§ 242.33 Maximum interest rate.

(a) The mortgage shall bear interest at the rate agreed upon by the mortgagee and the mortgagor with respect to mortgages receiving initial endorsement (or endorsement in cases involving insurance upon completion) on or after August 17, 1981, which rate shall not exceed:

(1) 16.50 percent per annum with respect to permanent financing;

(2) 20.00 percent per annum with respect to construction financing prior to and including the cutoff date for cost certification.

Interest shall be payable in monthly installments on the principal then outstanding.

* * * * *

PART 244—MORTGAGE INSURANCE FOR GROUP PRACTICE FACILITIES [TITLE XI]

Subpart A—Eligibility Requirements

19. Seciton 244.45(a) is revised to read as follows:

§ 244.45 Maximum interest rate.

(a) The mortgage shall bear interest at the rate agreed upon by the mortgagee and the mortgagor with respect to mortgages receiving initial endorsement (or endorsement in cases involving insurance upon completion) on or after August 17, 1981, which rate shall not exceed:

(1) 16.50 percent per annum with respect to permanent financing;

(2) 20.00 percent per annum with respect to construction financing prior to and including the cutoff date for cost certification.

* * * * *

(Section 3(a), 82 Stat. 113; 12 USC 1709-1; Section 7 of the Department of Housing and Urban Development Act, 42 USC 3535(d).

Issued at Washington, D.C., August 25, 1981.

Philip D. Winn,

Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. 81-25827 Filed 9-3-81; 8:45 am]

BILLING CODE 4210-01-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[A-5-FRL 1902-5]

Approval and Promulgation of Implementation Plans; Indiana

AGENCY: Environmental Protection Agency.

ACTION: Final rulemaking.

SUMMARY: The U.S. Environmental Protection Agency (USEPA) proposed approval on March 27, 1980 (45 FR 20431) of the portions of Indiana's plan submitted in response to these general requirements of the Clean Air Act, as amended: Section 121—Consultation, Section 110(a)(2)(K)—Permit Fees, Section 126—Interstate Pollution, Section 127—Public Notification, Section 128—State Boards and Section 110(a)(2)(F) (ii) and (iii)—Continuous Emission Monitoring.

Indiana made submittals in response to USEPA's Notice of Proposed Rulemaking on April 17, 1980, June 25, 1980, September 8, 1980, October 6, 1980, November 10, 1980, December 9, 1980, and December 31, 1980. One other comment was received. Based on its review of these submittals, USEPA approves the Consultation, Permit Fee, Interstate Pollution, Public Notification, State Boards and Continuous Monitoring Sections of the SIP.

EFFECTIVE DATE: This final rulemaking is effective on October 5, 1981.

ADDRESSES: Copies of the materials submitted by the State are available at:

U.S. Environmental Protection Agency, Air Programs Branch Region V, 230 South Dearborn Street, Chicago, Illinois 60604.

U.S. Environmental Protection Agency, Public Information Reference Unit, 401 M Street, SW., Washington, D.C. 20460.

Office of the Federal Register, 1100 L Street, SW., Room 8401, Washington, D.C.

Indiana State Board of Health, Air Pollution Control Division, 1330 West Michigan Street, Indianapolis, Indiana 46206.

FOR FURTHER INFORMATION CONTACT: Gerald S. Kellman, Air Planning Section, Air Programs Branch Region V, U.S. Environmental Protection Agency, 230 South Dearborn Street, Chicago, Illinois 60604, (312) 886-6070.

SUPPLEMENTARY INFORMATION: The following general requirements are contained in the Clean Air Act Amendments of 1977: section 121—consultation, section 110(a)(2)(K)—Permit Fees, Section 126—Interstate Pollution, Section 127—Public Notification, Section 128—State Boards, and Section 110(a)(2)(F) (ii) and (iii)—Continuous Emission Monitoring. Indiana responded to these requirements on June 26, 1979. USEPA proposed rulemaking on the State's response on March 27, 1980 (45 FR 20431). The State responded to this proposal on April 17, 1980; June 25, 1980, September 8, 1980, October 5, 1980, November 10, 1980, December 9, 1980, and December 31, 1980. One other comment was received. USEPA's response to any comments, a summary of USEPA's proposed action, and USEPA's final determination follows.

Section 121—Consultation

As part of its June 26, 1979 submittal, Indiana included a copy of a local agency agreement which provided for a process of consultation with local air agencies. On March 27, 1980, USEPA proposed to approve Indiana's process of consultation providing Indiana forwarded to USEPA copies of the executed agreements and that the agreements meet the requirements of 40 CFR 51.245 (44 FR 351-81) which states that the SIP "shall provide for an opportunity for Federal, State, and local involvement in such consultation process no later than December 18, 1979."

In a June 25, 1980 submittal, Indiana responded to USEPA's notice of proposed rulemaking and stated that "all local agency agreements will be made to conform with the Clean Air Act, as amended, Section 121 requirements." On August 6, 1980, the State submitted a description of agreements it had made with local planning commissions. On November 10, 1980 and December 31, 1980, the State submitted documentation of agreements it had made with local air pollution control agencies.

USEPA has reviewed these submittals and they contain the necessary commitments for consultation.

Final Determination

Approval of Indiana's process of consultation.

Section 110(a)(2)(K)—Permit Fees

In the March 27, 1980 **Federal Register**, USEPA proposed to approve Indiana's system of permit fees.

Final Determination

Approval of Indiana's System of Permit Fees.

Section 126—Interstate Pollution

In the March 27, 1980, **Federal Register**, USEPA proposed to approve Indiana's conformity with Section 126(a)(2) which requires the State to identify existing major sources which may significantly contribute to levels of air pollution in neighboring states. Also in the March 27, 1980, notice, USEPA proposed to approve Indiana's conformity with Section 126(a)(1) providing the State developed procedures for identifying and giving written notice to nearby states of any proposed major stationary source which

may significantly contribute to levels of air pollution in excess of the National Ambient Air Quality Standards in those states. On December 9, 1980 Indiana submitted these procedures to USEPA. USEPA has reviewed the procedures and finds that they meet the requirements of the act.

Final Determination

USEPA approves Indiana's conformity with the act's requirements for notification of interstate pollution.

Section 127—Public Notification

In the March 27, 1980 **Federal Register**, USEPA proposed to approve Indiana's procedure for notification of the public of instances or areas in which any national primary air quality standard is exceeded, for advising the public of hazards associated with such pollution, and for informing the public of measures which can be taken to prevent such standards from being exceeded, providing Indiana submits a procedure for notifying the public of air pollution alerts, warnings, and emergencies. On December 9, 1980, Indiana submitted these procedures. This submittal also contained a list of publications and events which the State uses to enhance public awareness of the measures which can be taken to prevent such standards from being exceeded and the ways in which the public can participate in regulatory and other efforts to improve air quality. USEPA has reviewed the procedures and finds that they meet the requirements of the act.

Final Determination

USEPA approves Indiana's public notification procedures.

Section 128—State Boards

Section 128 of the Clean Air Act requires that any boards which approve permits or enforcement orders under the Clean Air Act contain a majority of members who represent the public interest and do not derive any significant portion of their income from persons subject to permits or enforcement orders under the Act and that members of any such board adequately disclose any potential conflicts of interest.

In the March 27, 1980, **Federal Register**, EPA proposed to approve Indiana's procedure for certifying that a majority of the Indiana Air Pollution Control Board members represent the public interest providing that all disclosures of present board members are submitted. In the April 17, 1980 submittal, the State provided USEPA with previously unsubmitted disclosures of board members. USEPA has reviewed this submittal, and it contains adequate documentation of compliance with Section 128.

Final Determination

Approval of Indiana's State Board Requirement portion of the SIP

Section 110(a)(2)(F) (ii) and (iii)—Continuous Emission Monitoring

In the March 27, 1980, **Federal Register**, USEPA proposed to approve Indiana's procedures for continuous emissions monitoring providing the state corrected two typographical errors contained in Indiana Regulation APC 8, which contains these procedures. On October 6, 1980, Indiana submitted a revised version of APC 8 (325 IAC 3) in which the two errors were corrected.

USEPA received one comment on Section 110(a)(2)(F). The comment noted that Indiana's continuous emission monitoring requirement only applies to four types of sources. The comment asserts that Section 110(a)(2)(F) requires monitoring for all sources.

USEPA notes that 110(A)(2) does not specify the sources for which monitoring is required, but addresses stationary sources in general. The lack of specificity in this section of the Act enables the Administrator to determine which sources should be required to monitor their emissions continuously. The Administrator made this determination by promulgating 40 CFR 51.19(e) and Appendix P. The State's regulation meets these requirements.

Final Determination

USEPA approves Indiana's procedures for continuous emission monitoring and 325 IAC 3.

Under Executive Order 12291, EPA must judge whether a regulation is "major" and, therefore, subject to the requirement of a regulatory impact analysis. This regulation will not be "major" as defined by Executive Order 12291, because this action only approves State actions.

This regulation was submitted to the Office of Management and Budget (OMB) for review as required by Executive Order 12291.

Under Section 307(b)(1) of the Clean Air Act, judicial review of this SIP action is available only by the filing of a petition for review in the United States Court of Appeals for the appropriate circuit within 60 days of today. Under Section 307(b)(2) of the Clean Air Act, the requirements which are the subject of today's notice may not be challenged later in civil or criminal proceedings brought by USEPA to enforce these requirements.

(Secs. 110, 121, 126, 127, and 128 of the Clean Air Act, as amended)

Note.—Incorporation by reference of the State Implementation Plan for the State of Indiana was approved by the Director of the Federal Register on July 1, 1981.

Dated: August 28, 1981.

John W. Hernandez, Jr.,

Acting Administrator.

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

Subpart P—Indiana

Title 40 of the Code of Federal Regulations, Chapter I, Part 52, Subpart P—Indiana is amended as follows:

1. Section 52.770(c) is amended by adding subparagraph 22.

§ 52.770 Identification of plan.

