

sector. Under Section 202 of the UMRA, FNS generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with "Federal mandates" that may result in expenditures to State, local, or tribal governments in the aggregate, or to the private sector, of \$100 million or more in any one year. When such a statement is needed for a rule, section 205 of the UMRA generally requires FNS to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, more cost-effective or least burdensome alternative that achieves the objectives of the rule. This rule contains no Federal mandates (under the regulatory provisions of Title II of the UMRA) for State, local, and tribal governments or the private sector of \$100 million or more in any one year. This rule is, therefore, not subject to the requirements of sections 202 and 205 of the UMRA.

Executive Order 12372

The National School Lunch Program and School Breakfast Program are listed in the Catalog of Federal Domestic Assistance under No. 10.555 and 10.556. These programs are subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials (7 CFR Part 3015, Subpart V, and final rule related notice at 48 FR 29115, June 24, 1983).

Federalism Summary Impact Statement

Executive Order 13132 requires Federal agencies to consider the impact of their regulatory actions on State and local governments. Where such actions have federalism implications, agencies are directed to provide a statement for inclusion in the preamble to the regulations describing the agency's considerations in terms of the three categories called for under section (6)(b)(2)(B) of Executive Order 13132. The Food and Nutrition Service (FNS)

has considered the impact of this rule on State and local governments and has determined that this rule does not have Federalism implications. This rule does not impose substantial or direct compliance costs on State and local governments. Therefore, under Section 6(b) of the Executive Order, a federalism summary impact statement is not required.

Executive Order 12988

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. It is intended to have preemptive effect with respect to any State or local laws, regulations or policies which conflict with its provisions or which would impede its full implementation. This rule is not intended to have retroactive effect unless that is specified in the Effective Date section of the preamble. Before any judicial challenge to the provisions of this rule or the application of its provisions, all administrative procedures that apply must be followed. The only administrative appeal procedures relevant to this rule are the hearings that schools must provide for decisions relating to eligibility for free and reduced price meals (7 CFR 245.7 for the NSLP and SBP, in schools).

Civil Rights Impact Analysis

Under USDA Regulation 4300-4, Civil Rights Impact Analysis, FNS has reviewed this final rule to identify and address any major civil rights impacts the final rule might have on minorities, women, and persons with disabilities. After a careful review of the rule's intent and provisions, FNS has determined that this final rule will not in any way limit or reduce participants ability to participate in the Child Nutrition Programs on the basis of an individual's or group's race, color, national origin, sex, age, or disability. FNS found no factors that would negatively and disproportionately affect any group of individuals.

Paperwork Reduction Act of 1995

The information collection burden for the general reporting requirements in place prior to this rule are approved under OMB Number 0584-0026. This rule contains burdens that were included in the burden estimate in the proposed rule, Determining Eligibility for Free and Reduced Price Meals in Schools—Verification Reporting and Recordkeeping Requirements, published on August 9, 2002 at 67 FR 51779. In accordance with the Paperwork Reduction Act of 1995, 44 U.S.C. 3507, the information reporting and recordkeeping requirements included in the proposed rule outlined the changes in the information collection burden. OMB accepted public comments on FNS' estimated reporting and recordkeeping burden. Commenters indicated that the proposed reporting and recordkeeping requirements are too burdensome and the proposed estimated annual reporting and recordkeeping burden hours under the Paperwork Reduction Act of 1995 are too low. We have reviewed the burden hours and have adjusted the estimate to account for the fact that there will be a significant disparity in the amount of time required to report the data elements based on the size of the school food authority. We have taken these different circumstances into consideration and have adjusted the burden hours as follows: School food authorities average burden hours have been increased from 16,342 to 32,684, an average of 2 hours per school food authority. State agency average burden hours are increased per response from 8 to 24. This results in an increase of the total annual burden hours from 432 to 1296 for State agencies. FNS is requesting approval of the data collection instruments from OMB in the near future. Implementation of the data collection elements of the rule is contingent upon OMB approval under the Paperwork Reduction Act.

ESTIMATED ANNUAL REPORTING BURDEN

	Section	Annual number of respondents	Annual frequency	Average burden per response	Annual burden hours
School food authorities report verification information to State agency					
Existing		0	0	0	0
Proposed	245.6a(c)	16,342	1	2 hours	32,684
Total Reporting Burden:					
Total Existing		0			
Total Proposed		24,513			
Change		+24,513			