. They were informed that the clearance document would be hand carried for signature on 9/1, five days later.
 - 2. A summary, required by the USDA Guidelines for Implementing E.O. 12291 and Secretary's Memorandum No. 1512-1, was sent to Secretary Block and Assistant Secretary Lyng.

8/27-31

Meal pattern regulation being reviewed by the Department.

9/1

- 1. Assistant Secretary Jarratt signed the Decision Log indicating Departmental oversight.
- 2. The following items were hand carried as appropriate:

• To Department:

-- clearance copy for signatures of officials who had received advance copies

• To OMB:

- -- letter and press releases to Mr. Miller (early Tuesday morning by special messenger). The late decision to call the rule major caught us unprepared to send advance press releases by the Thursday of the week preceding publication -- August 27. The press releases were still clearing the Department
- -- copy of the regulations and cover letter to Mr. Stockman invoking the exemptions cited in E.O. 12291 and explaining the nature of the emergency
- -- six copies of the regulations and of the SF-83 along with copies of Stockman letter

To Federal Register

-- copy of the regulation

9/4 Publication of the regulation

During a meeting between Assistant Secretary Jarratt and Mr. Miller, OMB reversed everything agreed upon at the August 25 meeting. Our current guidance is that statutory deadlines do not constitute an emergency situation and do not exempt anyone from following the procedures of the Executive Order requiring prior clearance of OMB.

9/21 Administrator Bill Hoagland met with Mr. James Miller to brief him on meal patterns.

9/25 President Reagan recalled the meal pattern regulations.

4:15 P.m. August 14, 1981 Meno To Tileo: Re: Dorkels Per securion with the Actions Man \$100,000,000, mandeled by law, one to be treated as non-major the the, if we lack should inich maquiph 3 of of E.O. 12291, and read to teleur Register well concernent Denne? Becken

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Food and Nutrition Service Washington, D.C. 20250

O: Charles Ellett

9/1

The attached procedures are the ones we discussed in your office last week. I believe we were in agreement that this procedure is correct. Unless I hear otherwise from you, I will assume your concurrence in the attached.

Assistant to the
Administrator

Room 726 GHI Ext. 75087

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Major: We should consider all regulations major when:

- a) --An annual effect on the economy of \$100 million or more whether cost or savings to the Federal Government; or
- b) --A major increase in costs or prices for consumers; individual industries; Federal, State or local government agencies; or geographic regions; or
- c) --Significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreignbased enterprises in domestic or export markets.

EMERGENCY: At the earliest possible date informally notify the OMB Desk Officer that an emergency rule is coming through.

(1) The following should occur simultaneously if a rule is - major

and

- emergency

and

- non-discretionary

- a) Prepare a summary of the contents and impact for transmittal by Asst. Sect. Jarratt to Block and Lyng
- b) Because rule is non-discretionary, request a waiver of the impact analysis by letter (Section 8(a)(1)) from Asst. Sec. Jarratt to Mr. Stockman. In addition give rationale for classification as emergency and why deadlines conflict with E.O. 12291 procedures (Section 8(a)(2)). Attach copy of rule.
- c) Forward the OMB packet (appropriate number of copies of regulations and SF 83's) through regular channels. Attach copies of the Stockman letter.
- d) Take the regulation to the Office of the Federal Register.
- (2) The following should occur simultaneously if a rule is: major

and

- emergency

and

- discretionary

a) Take letter to Mr. Stockman; explain the nature of the emergency. If the impact analysis is not completed indicate that it will follow publication of the rule; specify time frame. Attach a copy of the rule.

- b) Carry the OMB packet to Room 3201, NEOB (with appropriate number of copies of the regulation and the SF 83). Attach a copy of the Stockman letter.
- c) Take the regulation to the Office of Federal Register.
- (3) The following should occur <u>simultaneously</u> if a rule is non major and
 - emergency and
 - non-discretionary or discretionary
 - a) Prepare a letter to OMB Desk Officer explaining nature of emergency which conflicts with E.O. 12291. Attach letter to OMB packet (appropriate number of copies and SF 83) and deliver to Room 3201, NEOB.
 - b) Take regulation to the Office of the Federal Register

SF 83

This form is an OMB transmittal document for two items:

- 1. Regulations: (the top part of the form)
- 2. Information collection (shaded or bottom portion)

•

Emergency rules only:

Rather than delay submission of a regulation until the ICB has been completed you may wish to submit the regulation and the ICB separately. If so, complete the top half of the SF 83, checking the appropriate line in block 6 which indicates an ICB request will be submitted at a later date.