* * * * *

(c) * * *

(22) On June 26, 1979, Indiana made submittals pertaining to Section 121 Consultation, Section 110(a)(2)(K)—Permit Fees, Section 126—Interstate Pollution, Section 127—Public Notification, Section 128—State Boards and Section 110(a)(2)(F) (ii) and (iii)—Continuous Emission Monitoring Additional commitments were secured on April 17, 1980, June 25, 1980, August 1, 1980, November 10, 1980, December 9, 1980, and December 31, 1980. A revised version of Indiana's continuous emission monitoring regulation (325 IAC 3) was submitted on October 6, 1980.

* * * * *

[FR Doc. 81-25052 Filed 9-3-81; 8:45 am]

BILLING CODE 6560-38-M

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40 CFR Part 52

[A-3-FRL 1913-6]

Approval and Promulgation of Implementation Plans; Approval of Revision of the Maryland State Implementation Plan

AGENCY: Environmental Protection Agency.

ACTION: Final rule.

SUMMARY: EPA approves a revision of the Maryland State Implementation Plan (SIP) originating from an amendment to the Maryland Air Quality Control Regulations, pertaining to the control of sulfur dioxide emmissions. The amendment establishes a new emission standard for sulfur oxides from existing solid fuel-fired, cyclone type fuel-burning equipment having an actual heat input in excess of 1,000 million BTU per hour. This revision is approvable

because it meets the applicable requirements of the Clean Air Act.

EFFECTIVE DATE: October 5, 1981.

ADDRESSES: Copies of the SIP revision and the accompanying support documents are available for inspection during normal business hours at the following offices:

U.S. Environmental Protection Agency, Air Media & Energy Branch, Curtis Building, 6th & Walnut Streets, Philadelphia, PA 19106, ATTN: Harold A. Frankford.

Air Management Administration, State of Maryland, O'Conor Office Building, 201 W. Preston Street, Baltimore, MD 21201, ATTN: George P. Ferreri.

Public Information Reference Unit, Room 2922—EPA Library, U.S. Environmental Protection Agency, 401 M Street, S.W. (Waterside Mall), Washington, D.C. 20460.

FOR FURTHER INFORMATION CONTACT: Patricia Sheridan, U.S. Environmental Protection Agency, Region III, 6th & Walnut Streets, Philadelphia, PA 19106, Phone: 215–597–8176.

SUPPLEMENTARY INFORMATION: On February 20, 1980, the Administrator of Air Quality Programs for the State of Maryland submitted to EPA, Region III, amendments to its air pollution control regulations and requested that it be reviewed and processed as a revision of the Maryland State Implementation Plan (SIP). The amendments, applicable to the Baltimore and Washington areas only, consist of changes to section .04D(4) of COMAR 10.18.04 and 10.18.05 and establish a new emission standard for sulfur oxides from existing solid fuel-fired, cyclone type fuel-burning equipment having an actual heat input in excess of 1,000 million BTU per hour. The existing SIP regulation limits the sulfur content of solid fuel used in all fuel-burning equipment to 1% or less by weight. The amendments establish an allowable sulfur oxide emission standard for cyclone type fuel-burning equipment of 3.5 pounds per million BTU actual heat input which is equivalent to appproximately 2.3% sulfur by weight. While the definition of "solid fuel" is not explicitly defined in Maryland's regulations, both EPA and Maryland interpret "solid fuel" to include "coal."

The Baltimore Gas and Electric Company, C.P. Crane Generating Station, Units 1 and 2 (200 Megawatts each) in Baltimore County, wishes to convert from 1% sulfur oil to coal under the new regulation. The Crane Station is currently under a Department of Energy prohibition order and is a prime candidate to receive a notice of effectiveness. The Crane Station cyclone furnaces require a low ash fusion temperature coal which is normally a high sulfur coal (greater than 2% sulfur by weight). The best information indicates that a 1% sulfur coal with the necessary ash fusion temperature characteristic is unavailable. Therefore, Maryland has submitted this revision to their SIP to allow B.G. and E. Crane Station to burn higher sulfur coal.

The State of Maryland is requiring B.G. and E. Crane Station to use Continuous Emission Monitoring (CEM) under COMAR 10.18.01.06B(1). This regulation requires specific installations to install, use, and maintain monitoring equipment or employ other methods as requested by the Department. Maryland's Technical Memorandum 77–01 details the requirements for CEM and reporting methods for the information obtained through the use of such equipment. During times of sustained outages of the CEM equipment, Maryland plans to institute a detailed coal sampling program to determine, on as close to real time basis as possible, the maximum sulfur dioxide contribution made at this facility. Maryland will enforce the SO_2 emission limitation on a 24-hour basis.

The State submitted a modeling study for total suspended particulates (TSP) and sulfur dioxide (SO_2). The modeling study was based on the assumption that the Baltimore Gas and Electric Company, C.P. Crane Generating Station, Units 1 and 2, is the only facility being converted to coal under this revision. The State of Maryland has certified by letter dated October 1, 1980, that the Crane Units 1 and 2 constitute the only fuel-burning equipment of cylcone type in State Area III (Metropolitan Baltimore AQCR) and IV (Washington Metropolitan AQCR), making this assumption true. The model employed is the standard single-source EPA CRSTER model, using five years of National Weather Service meteorological data. Other sources in the area were also modeled to determine background concentrations.

The study predicted ground level concentrations of SO_2 at 100%, 75% and 50% load conditions using urban coefficients to simulate an urban type of terrain. A refined grid (spacing of 0.2 Km) was run using the two years of highest indicated SO_2 ground level concentrations. For comparison purposes, rural coefficients were also used. Only minor differences were indicated in the results.

The study concluded that the emission standard set forth in (Section .04D(4) of COMAR 10.18.04 and 10.18.05) will not cause violations of either the primary or secondary NAAQS for SO_2. The modeling study further concluded that the PSD increments will not be violated.

The State submitted proof that a public hearing was held on November 28, 1979 in Baltimore, Maryland in accordance with the notice and public hearing requirements of 40 CFR Section 51.4 and all relevant State procedural requirements.

Notice of Proposed Rulemaking

On February 10, 1981, 46 FR 11678, EPA acknowledged receipt of the amendments, proposed them as a revision of the Maryland State Implementation Plan (SIP), and provided for a 30-day public comment period ending March 12, 1981. During the public comment period no comments were received.

EPA Evaluation

A review of Maryland's modeling analysis by EPA indicates that SO_2 emissions from the plant will not cause or contribute to violations of the primary or secondary NAAQS for SO_2, and that the revision fully complies with EPA's current policy regarding SO_2 emissions relaxations. EPA also concludes that the PSD increments will not be exceeded, although 82% of the 24-hour increment and 73% of the 3-hour increment would be consumed by the Crane Station Units 1 and 2.

Currently, the Baltimore area is in violation of both primary and secondary National Ambient Air Quality Standards for TSP. Therefore, the PSD increment is not applicable for TSP. The nonattainment plan for this area which EPA approved in part on August 12, 1980 45 FR 53461, contains regulations for only fugitive TSP emissions and does not require any additional TSP compliance plans for power plants beyond current SIP requirements. EPA has concluded, from the modeling demonstration, that the increased TSP levels due to the conversion of Crane Station Units 1 and 2 will be less than the de minimus impact for TSP ($1\mu g/m^3$ annual, $5\mu g/m^3$ 24-hour) and therefore will not interfere with the plans for TSP attainment of this area.

In view of the above evaluation, EPA approves the amendments to section .04D(4) of COMAR 10.18.04 and 10.18.05 as a revision of the Maryland SIP, effective October 5, 1981. Accordingly, 40 CFR 52.1070 (Identification of Plan) of Subpart V (Maryland) is revised to incorporate both the regulatory amendment and the October 1, 1980 letter from the State of Maryland to EPA certifying the B.G.&E. Crane generating Station to be the only source affected by

this regulatory change, into the approved Maryland SIP.

In EPA's review of the revision, EPA makes note of the fact that the term "solid fuel" is not defined. The State of Maryland may wish to define this term in a future SIP revision to clarify its regulations.

Under Executive Order 12291, EPA must judge whether a regulation is "Major" and therefore subject to the requirement of a Regulatory Impact Analysis. This regulation is not major because this action only approves State actions and imposes no new requirements.

This regulation was submitted to the Office of Management and Budget for review as required by Executive Order 12291.

Pursuant to the provisions of 5 U.S.C. 605(b) I certify that the SIP approvals under sections 110 and 172 of the Clean Air Act will not have a significant economic impact on a substantial number of small entities. This action constitutes a SIP approval under sections 110 and 172 of the Clean Air Act. This action only approves State actions. It imposes no new requirements.

Under section 307(b)(1) of the Clean Air Act, judicial review of this action is available *only* by the filing of a petition for review in the United States Court of Appeals for the appropriate circuit within 60 days of today. Under section 307(b)(2) of the Clean Air Act, the requirements which are the subject of today's notice may *not* be challenged later in civil or criminal proceedings brought by EPA to enforce these requirements.

(42 U.S.C. 7401–642)

Dated: August 28, 1981.

Anne M. Gorsuch,

Administrator.

Note.—Incorporation by reference of the State Implementation Plan for the State of Maryland was approved by the Director of the Federal Register, on July 1, 1981.

In Part 52, Title 40 of the Code of Federal Regulations, Subpart V, § 52.1070(c) is amended by adding subparagraphs (46) and (47) to read as follows:

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLAN

Subpart V—Maryland

§ 52.1070 Identification of plan.

* * * * *

(c) * * *

(46) Amendments to section .04D(4) of COMAR 10.18.04 and COMAR 10.18.05 establishing a revised sulfur oxides emissions limitation for all existing solid fuel-fired, cyclone type fuel burning equipment having an actual heat input in excess of 1,000 million Btu/hour; submitted on February 20, 1980 by the Governor.

(47) October 1, 1980 letter from George P. Ferreri, Maryland Office of Environmental Programs to James E. Sydnor, EPA, certifying that the Baltimore Gas & Electric Company's C. P. Crane Generating Station is the sole facility to which COMAR 10.18.04.04D(4) and 10.18.05.04D(4) would apply.

[FR Doc. 81-25966 Filed 9-3-81; 8:45 am]

BILLING CODE 6560-38-M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

43 CFR Public Land Order 5983

Arizona; Public Land Order No. 5868; Correction

AGENCY: Bureau of Land Management, Interior.

