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SUMMARY OF CHANGES MADE TO THE CERTIFICATION AND VERIFICATION PROCESSES IN THE NATIONAL SCHOOL LUNCH AND SCHOOL BREAKFAST PROGRAMS BY THE CHILD NUTRITION AND WIC REAUTHORIZATION ACT OF 2004

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This document provides a summary comparison of key provisions related to the eligibility determination process in the National School Lunch and School Breakfast Programs that are affected by the Child Nutrition and WIC Reauthorization Act of 2004 (P.L. 108-265), which was signed into law on June 30, 2004. The column titled “Prior to July 1, 2004” explains the statutory or, if noted, regulatory or administrative provisions that were in effect prior to the enactment of reauthorization legislation and which remain effective until the relevant new provision takes effect. Unless otherwise noted, sections cited refer to sections of the Child Nutrition and WIC Reauthorization Act of 2004.

	Prior to July 1, 2004	Child Nutrition and WIC Reauthorization Act of 2004
Responsibility for Application and Verification Processes (§108)	School Food Authorities (SFAs)	Local Educational Agencies (LEAs) as defined in the Elementary and Secondary Education Act (20 U.S.C. 7801) or, for private non-profit schools, an entity determined by USDA. (Effective July 1, 2004)
Communications (§104)	Under federal regulations implementing Title VI of the Civil Rights Act of 1964, recipients of federal financial assistance, such as SFAs, have a responsibility to ensure meaningful access to their programs by persons with limited English proficiency (LEP).	In addition to responsibilities under Title VI of the Civil Rights Act of 1964, all communications with households regarding application, verification, or documentation of eligibility must be in an understandable and uniform format and, to the maximum extent practicable, in a language that parents and legal guardians can understand. (Effective July 1, 2005)
Eligibility Duration (§106)	Program regulations required households to report income increases of more than \$50 monthly, decreases in household size, or, for children certified based on an application containing a case number, termination of receipt of TANF, food stamp, or FDPIR benefits.	Eligibility lasts for the full school year until a date in the subsequent school year determined by USDA. Initial USDA guidance sets the date at no later than 30 days after the first operating day in the subsequent school year or when a new eligibility determination is made in the subsequent school year, whichever occurs first. (Effective July 1, 2004)

	Prior to July 1, 2004	Child Nutrition and WIC Reauthorization Act of 2004
Categorical Eligibility for Migrant Youth (§107)	Not permitted.	Required for children or youth defined as migrant under the Elementary and Secondary Education Act (20 U.S.C. 6399), including children or spouses of migratory agricultural workers, dairy workers, or fishers (or children themselves) who have moved to obtain temporary or seasonal work within the last three years. (Effective July 1, 2004)
Categorical Eligibility for Homeless Youth (§107)	Permitted under administrative guidance.	Required for children or youth defined as homeless under the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), including children in shelters, sleeping in public places, or living doubled up. (Effective July 1, 2004)
Categorical Eligibility for Runaway Youth (§107)	Permitted under administrative guidance if the runaway youth were defined as homeless under the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)).	Required for children or youth served by the runaway and homeless youth grant program under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.), which funds shelters, transitional living programs, and street outreach for runaway youth. (Effective July 1, 2004)
Direct Certification through Food Stamps (§104)	Optional	Optional until LEAs are required to directly certify children in households receiving food stamp benefits. The requirement is phased in as follows: <ul style="list-style-type: none"> • effective July 1, 2006 — districts with enrollment of 25,000 students or more in the preceding year; • effective July 1, 2007 — districts with enrollment of 10,000 students or more in the preceding year; • effective July 1, 2008 — all districts. Each Food Stamp state agency and state agency administering the school lunch program must enter into an agreement to ensure that: 1) any child receiving food stamp benefits shall be certified as eligible for free lunches and breakfasts without further application and 2) the Food Stamp state agency shall cooperate in carrying out direct certification and direct verification of children in households receiving food stamp benefits. (Effective July 1, 2005)
Direct Certification of Other Children (§104)	Optional for families receiving TANF assistance if state standards are comparable to or more restrictive than on June 1, 1995 or for families receiving FDPIR benefits.	Optional for: <ul style="list-style-type: none"> • families receiving TANF assistance if state standards are comparable to or more restrictive than on June 1, 1995 and • children or youth who are categorically eligible under §107 (see above). (Effective July 1, 2005)