Words to be included when ICB data is involved "The information requirement contained in these rules will not become effective until cleared by OMB." Indicate whether or not an information request has been submitted to OMB.

9//

Honorable David Stockmen
Director, Office of Management
and Budget
Old Executive Office Building
Washington, D.C. 20503

Dear Mr. Stockman:

In compliance with Section 8(a)(2) of Executive Order 12291, we would like to inform you that the Department cannot fulfill the requirements of Section 3(c)(2) of that Order regarding a proposed rule. Specifically, the Department cannot submit for advance review the enclosed Food and Nutrition Service rule entitled "Meal Pattern Requirements."

The Department is publishing this rule to implement some of the Child Butrition provisions of the 1981 Ownibus Reconciliation Act. Because the Act requires these cost savings to become effective 90 days after enactment and because the Department needs to provide for public comment, it is impracticable for the Department to follow the procedures set forth in Executive Order 12291. Compliance with the Order for your office to review the rule prior to publication would seriously jeopardize the Department's chances to meet the legislated time frames.

In addition to informing you of this action, we are requesting that you waive the requirement in Section 3(c)(2) of the Executive Order for a regulatory impact analysis on this proposed rule. We estimate that this rule will save at least \$100 million in fiscal year 198. Therefore, we have classified it as "major" according to Section 1(b)(1). However, in order to publish interim final rules within the 90 days, we would like to be relieved of the necessity of doing a regulatory impact analysis or the proposed rule. A detailed impact analysis will be submitted with the interim final rule.

A copy of the proposed rule is enclosed.

Sincerely.

Enclorarea

cc: Magaret O'K. Glavin G. William Hoagland

M. Jarratt

FNS MTSD: TAB: VWilkening: jb: Ref. B343:Dic No. 20:8-28-81 File

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Sec. 8. Exemptions.

(a) The procedures prescribed by this Order shall not apply to:

- (1) Any regulation that responds to an emergency situation, provided that, any such regulation shall be reported to the Director as soon as is practicable, the agency shall publish in the Federal Register a statement of the reasons why it is impracticable for the agency to follow the procedures of this Order with respect to such a rule, and the agency shall prepare and transit as soon as is practicable a Regulatory Impact Anal; is of any such major rule; and
- sideration under the terms of this Order would conflict with deadlines imposed by statute or by judicial order, provided that, any such regulation shall be reported to the Director together with a brief explanation of the conflict, the agency shall publish in the Federal Register a statement of the reasons why it is impracticable for the agency to follow the procedures of this Order with respect to such a rule, and the agency, in consultation with the Director, shall adhere to the requirements of this Order to the extent permitted by statutory or judicial deadlines.
- (b) The Director, subject to the direction of the Task Force, may, in accordance with the purposes of this Order, exempt any class or category of regulations from any or all requirements of this Order.

Schoole followed to meet deadlines:

Reconciliation Act signed: 8/13

Mandatory date: 90 days after enactment - 11/13

Publication: 9/4 (Proposed rule)

Commant period: Until 10/4

Comment Analysis and drafting of rule - 39 days clearance and publication of final rule - remaining

CALLING THIS MAJOR REQUIRED 60 DAYS AT OND HAD WE BEEN ADVISED TO CALL IT NON-MAJOR IT WOULD HAVE REQUIRED ONLY WO DAYS



September 1, 1981

Mr. James C. Miller III - 395-3869
Executive Director
Presidential Task Force
on Regulatory Relief
Office of Management and Budget
Room 246 - OEOB
Washington, D.C. 20500

Dear Mr. Miller:

This is in compliance with your letter of May 22 to the General Counsel, Department of Agriculture requesting prior notification when major regulations are to be published.