ACTION: Public Land Order.

SUMMARY: This document will correct a typographical error in a land description contained in Public Land Order No. 5868 of May 15, 1981 (46 FR 28164, May 26, 1981).

EFFECTIVE DATE: September 4, 1981.

FOR FURTHER INFORMATION CONTACT: Mario L. Lopez, Arizona State Office, 602–261–4774.

By virtue of the authority vested in the Secretary of the Interior by Section 204 of the Federal Land Policy and Management Act of 1976, 90 Stat. 2751; 43 U.S.C. 1714, it is ordered as follows:

A description of lands in Public Land Order No. 5868 of May 15, 1981, in FR Doc. 81–15542 appearing at page 28164 in the issue of Tuesday, May 26, 1981, in the second column following sec. 31, N½., the penultimate line reads "T. 6 S., R. 18 W.,". It should be corrected to read "T. 7 S., R. 18 W.,".

Garrey E. Carruthers,

Assistant Secretary of the Interior.

August 27, 1981.

[FR Doc. 81-23904 Filed 9-3-81; 8:45 am]

BILLING CODE 4310-84-M

INTERSTATE COMMERCE COMMISSION

49 CFR Part 1033

[Ninth Revised Service Order No. 1474]

Various Railroads Authorized To Use Tracks and/or Facilities of Chicago, Milwaukee, St. Paul and Pacific Railroad Co., Debtor (Richard B. Ogilvie, Trustee)

AGENCY: Interstate Commerce Commission.

ACTION: Ninth Revised Service Order No. 1474.

SUMMARY: Service Order No. 1474 authorized various railroads to provide interim service over the Chicago, Milwaukee, St. Paul and Pacific Railroad Company. Since that time, certain carriers have been granted permanent authority by the Commission. This Ninth Revision deletes those carriers from the original service order. Service Order No. 1474 is further revised by extending its expiration date until October 30, 1981.

EFFECTIVE DATE: 11:59 p.m., August 31, 1981.

FOR FURTHER INFORMATION CONTACT: M. F. Clemens, Jr., (202) 275–7840.

SUPPLEMENTARY INFORMATION:

Decided: August 28, 1981.

Pursuant to section 122 of the Rock Island Transition and Employee Assistance Act, Public Law 96–254, the Commission is authorizing various railroads to provide interim service over Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor (Richard B. Ogilvie, Trustee), (MILW) and to use such tracks and facilities as are necessary for that operation.

Appendix A of Eighth Revised Service Order No. 1474 is revised by deleting, in this order, the following authorities.

Item 3. Consolidated Rail Corporation at Momence, Illinois.

Item 4. Pend Oreille Valley Railroad, Inc., (POV): in the area of New Port and Metaline Falls, Washington.

Item 5. St. Maries River Railroad Company (SMRR): in the area of Bovill, St. Maries, and Plummer, Idaho.

Appendix A is renumbered accordingly.

The deletion of the temporary authorities occurring in this order resulted from recent Commission decisions which granted permanent authority to those carriers; and in the case of item 3 of the previous order, the track was conveyed to the industry. Carriers recently granted permanent authority are reminded to comply with all conditions stipulated in the order to

assure that the decision remains in force. All items are renumbered accordingly.

It is the opinion of the Commission that an emergency exists requiring that the railroads listed in the attached appendix be authorized to conduct operations, also identified in the attachment, using MILW tracks and/or facilities; that notice and public procedure are impracticable and contrary to the public interest; and that good cause exists for making this order effective upon less than thirty days' notice.

It is ordered,

§ 1033.1474 Service Order 1474.

(a) *Various Railroads authorized to use Tracks and/or facilities of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Debtor (Richard B. Ogilvie, Trustee).* Various railroads are authorized to use tracks and/or facilities of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company (MILW), as listed in Appendix A to this order, in order to provide interim service over the MILW.

(b) The Trustee shall permit the affected carriers to enter upon the property of the MILW to conduct service essential to these interim operations.

(c) The Trustee will be compensated on terms established between the Trustee and the affected carrier(s); or upon failure of the parties to agree as hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by Section 122(a) Public Law 96–254.

(d) Interim operators, authorized in Appendix A to this order, shall, within fifteen (15) days of its effective date, notify the Railroad Service Board of the date on which interim operations were commenced or the expected commencement date of those operations.

(e) Interim operators, authorized in Appendix A to this order, shall, within thirty days of commencing operations under authority of this order, notify the MILW Trustee of those facilities they believe are necessary or reasonably related to the authorized operations.

(f) During the period of these operations over the MILW lines, interim operators shall be responsible for preserving the value of the lines, associated with each interim operation, to the MILW estate, and for performing necessary maintenance to avoid undue deterioration of lines and associated facilities.

(g) Any operational or other difficulty associated with the authorized operations shall be resolved through agreement between the affected parties or, failing agreement, by the Commission's Railroad Service Board.

(h) Any rehabilitation, operational, or other costs related to the authorized operations shall be the sole responsibility of the interim operator incurring the costs, and shall not in any way be deemed a liability of the United States Government.

(i) *Application.* The provisions of this order shall apply to intrastate, interstate and foreign traffic.

(j) *Rate applicable.* Inasmuch as this operation by interim operators over tracks previously operated by the MILW is deemed to be due to carrier's disability, the rates applicable to traffic moved over these lines shall be the rates applicable to traffic routed to, from, or via these lines which were formerly in effect on such traffic when routed via MILW, until tariffs naming rates and routes specifically applicable become effective.

(k) In transporting traffic over these lines, all interim operators involved shall proceed even though no contracts, agreements, or arrangements now exist between them with reference to the divisions of the rates of transportation applicable to that traffic. Divisions shall be, during the time this order remains in force, those voluntarily agreed by and between the carriers; or upon failure of the carriers to so agree, the divisions shall be those hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act.

(l) *Employees.* In providing service under this order interim operators, to the maximum extent practicable, shall use the employees who normally would have performed work in connection with the traffic moving over the lines subject to this Service Order.

(m) *Effective date.* This order shall become effective at 11:59 p.m., August 31, 1981.

(n) *Expiration date.* The provisions of this order shall expire at 11:59 p.m., October 30, 1981, unless otherwise modified, amended, or vacated by order of this Commission.

This action is taken under the authority of 49 U.S.C. 10304–10305 and Section 122, Public Law 96–254.

This order shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and car hire agreement under the terms of that agreement and upon the American Short Line Railroad Association. Notice of this order shall be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing a copy with the Director, Office of the **Federal Register.**

By the Commission, Railroad Service Board, members Joel E. Burns, Robert S. Turkington, and William F. Sibbald, Jr. Joel E. Burns not participating.

Agatha L. Mergenovich,

Secretary.

Appendix A

MILW Lines Authorized To Be Operated by Interim Operators

1. Illinois Central Gulf Railroad Company (ICG):

A. In Sioux City, Iowa, from Pearl Street west approximately 1.5 miles to Tri-View Industrial area, and from Court Street to Virginia Street.

2. Seattle and North Coast Railroad Company (SNC):

A. Between Port Angeles and Port Townsend, Washington, including Pier 27 and associated track in Seattle, Washington.

3. Burlington Northern Inc. (BN):

A. In Sioux City, Iowa, between milepost 509.77 and milepost 512.62, a distance of approximately 2.85 miles.

4. Racoon River Railroad, Inc. (RAC):

A. Between Lohrville and Rockwell City, Iowa, a distance of approximately 11.3 miles.

*5. Des Moines Union Railway Company (DMU):

A. Between Des Moines (milepost 0) and Clive (milepost 8.5) Iowa; and between Clive (milepost 0) and Grimes, Iowa (milepost 7), a total distance of 15.5 miles.

*Renumbered.

[FR Doc. 81-25826 Filed 9-3-81; 8:45 am]

BILLING CODE 7035-01-M

Proposed Rules

Federal Register
Vol. 46, No. 172
Friday, September 4, 1981

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

7 CFR Parts 210, 220, and 226

National School Lunch, School Breakfast, and Child Care Food Programs; Meal Pattern Requirements

AGENCY: Food and Nutrition Service, USDA.

ACTION: Proposed Rule.

SUMMARY: This proposed rule would (1) simplify administration of the meal requirements in the National School Lunch Program, School Breakfast Program, and Child Care Food Program; (2) reduce meal pattern quantity requirements; and (3) change some meal crediting requirements, i.e., how food items are counted towards meeting meal requirements. The Department is proposing this rule to reduce federal regulation and program costs. The Department believes that this rule would simplify local administration, reduce local costs, and provide local programs with more flexibility.

DATE: Comments must be postmarked on or before October 5, 1981.

ADDRESSES: Comments may be mailed to Cynthia Ford, Branch Chief, Room 556, Technical Assistance Branch, Nutrition and Technical Services Division, Food and Nutrition Service, USDA, Washington, D.C. 20250. Comments may be delivered to the above address during regular business hours (8:30 am to 5:00 pm, Monday through Friday). Comments received may also be inspected at Room 556 between 8:30 am and 5:00 pm.

FOR FURTHER INFORMATION CONTACT: Virginia Wilkening, 202–447–9067.

SUPPLEMENTARY INFORMATION:

Classification

This proposed action has been reviewed under Executive Order 12291 and has been classified major. We anticipate that the proposal will have an impact on the economy of $100 million. This proposed rule will substantially increase costs by providing States, School Food Authorities, and institutions with more flexibility in administering the child nutrition programs. The proposal will not have adverse effects on competition, employment, investment, innovation, or on the ability of U.S. enterprises to compete with foreign enterprises. Because the Omnibus Reconciliation Act of 1981 requires that 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. As provided by section 8(a) of that order, the Director of OMB has been notified of this conflict. An impact analysis will be available when the final rule is published.

The proposal has also been reviewed with regard to the requirements of Pub. L. 96–354. Since this action may have a significant economic impact on a substantial number of small entities, the impact analysis will address the issues required in Section 603 of Pub. L. 96–354, the Regulatory Flexibility Act.

This regulation does not contain reporting and recordkeeping requirements subject to approval by OMB under the Paperwork Reduction Act.

