CEP Final Rule Summary

Summary of Final Rule

Child Nutrition Programs: Community Eligibility Provision—Increasing Options for Schools

USDA published a final rule in the Federal Register on Sept. 26, 2023, to expand access to the Community Eligibility Provision (CEP) by lowering the minimum identified student percentage (ISP)[1] participation threshold from 40% to 25%. The rule gives more high-need schools the option to elect CEP and offer all students healthy school meals at no cost when it is financially viable for them to do so.

CEP Benefits

CEP allows schools to offer breakfast and lunch each school day at no cost to all students. CEP also eliminates unpaid meal charges, minimizes stigma, reduces paperwork for school nutrition staff and families, and streamlines meal service operations.

Changes to CEP as a Result of the Final Rule

Provision (current citation)	Previous Minimum ISP	New Minimum ISP (effective 10/26/2023)
Minimum ISP (7 CFR 245.9(f)(3)(i))	LEAs, schools, and groups of schools were required to have ISPs of **40% or higher** to elect CEP.	LEAs, schools, and groups of schools are required to have ISPs of **25% or higher** to elect CEP.

Provision (current citation)	Previous Minimum ISP	New Minimum ISP (effective 10/26/2023)
Grace Year Eligibility (7 CFR 245.9(f)(4)(ix))	LEAs, schools, and groups of schools participating in CEP were required to have ISPs of **less than 40% but equal to or greater than 30%** in year 4 of the CEP cycle to elect CEP for a fifth year, or grace year. (30 ? ISP < 40)	LEAs, schools, and groups of schools participating in CEP are required to have ISPs of **less than 25% but equal to or greater than 15%** in year 4 of the CEP cycle to elect CEP for a fifth year, or grace year. (15 ? ISP < 25)
Identification, Notification, and Publication of *Eligible* LEAs and Schools (7 CFR 245.9(f)(5), (6), (7))	Eligible LEAs or schools had ISPs of **40% or higher**.	Eligible LEAs or schools have ISPs of **25% or higher**.
Identification, Notification and Publication of *Nearly Eligible* LEAs and Schools (7 CFR 245.9(f)(5), (6), (7))	Nearly eligible LEAs and schools had ISPs of **less than 40% but equal to or greater than 30%**. (30 ? ISP < 40)	Nearly eligible LEAs and schools have ISPs of **less than 25% but equal to or greater than 15%**. (15 ? ISP < 25)

[1] "Identified students" are students who are certified for free meals without a household application. The "identified student percentage" (ISP) is calculated by dividing the total number of identified students by the total number of enrolled students (See 7 CFR 245.9(f)(1)(ii) and (iii)).

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