Publication of two regulations is scheduled for September 4.

- "Meal Pattern Requirements" (CFR Parts 210, 220, 226)
- Food Stamp Program: Household Composition, Income Standards, Initial Month Benefits, Adjustments, Deductions and Outreach (7 CFR Parts 271, 272, 273 and 274)

Attached are advance press releases summarizing the new regulations.

G. WILLIAM HOAGLAND

Administrator

9 4/81

Many thank

This was hard carried to OMB on September 1.

PROPOSED REGULATIONS WOULD SIMPLIFY MEAL REQUIREMENTS, REDUCE COSTS FOR SCHOOL FOOD PROGRAMS

WASHINGTON, September -- The U.S. Department of Agriculture is proposing revisions in meal pattern requirements for federally-assisted school food programs to simplify meal requirements and help reduce costs.

"The proposed changes are designed to maintain the nutritional balance of the oldest federal feeding program in the country, while at the same time providing state and local officials more flexibility in controlling costs and simplifying administration," said Mary C. Jarratt, Assistant Secretary for Food and Consumer Services.

The new meal patterns are designed in part to reduce meal production cost of a school lunch -- between 8 and 10 cents -- thereby offsetting a portion of the reduction in federal subsidy resulting from the enactment of the Omnibus Reconciliation Act of 1981.

To help realize cost savings for schools, the proposal would:

--simplify program administration by reducing the

number of meal patterns from five to three. The patterns would no longer be tied to children's specific ages or grades, but would be broadly defined as "preschool," "elementary," and "secondary." States or local programs would be allowed to use their own definitions of these three categories, basing their determinations on the ages of the children they serve.

--make meal pattern portion sizes consistent for the school lunch, school breakfast and child care programs.

--reduce the minimum quantity of food that is required to be served in order to reduce plate waste or meal costs, and effect cost savings at the local level. Schools and child care institutions would still be required to offer foods from each of four food components: meat or meat alternate; vegetable or fruit; bread or bread alternate; and milk.

--expand the list of allowable meat alternates to include food items such as nuts and seeds, yogurt and tofu. These foods would be added in response to public requests, and in an effort to increase flexibility in menu planning for schools and institutions.

--allow any food containing enriched or whole-grain flour or meal; or enriched, whole-grain or fortified cereal as its primary ingredient, to contribute to the bread/bread alternate requirement. All foods on the list of acceptable bread/bread alternates also would be allowed to contribute toward the bread/bread alternate requirements in any child nutrition program.

--delete the current requirement for schools to serve lowfat milk, and place the decision as to type(s) of milk to be served at the local level. Schools and institutions also would have the option to offer yogurt as a milk alternate as well as a meat alternate. These changes would increase flexibility and simplify program administration.

while required amounts of foods have been reduced, meals based on the proposed patterns would continue to furnish more than a third of a child's recommended dietary allowances (RDA) for protein, vitamin A, riboflavin, niacin and vitamin B-12. Other nutrients reach approximately one-fourth RDA or greater except for calories and iron, which have always been less than the overall pattern goal.

The national school lunch program currently provides nutritious lunches to 26 million children in over 94,000 schools nationwide. Nearly 35,000 schools participate in the school breakfast program, and provide breakfast to 4 million children. The child care food program operates in 61,800 child care institutions and day care homes, and provides both meals and supplements (snacks) to 850,000 children. Both schools and child care institutions are required to serve meals that meet the nutritional standards established by USDA, and are reimbursed by USDA for the meals they serve to eligible children.

USDA invites comments on the proposed meal pattern regulations. Comments must be postmarked on or before and should be sent to: Cynthia Ford, branch chief, room 556, Technical Assistance Branch, Nutrition and Technical Services Division, Food and Nutrition Service, USDA, Washington, D.C. 20250.

The regulations proposing revised meal pattern requirements for the school lunch, school breakfast and child care food programs are scheduled to be published in the Federal Register of

For more information, call Williams (202) 447-8140