Introduction

The U.S. Department of Agriculture (USDA) is responsible for the administration of the child nutrition programs. These include the National School Lunch Program, the School Breakfast Program, the Child Care and Summer Food programs, and the Special Milk Program for Children. USDA issues regulations for the operation of the child nutrition programs, and State agencies that operate the programs in conformance with the regulations earn Federal payments based on the number of meals served to eligible children by schools and institutions. Similarly, schools and institutions receive payments from their State agencies to cover the cost of their program food service.

Current Basis of Meal Pattern Policy

The National School Lunch Act and the Child Nutrition Act of 1966 require that the Secretary of Agriculture set minimal nutritional requirements for meals served in the child nutrition programs, but give the Secretary broad discretion to determine those requirements. Meal pattern requirements have been established for specific types and amounts of food to be served in each of the programs that the Department administers. The meal patterns are minimal standards, based on the most current knowledge about the nutritional needs of program participants and their food consumption habits and preferences. The patterns are designed to allow for sufficient flexibility so that the meals planned are appealing as well as nutritionally sound. USDA also provides guidance materials related to menu planning and to the nutritional composition and cost of foods that are available for use in the programs.

The National School Lunch Program, the largest of the child nutrition programs, was first authorized by the National School Lunch Act in 1946. At that time, the school lunch pattern was established, with a goal of providing approximately one-third of the Recommended Dietary Allowances (RDA) of nutritions for 10- to 12-year old children as established by the Food and Nutrition Board, National Research Council, National Academy of Sciences. School lunch regulations do not require that each lunch provide thirty-three percent of the nutrients that children need, but it is expected that on average, over a period of time, the meals will provide approximately one-third of the RDA. This figure has traditionally been used as a goal in menu planning.

Periodically lunch pattern requirements are reviewed and revised to reflect new knowledge about the nutritional aspects of the program. Over the years the Department has recognized that the nutritional needs of children differ. A nutritional goal based on a standard for one age group of children may not be appropriate for children of all ages. Also, there is reason to recognize the existence of both overnutrition and undernutrition as health problems in this country. Not only is it important for children to consume all of the nutrients that they need, but also, to avoid obesity, it is important that they not consume more calories than they need.

The Department revised the school lunch pattern in 1980 to bring it into conformance with revisions of the RDA.

At that time efforts were made to increase the variety of foods that could be served a part of the lunches. Also, to accommodate children's individual preferences and to help reduce plate waste in schools, the Department allowed schools to vary serving sizes.

In this proposed rule the Department is considering further changes in the meal patterns in response to provisions of the Omnibus Reconciliation Act of 1981 that require the Department to "review regulations promulgated under section 10 of the Child Nutrition Act of 1966 (including regulations pertaining to nutritional requirements for meals) for the purpose of determining ways in which cost savings might be accomplished at the local level * * *." (sec. 818, Pub. L. 97–35).

Trends in Program Operating Characteristics, 1970–1980

Prior to 1980 the child nutrition programs experienced a period of rapid growth and, consequently, a growth in Federal expenditures. As a result, the programs are estimated to cost the Federal government approximately $4.5 billion in fiscal year 1981 compared to a total program cost of approximately $700 million in fiscal year 1970. The approximately 22 percent annual growth rate was the result of increases in program expenditures emanating from a number of specific statutory requirements which include:

Provision of specified amounts of cash and commodity subsidies for all meals served regardless of the family income of the participant;

Provision of specified amounts of special cash assistance for meals served free or at a reduced price to eligible children;

Semi-annual adjustments in payment rates to reflect increases in food prices;

Encouragement of all eligible schools and institutions to offer programs; and

Encouragement of participation by every child with access to a program.

Recent Legislation

In the Omnibus Reconciliation Act of 1980, Pub. L. 96–499, the first cost saving measures were enacted to curtail spending in the child nutrition programs. Reductions of approximately eight percent were made in the fiscal year 1981 program budget primarily through small decreases in subsidy and eligibility levels. In the Omnibus Reconciliation Act of 1981, Pub. L. 97–35, the changes initiated in the 1980 Act were continued and further reductions in program spending were enacted. As a result, the fiscal year 1982 program budget will decrease by approximately 25 percent.

While the changes made in the 1981 Act do not significantly alter the form of the benefits provided nor the nature of the programs, they do change the distribution of program benefits to direct federal spending more towards meals served to children from low income families. There are two major changes. First the income eligibility standards have been changed to limit the number of children who may receive free and reduced price meals to those in families with the lowest family income. Second, the subsidy levels provided for food service operations have been reduced. The reductions are made primarily by lowering, but not eliminating, Federal payments for meals served to children who pay the full price or receive reduced price meals. The subsidy levels for free meals are changed slightly. The following table indicates the changes in subsidies that will be in effect for the 1981–1982 school year.

Comparison of per Meal Subsidy Levels

	Previous law (cents)	Current law (cents)	Differences (cents)
Lunch/supper (cash and commodities): [1]			
Paid	32.50	21.50	−11.00 (34)
Reduced price	104.00	80.25	−23.75 (23)
Free	124.00	120.25	−3.75 (3)
Schools in School Food Authorities that served 60% or more of their lunches in the second preceding school year free or at a reduced price receive 2 cents more.			
Breakfast: [1]			
Regular:			
Paid	16.25	8.25	−8.00 (49)
Reduced price	46.75	28.50	−16.25 (39)
Free	57.00	57.00	0 (0)
Severe need:			
Paid	16.25	8.25	−8.00 (49)
Reduced price	63.50	38.50	−25.00 (39)
Free	66.50	66.50	0 (0)
Supplements: [1]			
Paid	5.50	2.75	−2.75 (50)
Reduced price	22.25	15.00	−7.25 (33)
Free	30.50	30.00	−.25 (26)

[1] Figures in parentheses in percent.

Effects of Legislation on Local Food Service

The changes of the 1981 legislation in subsidy levels and eligibility occur at a time when food service costs are rising due to inflationary pressures in the economy. The joint effects of subsidy reductions and inflation will necessarily cause increases in the prices charged for meals served to children from middle and higher income families. Since paid meals have traditionally accounted for approximately 55 percent of participation in the school lunch program, local program operators have expressed concern that sharp rises in prices charged may substantially reduce participation and potentially jeopardize the continued operation of programs.

This concern is addressed in Pub. L. 97–35. Section 818 of the law provides that "The Secretary shall review regulations promulgated under section 10 of the Child Nutrition Act of 1966 (including regulations pertaining to the nutritional requirements for meals) for the purposes of determining ways in which cost savings might be accomplished at the local level in the operation of meal programs under the National School Lunch Act and the Child Nutrition Act of 1966 without impairing the nutritional value of such meals * * *."

The Statement of Managers provides further guidance concerning the nature of this requirement by indicating that the intent of the section is that "* * * before the Secretary changes current meal pattern requirements, he shall exhaust all alternatives for lowering local program costs. Further, any proposed change must have a demonstrated local fiscal impact and a sound nutritional basis. The conferees understand that the phrase (without impairing the nutritional value of meals) should not be interpreted as requiring one-third RDA for every meal provided."

Alternative Cost Saving Measures

Prior to the passage of Pub. L. 97–35 the Department formed task forces of Regional, State, and local food service personnel and members of public interest groups, to identify areas in which to reduce costs directly, or indirectly by reducing Federal regulation. The task forces covered five subjects: State Plan, Meal Patterns, Administrative Requirements, Review and Oversight, and Financial Management/Accountability.

There are at least two broad program areas in which the Department might be able to reduce local costs without affecting the meal patterns: (a) general administration, including counting and claiming meals and cost accounting; and (b) eligibility determinations. The following program changes to reduce local costs are currently under consideration by the Department or are required by the Omnibus Reconciliation Act of 1981.

(a) *Administration.* 1. *Eliminate the requirement to report cost records, except for the Special Milk Program and for severe need breakfast reimbursement.* The major initiative, besides reductions in meal pattern requirements, that the Department can implement to help reduce local costs in the short term is already required by Section 819 and other sections of the Omnibus Reconciliation Act of 1981. These provisions eliminate the Federal

requirements to maintain records of incurred costs sufficient to justify reimbursement. The current requirement to include cost as a factor in determining subsidy levels to local agencies has been a major source of recordkeeping burdens. Schools and institutions needed to keep detailed records of direct and indirect costs by program to justify reimbursement. The elimination of this requirement should provide direct savings.

2. *Reduce reporting requirements.* Besides eliminating the requirement to report costs, the Department is reducing other costly paperwork burdens. It is eliminating the requirement that schools report estimates of the number of children eligible for free or reduced price meals in October and March. In addition, by eliminating the State Plan requirement, the Department is freeing schools and institutions from reporting any supporting data that States needed to develop their Plans. These changes also are required by the Omnibus Reconciliation Act of 1981, section 812.

(b) *Eligibility determinations.* 1. *Remove hardship provisions.* The Department is eliminating the special hardship deductions that families can claim for specific unexpectedly high costs. From 1973 until the passage of the Omnibus Reconciliation Act of 1980, the Department allowed a family to deduct from its stated income the cost of certain "hardships" that the family could not reasonably anticipate or control. The hardship deductions were: (a) unusually high medical expenses; (b) shelter costs in excess of 30 percent of income; (c) special education expenses due to the mental or physical condition of a child; and (d) disaster or casualty losses. School administrators then had to take these special hardship deductions into account in determining a child's eligibility for free or reduced price meals or free milk. This was often a complicated and time consuming exercise that could lead to mistakes. Most parental appeals of eligibility determinations were based on a contested application of the hardship deductions. The Omnibus Reconciliation Act of 1981 made permanent the elimination of hardship deductions first instituted on a temporary basis by Pub. L. 96-499.

2. *Simplify midyear announcements.* The Department is planning to simplify the procedures that schools must follow if the Income Eligibility Guidelines change during the school year, by eliminating the rquirement that School Food Authorities send home to parents new letters and new applications at that time. This simplification will save schools the cost of time and materials in printing and distributing these papers.