	Prior to July 1, 2004	Child Nutrition and WIC Reauthorization Act of 2004
Household Application (§105)	Optional	Required for all children in a household that attend schools under the same LEA. (Effective July 1, 2005)
Notification of Possible Eligibility (§104)	Program regulations require school meal application and media materials to include notification that TANF, food stamp, and FDPIR, participants could submit an application with a case number rather than income information.	Requires school meal applications and descriptive materials to include notification that WIC, TANF, food stamp, and FDPIR participants may be eligible for free or reduced-price meals and that documentation may be requested to verify eligibility. (Effective July 1, 2005)
Electronic Applications (§104 and §105)	Permitted under administrative guidance.	Applications and descriptive materials may be made available electronically over the internet and, if the application is submitted electronically, an electronic signature may be accepted. (Effective July 1, 2005)
Standard Verification Requirement (§105)	At SFA option: <ul style="list-style-type: none"> • the lesser of 3,000 or 3% of applications selected at random or • the lesser of 1,000 or 1% of applications selected from those reporting household income within \$100 of the free or reduced-price eligibility limit <i>plus</i> the lesser of 500 or 0.5% of applications with a TANF, food stamp, or FDPIR case number. 	The lesser of 3,000 or 3% of applications selected from those reporting household income within \$100 of the free or reduced-price eligibility limit or otherwise defined as “error prone” by USDA. If there are not enough error prone applications to meet the sample size requirement, additional applications shall be selected at random. (Effective July 1, 2005)
Reduced Verification Alternative (§105)	None	For LEAs that meet criteria (see below), at LEA option: <ul style="list-style-type: none"> • the lesser of 3,000 or 3% of applications selected at random or • the lesser of 1,000 or 1% of applications selected from those reporting household income within \$100 of the free or reduced-price eligibility limit <i>plus</i> the lesser of 500 or 0.5% of applications with a TANF, food stamp, or FDPIR case number. (Effective July 1, 2005)
Criteria for Reduced Verification Alternative (§105)	Not applicable.	Either: <ul style="list-style-type: none"> • the LEA’s verification non-response rate for the preceding school year was less than 20% or • for LEAs with more than 20,000 children approved for free or reduced-price meals by application by October 1 of the school year: <ul style="list-style-type: none"> ○ the LEA’s verification non-response rate for the preceding school year was at least 10% below the verification non-response rate for the second preceding school year; or ○ for the 2005-2006 school year only — the LEA conducts direct verification using data from two programs. (Effective July 1, 2005)

	Prior to July 1, 2004	Child Nutrition and WIC Reauthorization Act of 2004
Making Substitutions in the Verification Sample (§105)	Not permitted.	Based on individual review, up to 5% of applications selected for verification may be removed from the verification sample and replaced with other applications. (Effective July 1, 2005)
Preliminary Review at Verification (§105)	Not addressed.	Prior to conducting any other verification activity, the LEA must ensure that each application selected for verification is reviewed for accuracy by an individual who did not make the initial eligibility determination. Based on the preliminary review, the LEA must correct the status of any approved application as needed and notify the household of the change. If the household is determined not to be eligible for free or reduced-price meals the household may reapply with income documentation. (Effective July 1, 2005)
Direct Verification (§105)	Optional under program regulations using data to which SFAs have legal access.	Optional using data relied upon by the food stamp program, FDPIR, Medicaid, programs funded with federal TANF or state maintenance-of-effort (MOE) funds, or other USDA-approved income-tested programs. Data may be from any point in time as far back as 180 days prior to the school meal application. For all programs listed above, <i>income</i> information may be used to verify eligibility for free or reduced-price meals. <i>Participation</i> in the food stamp program, FDPIR, or TANF assistance (if state standards are comparable to or more restrictive than on June 1, 1995) may be considered verification of eligibility for free meals. <i>Participation</i> in Medicaid may be considered verification of eligibility for free or reduced-price meals in states in which the income eligibility limit under §1902(l)(2)(C) of the Social Security Act is not more than 133% or 185% of the poverty line, respectively. (Effective July 1, 2005)
Direct Verification Evaluation (§105)	Not addressed.	\$2 million provided for an evaluation. (Must be complete by June 30, 2007)
Discretion to Mandate Direct Verification (§105)	Not addressed.	Based on an evaluation of the effectiveness and feasibility of direct verification, USDA may require a state or LEA to implement direct verification through one or more means-tested program.

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Follow-Up (§105)	None required.	One follow-up attempt required if household does not respond to initial request for verification information. Follow-up activities may be contracted to a third party. (Effective July 1, 2005)
Verification Deadline (§105)	December 15.	November 15. A state may extend an LEA's deadline to December 15 under criteria to be established by USDA. (Effective July 1, 2005)
Flexibility to Address Local Conditions (§105)	Not addressed.	In the case of natural disaster, civil disorder, strike, or other local condition, USDA may substitute alternatives for the verification sample size, selection criteria, and deadline. (Effective July 1, 2005)
Military Housing Allowances Exclusion (§109)	Through June 30, 2004, the housing allowance received by a service member under the Military Housing Privatization Initiative was excluded from household income when determining eligibility for free or reduced-price lunches.	On a permanent basis, the housing allowance received by a service member under the Military Housing Privatization Initiative is excluded from household income when determining eligibility for free or reduced-price lunches.
Provision 2/3 (§113)	Provision 2/3 eligibility had to be determined on a school-by-school basis.	Provision 2/3 eligibility may be determined for a school district or an individual school. Initial USDA guidance also allows Provision 2/3 eligibility to be determined for a subgroup of schools within a school district. (Effective July 1, 2004)
Pilot Project that Increases the Free Meal Eligibility Limit to 185% of the Poverty Line (§124)	Not addressed.	Authorized, but not funded.
Pilot Project that Permits Direct Certification through Medicaid or Other Public Records (§129)	Not addressed.	Authorized, but not funded.