Meal patterns

Cost savings from changes in administration and eligibility determinations are very difficult to quantify at the national level due to the many variations among local programs. None of these changes by themselves result in substantial cost savings, though taken together they provide important relief in administrative burdens to local operators. There are at least three related areas in which meal pattern changes can be made to realize cost savings: (a) administration, (b) crediting requirements, and (c) quantity requirements. The task force on meal patterns addressed all three areas. The changes proposed in this regulation are largely the task force's recommendations.

(a) *Simplify administration.* The task force recommended two administrative simplifications: (1) reduce the number of age/grade patterns and allow State and local programs to determine the ages or grades to be served each pattern within broad guidelines and (2) make meal patterns consistent among programs. This proposal adopts both suggestions. The task force also recommended that the Department intensify its technical assistance efforts. Finally, the task force suggested that the Department redefine "reimbursable meal" to emphasize the production of bulk quantities.

(1) *Number of age/grade groups.* The proposal reduces the maximum number of age/grade patterns in school lunch regulations from five to three and divides them into broad categories—"preschool", "elementary", and "secondary"—rather than definite age/grade groups. States or with State approval, local programs may define "preschool", "elementary", and "secondary". States and local programs are to make their determinations based on the ages of the children served, not the nature of the institution. It is not the Department's intention, for example, that an older child who attends a day care facility licensed as a "preschool" facility after school should be served the preschool pattern.

(2) *Consistency.* This proposal also makes meal pattern portion sizes consistent for the school lunch, school breakfast, and child care programs. It updates the school infant patterns to reflect the child care program infant patterns. The school infant patterns are served primarily in residential child care institutions.

(3) *Technical Assistance.* The task force also recommended strongly that the Department concentrate on improved technical assistance. The task force felt that many savings are possible through improved administrative efficiency in such areas as meal planning, pricing, and procurement and the use of labor and equipment. Within the next year, the Department will issue the results of its food service cost studies. These studies examine factors that affect meal production efficiency. For example, they examine the relative importance of processed versus unprocessed food purchases in terms of the available supply and cost of labor and equipment. These results and others should help local School Food Authorities plan for long term meal production cost savings.

(4) *Reimbursable meal.* The Department is also developing a separate rulemaking proposal describing a Federal meal monitoring system for the school programs. That proposal would require schools to monitor the production of bulk food quantities rather than individual quantities served per plate. We anticipate that this system should relieve schools of the need to overproduce to insure that individual items meet the minimum quantity requirements when served. However, States would be allowed to develop their own monitoring system which could include per plate quantity monitoring, if they choose not to adopt the Federal system.

The changes proposed today lay the groundwork for the meal monitoring system, by stressing quantities as prepared and allowing schools in the school lunch program to reduce the amount of food prepared based on the amount of food they expect the students to decline under offer versus serve. This proposal would also allow schools and institutions, if not inconsistent with State policy, to vary portion sizes as served in response to individual children's desires.

(b) Simplify crediting requirements.

(1) *Meat and Meat Alternates.*—Several foods are proposed to be added to the list of allowable meat alternates as a result of public requests and in an effort to increase flexibility in menu planning.

—*Nuts and seeds*—Peanut butter has been a creditable meat alternate since the inception of the school lunch and child care programs. Peanuts have not been credited as a meat/meat alternate for two reasons: (1) peanuts have been considered a snack food, not a main dish item as are the other acceptable meat/meat alternates, and (2) allowing peanuts as a meat alternate might conflict with nutrition education

principles and good menu planning practices by allowing meals to be served that might not provide a traditionally recognized entree.

This proposed regulation would allow schools and institutions to credit peanuts, as well as all other nuts and seeds and their butters, recognizing the nutritional comparability of these items. To maintain a traditionally recognized entree and to maximize acceptability of the meal, it is recommended that nuts and seeds fulfill no more than one-half of the meat/meat alternate requirement.

—*Yogurt*—The Department has received many requests from program participants and the food industry to allow yogurt as a "creditable" food as a substitute either for the milk or the meat/meat alternate component. The Meal Pattern Task Force recommended that yogurt, plain or flavored, be credited as a milk alternate on an ounce-for-ounce basis. Inasmuch as yogurt is often consumed as an entree, the Department is proposing that at the option of the School Food Authority or institution yogurt be allowed to meet either the milk or meat alternate requirement. While yogurt is not as good a source of iron as most meat/meat alternates, it is equivalent to cheese. Allowing yogurt to count as a milk alternate or meat alternate (1) would permit local operations to be responsive to the desires of the community and local food preferences; (2) may increase participation; (3) may increase variety in the meal pattern, especially addressing the desires of secondary students; and (4) may help satisfy children's appetites.

—*Tofu*—Tofu is a soybean curd which has the general color and shape of a light cheese. Three basic types of tofu are manufactured in this country. Silken or soft tofu (kinugoshi) is the softest, most liquid type of tofu available; it contains a minimum of 5 percent protein. Regular tofu (Japanese style) is of medium firmness with an 8 percent minimum protein content. This type of tofu is the most readily available on a commercial scale. The third type of tofu is firm tofu (doufu). This type is the firmest of the three and has a minimum of 11 percent protein. Over the past few years, the Department has received a number of requests that tofu be credited toward fulfilling the meat/meat alternate requirement in child nutrition programs. Although schools and institutions may serve tofu, currently they cannot count tofu toward meeting meal pattern requirements.

Because tofu contains adequate protein, is relatively inexpensive, and is a versatile meat alternate, the Department is proposing to allow the use of tofu as a meat alternate. To determine the required serving size for tofu, the protein level of regular tofu (the form most readily available) was compared to the protein level of one-half cup cooked dry beans and peas. The comparable amount of tofu is three ounces (weight) or one-half cup (volume).

—*Equivalencies of cooked dry beans or peas and eggs*—In final rules published in May 16, 1980, meat alternate equivalencies for cooked dry beans or peas and eggs were increased to provide more nutritional comparability between the various meat/meat alternates. The preamble of the regulation also discussed a similar change in the equivalency for cottage cheese. The implementation date was July 1, 1980; however, because of anticipated administrative and operational hardships for schools using commercially prepared products, schools were allowed to apply to State agencies for exemptions until July 1, 1981, so that food suppliers could alter their manufacturing practices in accordance with the new equivalencies. On July 17, 1981, as a result of requests from schools and food manufacturers for a further delay in implementation, the Department delayed full implementation until July 1, 1982.

Because of the administrative difficulties schools and food manufacturers have encountered in trying to comply with the new meat alternate equivalencies, the proposed regulations would return to the former equivalencies; i.e., one-half cup of cooked dry beans or peas, or one large egg will be considered equal to a two ounce portion of cooked lean meat. As no difficulties were reported with cottage cheese, it is proposed that cottage cheese remain as stated in the *Food Buying Guide for School Food Service* (PA-1247); i.e., one-half cup is equivalent to two ounces of cooked lean meat.

—*Main dish and one other item*—An additional change within the meats or meat alternate component involves the current requirement that the meat or meat alternate must be in the main dish or the main dish and one other menu item. This requirement was made to prevent the planning of a menu which would have small amounts of meat/meat alternates spread throughout the meal without a recognizable entree.

To increase flexibility at the local level and to achieve food cost reductions, the Department is proposing to delete this requirement. This would allow all meats or meat alternates to be counted toward the total meat or meat alternate requirement regardless of how many menu items are represented. It is expected that good menu planning practices will insure that a substantial amount of the requirment will be served in the main dish resulting in a recognizable entree.

—*One food item contributing toward the meat or meat alternate and another component*—Currently, cooked dry beans or peas may be counted as a meat alternate or as a vegetable, but not as both in the same meal; and enriched macaroni with fortified protein may count as a meat alternate or as a bread alternate but not as both in the same meal. Similarly, it is proposed that yogurt count as a meat alternate or as a milk alternate but not as both in the same meal. It is the Department's intent that these items may be planned to contribute to two components if they are prepared in sufficient quantities. As an example, a one-half cup of cooked dry beans may contribute ¼ cup toward the meat or meat alternate requirement and ¼ cup toward the vegetable or fruit requirement; however, the ½ cup cannot be counted to meet ½ cup of the meat or meat alternate *and* ½ cup of the vegetable or fruit requirement. This proposal amends the regulations to clarify current policy.

(2) *Vegetables and Fruits.*

—*Two or more servings*—Since July 1958, schools have been required to serve two or more servings of vegetables or fruits or both to fulfill the vegetable or fruit requirement. This provision was required to insure that a variety of foods would be offered, and a variety of nutrients would be available. This proposal would modify that requirement to allow two or more vegetables or fruits to be served, separately or combined. This modification continues to recognize the need for a variety of foods, yet allows greater flexibility in menu planning when serving several different vegetables or fruits in one menu item, for example chef salads.

—*Concentrates*—An additional proposed change in crediting policy would allow vegetable and fruit concentrates to be credited on a single-strength reconstituted basis rather than on the basis of the actual volume as served. For example, one tablespoon of tomato paste could be credited as ¼ cup single-strength tomato juice. Previously, it was only credited as 1 tablespoon, the volume as served. This change eliminates the so-called "water" requirement. While not specified in regulations, this policy will be addressed in program aids.

—*Service of vegetable or fruit juice*—Current school lunch program regulations and lunch/supper child care

program regulations specify that full-strength vegetable or fruit juice may be used to meet not more than one-half of the total vegetable/fruit requirement. This restriction is being removed to simplify Federal regulations and to be consistent with breakfast regulations which do not restrict the amount of full-strength juice served. Good menu planning practiced would suggest that juice not be used to fulfill a major part of the vegetable/fruit requirement.

(3) *Bread and Bread Alternates.*

—*Inconsistencies in crediting*—There are currently several inconsistencies among child nutrition programs in crediting specific bread items. Not all food items which contain enriched or whole-grain cereal, flour, or meal are allowed as creditable bread items in all child nutrition programs. For a food item to be credited as bread in the school lunch program, it must serve the cutomary function of bread in a meal as an accompaniment to, or an integral part of, the main dish. Accordingly, dessert items such as cakes, cookies, and dessert pie crusts have not been credited as bread.

In the child care program, the same policy regarding the customary function of bread in a meal applies to the bread/bread alternate component for lunch and supper. However cookies have been authorized as a bread alternate in supplements (snacks) because of their popularity and customary role as a snack food. Items such as doughnuts and sweet rolls when made with enriched or whole-grain flour can be credited as bread in the school breakfast program and in the child care program.

To remove these inconsistencies, it is being proposed that (1) any food containing enriched or whole-grain flour or meal; or enriched, whole-grain, or fortified cereal as its primary ingredient be allowed to contribute ot the bread/bread alternate requirement, and (2) all foods on the list of acceptable bread/bread alternates in Appendix A be allowed to contribute toward the bread/bread alternate requirement in any child nutrition program. It is expected that good menu planning practices will insure that food items credited as bread will generally be served as an accompaniment to, or an integral part of, the main dish.

—*Appendix A*—The requirement for the bread/bread alternate food item specifies that bread/bread alternate products must be enriched or whole-grain or, in the case of cereals, must be enriched, whole-grain, or fortified. The required amount of food item is defined as a serving. Further detailed listings of acceptable bread/bread alternate and servings sizes have not been specified in detail in the program regulations, but provided as guidance in program aids such as *The Food Guide for School Food Service (PA-1247).* These regulations propose adding the list of acceptable bread/bread alternates to Appendix A of the regulations. This would make compliance and monitoring easier.

(4) *Milk.*

—*Requirement for a form of lowfat milk*—In revisions to school lunch pattern requirements in 1979, regulations were amended to require that schools offer unflavored fluid lowfat milk, skim milk, or buttermilk in an effort to decrease the level of fat and sugar in school lunches. Other types of milk could be offered as choices. This provision was never extended to the school breakfast or the child care programs.

Since implementation of this requirement, the Department has learned that some schools have completely discontinued offering whole milk as a beverage choice. In addition, this requirement has resulted in administrative and financial difficulties. Some schools providing a choice of more than one type of milk have experienced storage and inventory problems, increased service time, and added recordkeeping burdens.

This proposed regulation would delete the lowfat milk requirement and place the decision as to the type(s) of milk to be served at the local level, thereby increasing flexibility and simplifying program administration.

—*Yogurt*—As discussed above, it is proposed that yogurt be allowed to meet the milk or the meat/meat alternate requirement.

(5) *Other Changes in Crediting Requirements.* FNS crediting policies have been developed for a national program. The Department realizes there are many foods that have not been addressed specifically as well as new foods that are continually being developed.

The use of these foods can be desirable in increasing menu variety, exposing children to new foods, and promoting nutrition education. It is therefore proposed that while general guidance on crediting specific forms of food will be provided by FNS, the State agencies will have discretionary authority regarding the crediting of specific food items or categories as long as the States' decisions are not inconsistent with FNS regulations and are reported to the appropriate FNS Regional Office; for example, a State could not credit as a bread a food that is not enriched or whole-grain, or milk that is not fluid milk, but could credit a condiment such as pickle relish as a vegetable.

This policy should result in increased flexibility and improved responsiveness to the needs of individual child nutrition programs. It should also allow for earlier implementation of possible cost savings.

(c) *Reduce quantity requirements.*

We anticipate that the proposed changes discussed under the preceding sections entitled "Simplify administration" and "Simplify crediting requirements" will generate some local cost savings. However, the amount of savings will vary greatly among schools and institutions, and we do not anticipate that the savings generated will be significant. Therefore, to carry out the requirements of section 818 of the Omnibus Reconciliation Act of 1981 to significantly reduce local costs, we have determined it is necessary to reduce the quantity requirements of the meal patterns.

A reduction in the quantity of food that is required to be served can result in immediate cost savings on the local level. To develop new meal patterns the Department relied on what is known about current school and child care operations. Quantity reductions were made to reduce plate waste or to reduce the cost of the meals.

Although the Department is proposing to decrease the quantity of food served, the nutritional balance of the meals will be preserved. Schools will still be required to offer five food items from each of the four food components. Therefore, meals will continue to provide a wide variety of nutrients. The food items of the pattern provided continue to be excellent nutrient sources.

The Department has developed nutrient profiles for the proposed lunch patterns. The average nutrient composition for each meal component of the lunch pattern was determined using information about what was served in 1,200 lunches in 60 schools. These data were used to interpret the nutritional content of the proposed lunch pattern. Nutrients provided by the proposed lunch pattern were then compared to the average RDA of 1- to 4-year olds, 5- to 11-year olds, and 12- to 17-year olds as appropriate (Table 1). The calculations demonstrate that lunches served under the proposed lunch pattern can continue to make a significant contribution to children's known dietary needs.

It is important to recognize that the proposed requirements are *minimum* requirements. Larger portions may be served. In fact, a demonstration project sponsored by the Department during the 1978–1979 school year indicates that on

the average, schools served more food than was required. The project was conducted to assess the feasibility and implications of changes in the school lunch pattern that were proposed at that time. Baseline data on the average serving sizes of menu items served in 382 schools in 43 states were collected for a one week period. At that time the required minimums serving size for meat and meat alternate items was 2 ounces. The data show that the average serving size in secondary schools then was 2.44 ounces. In elementary schools the average actual serving size was found to be 2.19 ounces. The required minimum serving size for bread and bread alternate items per meal was one slice, but the data show that secondary schools were actually serving an average of 8.5 servings per week of bread or bread alternates. Therefore, the Department expects that many of the meals served in the school lunch program will contribute greater amounts of nutrients than the values reported in Table 1 indicate. Those nutrient values are for portion sizes that are specified in these proposed regulations.

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TABLE 1. NUTRITIONAL VALUE OF NEW LUNCH/SUPPER PATTERNS

	Preschool		Elementary		Secondary	
	Amount	% RDA (age 1-4)	Amount	% RDA (age 5-11)	Amount	% RDA (age 12-17)
Energy (Calories)	251	18	364	17	440	18
Protein (gm)	13.2	53	19.7	56	24.9	52
Vitamin A (I.U.)	1438	68	1545	47	1653	37
Vitamin C (mg)	15.4	34	15.9	35	16.5	30
Niacin (mg NE)	5.0	50	7.2	51	8.8	55
Riboflavin (mg)	.34	38	.50	38	.63	45
Thiamin (mg)	.19	24	.29	26	.33	28
Vitamin B_6 (mg)*	.26	26	.34	23	.41	22
Vitamin B_{12} (mcg)*	.86	41	1.28	46	1.71	57
Calcium (mg)	200	25	296	35	380	32
Iron (mg)	2.0	14	2.6	24	2.9	16
Magnesium (mg)*	42.7	28	59.0	30	72.2	24

* Estimates based on limited food composition data.

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These proposed changes reflect discussions that the Department has had with the General Accounting Office (GAO). After a recent review of the school lunch program, GAO said that one option open to the Secretary would be dropping an RDA goal if it cannot be achieved within acceptable limits of plate waste, cost, and student participation. The following tables 2–6 present the proposed quantity reductions.

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TABLE 2. NATIONAL SCHOOL LUNCH PROGRAM

	Preschool		Elementary		Secondary	
	Current	Proposed	Current	Proposed	Current	Proposed
MEAT OR MEAT ALTERNATE	1, 1 1/2 oz (or equivalent)	1 oz (or equivalent)	1 1/2, 2 oz (or equivalent)	1 1/2 oz (or equivalent)	2 oz (or equivalent)	2 oz (or equivalent)
VEGETABLE/FRUIT	1/2 cup	1/2 cup	1/2, 3/4 cup	1/2 cup	3/4 cup	1/2 cup
BREAD OR BREAD ALTERNATE	5, 8 servings per week	1/2 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

TABLE 3. SCHOOL BREAKFAST PROGRAM

	Preschool		Elementary		Secondary	
	Current	Proposed	Current	Proposed	Current	Proposed
VEGETABLE/FRUIT	1/4, 1/2 cup	1/2 cup	1/2 cup	1/2 cup	1/2 cup	1/2 cup
BREAD OR BREAD ALTERNATE	1/2 serving per day	1/2 serving per day	1 serving per day	1 serving per day	1 serving per day	1 serving per day
MILK	4, 6 oz	4 oz	8 oz	6 oz	8 oz	8 oz

TABLE 4. CHILD CARE FOOD PROGRAM - LUNCH/SUPPER

	Preschool		Elementary	
	Current	Proposed	Current	Proposed
MEAT OR MEAT ALTERNATE	1, 1 1/2 oz (or equivalent)	1 oz (or equivalent)	2 oz (or equivalent)	1 1/2 oz (or equivalent)
VEGETABLE/FRUIT	1/4, 1/2 cup	1/2 cup	3/4 cup	1/2 cup
BREAD OR BREAD ALTERNATE	1/2 serving per day	1/2 serving per day	1 serving per day	1 serving per day
MILK	4, 6 oz	4 oz	8 oz	6 oz

TABLE 5. CHILD CARE FOOD PROGRAM - BREAKFAST

	Preschool		Elementary	
	Current	Proposed	Current	Proposed
VEGETABLE/FRUIT	1/4, 1/2 cup	1/2 cup	1/2 cup	1/2 cup
BREAD OR BREAD ALTERNATE	1/2 serving per day	1/2 serving per day	1 serving per day	1 serving per day
MILK	4, 6 oz	4 oz	8 oz	6 oz

TABLE 6. CHILD CARE FOOD PROGRAM - SUPPLEMENT

	Preschool		Elementary	
	Current	Proposed	Current	Proposed
MEAT OR MEAT ALTERNATE	1/2 oz (or equivalent)	1/2 oz (or equivalent)	1 oz (or equivalent)	1 oz (or equivalent)
VEGETABLE/FRUIT	1/2 cup	1/4 cup	3/4 cup	1/2 cup
BREAD OR BREAD ALTERNATE	1/2 serving per day	1/2 serving per day	1/2 serving per day	1/2 serving per day
MILK	4 oz	4 oz	8 oz	6 oz

BILLING CODE 3410-30-C

Timeframes and Note to Commentors

Schools and institutions are already evaluating their food service programs with regard to the impacts of Pub. L. 97–35 and potential price changes. The Omnibus Reconciliation Act of 1981 instructs the Department to publish cost saving regulations within 90 days of the law's enactment. Since the law was enacted August 13, the Department needs to publish interim regulations by November 13. For these reasons it is impracticable for the Department to allow an extended comment period. Therefore, only a 30 day comment period will be provided. The Department will provide a longer comment period on the interim rule to allow schools and institutions to submit comments based on operational experience.

Commentors should concentrate on the provisions concerning administrative simplifications, quantity requirements, and crediting requirements. The Department is publishing the other provisions of the meal pattern sections only for the reader's convenience and to reorganize these sections. The extension of offer versus serve to all grades in the school lunch program is required by the Omnibus Reconciliation Act of 1981 and is being implemented in another final regulation. The infant pattern in the school programs has been changed to be consistent with the child care program. The Department is not planning changes in the infant pattern at this time; however, comments received will be kept on file.

The Department recognizes that there may be other cost saving alternatives that it has not considered. Therefore, commentors are encouraged to submit cost saving alternatives to changing meal pattern requirements during the comment period.

Accordingly, Parts 210, 220, and 226 are proposed to be amended as follows:

PART 210—NATIONAL SCHOOL LUNCH PROGRAM

1. In Part 210, § 210.10 is proposed to be revised to read as follows:

§ 210.10 Requirements for lunches.

(a) *General food item requirements.* Lunches shall be prepared to contain five food items: fluid milk or yogurt, a meat or meat alternate, 2 or more vegetables or fruits or both, and a whole-grain or enriched bread or bread alternate. Lunches for infants shall be prepared according to the infant pattern in paragraph (g) of this section.

(b) *Offer versus serve.* Each school shall offer its students all five food items of the lunch. However, senior high students and, when approved by the local School Food Authority, students in any grade level, may decline one or two of the five food items. The student's decision to decline food items shall not affect the charge for the lunch. State and local educational agencies shall define "senior high."

(c) *Quantity requirements.* Lunches shall be prepared based on at least the minimum quantities provided in the following School Lunch Pattern Table and the infant pattern in paragraph (g) of this Section; however, if not inconsistent with State policy, an individual portion served may vary in size according to the student's preference. The total quantity of each food item prepared may be reduced by the total amount of that food item all students are expected to decline under the offer versus serve option. The size of a serving of bread alternates and the conditions governing the use of cheese alternate products and enriched macaroni products with fortified protein are in Appendix A to this Part. If a School Food Authority implements the offer versus serve option in its elementary schools, its lunches, at least for grades 4 and above, shall be prepared to contain 2 ounces of meat or an equivalent amount of meat alternate as provided in the Table for secondary schools.

(d) *Service to preschool children.* With State approval, schools that serve preschool children may divide the service of the specified quantities and food items into two distinct service periods. Schools may divide the quantities or food items between these service periods in any combination.

(e) *Emergency conditions.* If emergency conditions keep a school from being able to serve fluid milk or yogurt, the State agency, or FNSRO where applicable, may approve the service of lunches without fluid milk or yogurt during the emergency period. In the event of a natural disaster FNS may temporarily allow schools to serve lunches for reimbursement that do not meet the requirements of this section.

(f) *Lunches without milk.* If a school cannot secure fluid milk or yogurt on a continuing basis, it may still serve lunches for reimbursement. In these schools the State agency, or FNSRO where applicable, may approve the service of lunches without fluid milk or yogurt if the school uses an equivalent amount of canned, whole dry, or nonfat dry milk in lunch preparation.

(g) *Infant pattern.* Lunches for infants shall be prepared to contain the following food items and quantities. Schools may serve these food items and quantities over a span of time consistent with the infant's eating habits. Schools should introduce solid foods to children age 4 months and older on a gradual basis with the intent of ensuring their nutritional well-being.

(1) *Age 0 to 4 months*—four to six fluid ounces of infant formula.

(2) *Age 4 to 8 months*—six to eight fluid ounces of infant formula; one to two tablespoons of infant cereal; one to two tablespoons of fruit or vegetable of appropriate consistency or a combination of both; zero to one tablespoon of meat, fish, poultry or egg yolk or zero to one-half ounce (weight) of cheese or zero to one ounce (weight or volume) of cottage cheese or cheese food or cheese spread or appropriate consistency.

(3) *Age 8 months to 1 year*—six to eight fluid ounces of infant formula, or six to eight fluid ounces whole fluid milk and zero to three fluid ounces of full-strength fruit juice; three to four tablespoons of fruit or vegetable of appropriate consistency or infant cereal or combinations of these foods; one to four tablespoons of meat, fish, poultry, or egg yolk or one-half to two ounces (weight) of cheese or one to four ounces (weight or volume) of cottage cheese or cheese food or cheese spread of appropriate consistency.

(h) *Substitutions for individual children.* A school may substitute an alternate food for any of the five food items of the lunch if supported by a statement from a recognized medical authority which indicates that the child cannot eat the food item because of a medical or special dietary need. The statement must specify an alternate food or foods.

(i) *Variations for specific schools.* FNS may approve variations in the food items of the lunch on an experimental or on a continuing basis in any school where there is evidence that the variations are nutritionally sound and are necessary to meet ethnic, religious, economic, or physical needs.

(j) *Variations for specific States.* In American Samoa, Puerto Rico, and the Virgin Islands, schools may serve a starchy vegetable, such as yams, plantains, or sweet potatoes, to meet the bread/bread alternate requirement. Schools in the Trust Territory of the Pacific Islands and the Commonwealth of the Northern Mariana Islands may serve lunches which meet the meal pattern specified in these State agencies' written agreements required under § 210.3 in place of the meal pattern of this section.

BILLING CODE 3410-30-M

SCHOOL LUNCH PATTERN TABLE

		Preschool	Elementary[1]	Secondary
Meat or Meat Alternate	Cooked lean meat, poultry or fish	1 oz.	1 1/2 oz.	2 oz.
	Cheese	1 oz.	1 1/2 oz.	2 oz.
	Egg, large	1/2	3/4	1
	Cooked dry beans or peas	1/4 cup	3/8 cup	1/2 cup
	Tofu	1/4 cup	3/8 cup	1/2 cup
	Nuts/seeds, nut/seed butters	1 oz.	1 1/2 oz.	2 oz.
		2 Tbsp.	3 Tbsp.	4 Tbsp.
	Yogurt, plain or flavored	4 oz.	6 oz.	8 oz.
	or an equivalent quantity of any of combination of the above			
Vegetables or fruits	Two or more served separately or combined	1/2 cup	1/2 cup	1/2 cup
Bread or Bread Alternate[2]	Bread	1/2 serving	1 serving	1 serving
	Biscuits, rolls, muffins, etc..	1/2 serving	1 serving	1 serving
	Cold dry cereal[3]	1/3 cup or 1/2 oz.	3/4 cup or 1 oz.	3/4 cup or 1 oz.
	Cooked cereal, cereal grains, pasta, or noodle products	1/4 cup	1/2 cup	1/2 cup
	or an equivalent quantity of any combination of the above			
Milk	Fluid Milk	4 oz.	6 oz.	8 oz.
	Yogurt, plain or flavored	4 oz.	6 oz.	8 oz.

[1] If a School Food Authority implements offer versus serve in its elementary schools, lunches, at least for grades 4 and above, shall be prepared to contain 2 ounces of meat or an equivalent amount of meat alternate.

[2] Bread, biscuits, pasta, or noodle products, and cereal grains shall be whole-grain or enriched; cereal shall be whole-grain, enriched, or fortified.

[3] Either volume (cup) or weight (oz.), whichever is less.

BILLING CODE 3410-30-C

PART 220: SCHOOL BREAKFAST PROGRAM

2. In Part 220, § 220.8 is proposed to be revised as follows:

§ 220.8 Requirements for breakfast.

(a) *General food item requirements.* Except as provided in Appendix A, breakfasts shall contain three food items: fluid milk or yogurt, one or more vegetable or fruits, and a whole-grain or enriched bread or bread alternate. Schools are encouraged to serve meat or meat alternates as part of the breakfast as often as possible. Breakfasts for infants shall be prepared according to the infant pattern in paragraph (e) of this section.

(b) *Quantity requirements.* Except as provided in Appendix A to this Part, breakfasts shall be prepared based on at least the minimum quantities provided in the following School Breakfast Pattern Table and the infant pattern in paragraph (e) of this section; however, if not inconsistent with State policy, an individual portion served may vary in size according to the student's preference. The size of a serving of bread and bread alternates are in Appendix A to this Part.

(c) *Emergency conditions.* If emergency conditions keep a school from being able to serve fluid milk or yogurt, the State agency, or FNSRO where applicable may approve the service of breakfasts without fluid milk or yogurt during the emergency period. In the event of a natural disaster FNS may temporarily allow schools to serve breakfasts for reimbursement that do not meet the requirements of this section.

(d) *Breakfasts without milk.* If a school cannot secure fluid milk or yogurt on a continuing basis, it may still serve breakfasts for reimbursement. In these schools the State agency, or FNSRO where applicable, may approve the service of breakfasts without fluid milk or yogurt if the school uses an equivalent amount of canned, whole dry, or nonfat dry milk in breakfast preparation.

(e) *Infant pattern.* Breakfasts for infants shall be prepared to contain the following food items and quantities. Schools may serve these food items and quantities over a span of time consistent with the infant's eating habits. Schools should introduce solid foods to children age 4 months and older on a gradual basis with the intent of ensuring their nutritional well-being.

(1) *Age 0 to 4 months*—four to six fluid ounces of infant formula.

(2) *Age 4 to 8 months*—six to eight fluid ounces of infant formula; one to three tablespoons of infant cereal.

(3) *Age 8 months to 1 year*—six to eight fluid ounces of infant formula, or six to eight fluid ounces whole fluid milk and zero to three fluid ounces of full-strength fruit juice; two to four tablespoons of infant cereal.

(f) *Substitutions for individual children.* A school may substitute an alternate food for any of the three food items of the breakfast if supported by a statement from a recognized medical authority which indicates that the child cannot eat the food item because of a medical or special dietary need. The statement must specify an alternate food or foods.

(g) *Variations for specific schools.* FNS may approve variations in the food items of the breakfast on an experimental or on a continuing basis in any school where there is evidence that the variations are nutritionally sound and are necessary to meet ethnic, religious, economic, or physical needs.

(h) *Variations for specific States.* In American Samoa, Puerto Rico, and the Virgin Islands, schools may serve a starchy vegetable, such as yams, plantains, or sweet potatoes, to meet the bread/bread alternate requirement. Schools in the Trust Territory of the Pacific Islands and the Commonwealth of the Northern Mariana Islands may serve breakfasts which meet the meal pattern specified in these State agencies' written agreements required under § 220.3 in place of the meal pattern of this section.

BILLING CODE 3410-30-M

SCHOOL BREAKFAST PATTERN TABLE

		Preschool	Elementary	Secondary
Milk	Fluid, Milk	4 oz.	6 oz.	8 oz.
	Yogurt, plain or flavored	4 oz.	6 oz.	8 oz.
Vegetables or Fruits		1/2 cup	1/2 cup	1/2 cup
Bread or Bread Alternate[1]	Bread	1/2 serving	1 serving	1 serving
	Biscuits, rolls, muffins, etc.	1/2 serving	1 serving	1 serving
	Cold dry cereal[2]	1/3 cup or 1/2 oz	3/4 cup or 1 oz	3/4 cup or 1 oz
	Cooked cereal, cereal grains, pasta, or noodle products or an equivalent quantity of any combination of the above	1/4 cup	1/2 cup	1/2 cup

[1] Bread, biscuits, pasta or noodle products, and cereal grains shall be whole-grain or enriched; cereal shall be whole-grain, enriched, or fortified.

[2] Either volume (cup) or weight (oz.), whichever is less.

BILLING CODE 3410-30-C

PART 226—CHILD CARE FOOD PROGRAM

3. In Parts 226, paragraphs (a)–(i) of § 226.20 are proposed to be revised to read as follows:

§226.20 Requirements for meals.

(a) General food item requirements.—(1) *Meals for infants.* Meals for infants shall be prepared according to the infant pattern in paragraph (f) of this section.

(2) *Breakfast.* Breakfast shall contain three food items: fluid milk or yogurt, one or more fruits or vegetables, and a whole grain or enriched bread or bread alternate. Institutions and facilities are encouraged to serve meat or meat alternates as part of the breakfast as often as possible.

(3) *Lunch or Supper.* Lunches or suppers shall contain five food items: fuild milk or yogurt, a meat or meat alternate, 2 or more fruits or vegetables or both, and a whole-grain or enriched bread or bread alternate.

(4) *Supplements.* Supplements shall include at least two of the following four food items: fluid milk or yogurt, meat or meat alternate, one or more fruits or vegetables, and a whole-grain or enriched bread or bread alternate. An institution or facility shall not serve a fruit or vegetable juice when it serves milk as the only other supplemental food.

(b) *Quantity requirements.* Breakfasts, lunches, suppers, or supplements shall be prepared based on at least the minimum quantities provided in the appropriate table of this section, Child Care Breakfast Pattern, Child Care Lunch or Supper Pattern, or Child Care Supplement Pattern, and the infant pattern in paragraph (f) of this section; however, if not inconsistent with State policy, an individual portion served may vary in size according to the child's preference. The size of a serving of bread and bread alternates are in Appendix A to this Part.

(c) *Emergency conditions.* If emergency conditions keep an institution or facility from being able to serve fluid milk or yogurt, the State agency, or FNSRO where applicable, may approve the service of breakfasts, lunches or suppers without fluid milk or yogurt during the emergency period. In the event of a natural disaster FNS may temporarily allow institutions and facilities to serve meals for reimbursement that do not meet the requirements of this Section.

(d) *Meals without milk.* If an institution or facility cannot secure fluid milk or yogurt on a continuing basis, it may still serve breakfasts, lunches or suppers for reimbursement. In these institutions or facilities the State agency, or FNSRO where applicable, may approve the service of breakfasts, lunches, or suppers without fluid milk or yogurt if the institution or facility uses an equivalent amount of canned, whole dry, or nonfat dry milk in meal preparation.

(e) *Infant pattern.* Meals and supplements for infants shall be prepared to contain the following food items and quantities. Institutions and facilities may serve these food items and quantities over a span of time consistent with the infant's eating habits. Institutions and facilities should introduce solid foods to children age 4 months and older on a gradual basis with the intent of ensuring their nutritional well-being.

(1) *Age 0 to 4 months*

(i) Breakfast—four to six fluid ounces of infant formula.

(ii) Lunch or supper—four to six fluid ounces of infant formula.

(iii) Supplements—four to six fluid ounces of infant formula.

(2) *Age 4 to 8 months*

(i) Breakfast—six to eight fluid ounces of infant formula; one to three tablespoons of infant cereal.

(ii) Lunch or supper—six to eight fluid ounces of infant formula; one to two tablespoons of infant cereal; one to two tablespoons of fruit or vegetable of appropriate consistency or a combination of both; zero to one tablespoon of meat, fish, poultry or egg yolk or zero to one-half ounce (weight) of cheese or zero to one ounce (weight or volume) of cottage cheese or cheese food or cheese spread of appropriate consistency.

(iii) Supplements—two to four fluid ounces of infant formula or full-strength fruit juice; zero to one-fourth slice of crusty bread or zero to two cracker type products made from whole-grain or enriched meal or flour that are suitable for an infant for use as a finger food when appropriate.

(3) *Age 8 Months to 1 year*

(i) Breakfast—six to eight fluid ounces of infant formula, or six to eight fluid ounces whole fluid milk and zero to three fluid ounces of full-strength fruit juice; two to four tablespoons infant cereal.

(ii) Lunch or supper—six to eight fluid ounces of infant formula, or six to eight fluid ounces whole fluid milk, and zero to three fluid ounces of full-strength fruit juice; three to four tablespoons of fruit or vegetable of appropriate consistency or infant cereal or combinations of these foods; one to four tablespoons of meat, fish, poultry, or egg yolk or one-half to two ounces (weight) of cheese or one to four ounces (weight or volume) of cottage cheese or cheese food or cheese spread of appropriate consistency.

(iii) Supplements—two to four fluid ounces of infant formula or whole fluid milk or full-strength fruit juice; zero to one-fourth slice of crusty bread or zero to two cracker type products made from wholegrain or enriched meal or flour that are suitable for an infant for use as a finger food when appropriate.

(f) *Substitutions for individual children.* An institution may substitute an alternate food for any of the food items of a meal if supported by a statement from a recognized medical authority that says that the child cannot eat the food item because of a medical or special dietary need. The statement must specify as alternate food or foods.

(g) *Variations for specific institutions.* FNS may approve variations in the food items of a meal on an experimental or on a continuing basis in any institution or facility where there is evidence that the variations are nutritionally sound and are necessary to ethnic, religious, economic, or physical needs.

(h) *Variations for specific States.* In American Samoa, Puerto Rico, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Marine Islands, institutions or facilities may serve a starchy vegetable, such as yams, plantains, or sweet potatoes, to meet the bread/bread alternate requirement. Institutions or facilities in the Trust Territory of the Pacific Islands and the Commonwealth of the Northern Mariana Islands may also serve breakfasts, lunches, or suppers which meet the meal patterns specified in these State agencies' written agreements required under § 210.3 and § 220.3 of this chapter in place of the meal patterns of this section.

BILLING CODE 3410-30-M

CHILD CARE BREAKFAST PATTERN TABLE

		Preschool	Elementary[3]
Milk	Fluid, Milk Yogurt, plain or flavored	4 oz. 4 oz.	6 oz. 6 oz.
Vegetable and/or Fruit		1/2 cup	1/2 cup
Bread and Bread Alternate[1]	Bread Biscuits, rolls, muffins, etc. Cold dry cereal[2] Cooked cereal, cereal grains, pasta, or noodle products or an equivalent quantity of any combination of the above.	1/2 serving 1/2 serving 1/3 cup or 1/2 oz. 1/4 cup	1 serving 1 serving 3/4 cup or 1 oz. 1/2 cup

[1] Bread, biscuits, pasta or noodle products, and cereal grain shall be whole-grain or enriched; cereal shall be whole-grain, enriched, or fortified.

[2] Either volume (cup) or weight (oz.), whichever is less.

[3] If children older than age 12 are served, they should be served larger portions.

CHILD CARE LUNCH/SUPPER PATTERN TABLE

		Preschool	Elementary[3]
Meat or Meat Alternate	Cooked lean meat, poultry or fish	1 oz.	1 1/2 oz.
	Cheese	1 oz.	1 1/2 oz.
	Egg, large	1/2	3/4
	Cooked dry beans or peas	1/4 cup	3/8 cup
	Tofu	1/4 cup	3/8 cup
	Nuts/seeds,	1 oz.	1 1/2 oz.
	nut/seed butters	2 Tbsp.	3 Tbsp.
	Yogurt, plain or flavored	4 oz.	6 oz.
	or		
	an equivalent quantity of any combination of the above		
Vegetables or fruits	Two or more served separately or combined	1/2 cup	1/2 cup
Bread or Bread Alternate[1]	Bread	1/2 serving	1 serving
	Biscuits, rolls, muffins, etc.	1/2 serving	1 serving
	Cold dry cereal[2]	1/3 cup or 1/2 oz.	3/4 cup or 1 oz.
	Cooked cereal, cereal grains, pasta, or noodle products	1/4 cup	1/2 cup
	or		
	an equivalent quantity of any combination of the above.		
Milk	Fluid Milk	4 oz.	6 oz.
	Yogurt, plain or flavored	4 oz.	6 oz.

[1] Bread, biscuits, pasta or noodle products, and cereal grains shall be whole-grain or enriched; cereal shall be whole-grain, enriched, or fortified.

[2] Either volume (cup) or weight (oz.), whichever is less.

[3] If children older than 12 are served, they should be served larger portions.

SUPPLEMENT PATTERN TABLE

Select two out of the following four food items:		Preschool	Elementary*
Meat or Meat Alternate	Cooked lean meat, poultry, fish	1/2 oz.	1 oz.
	Cheese	1/2 oz.	1 oz.
	Egg, large	1/4	1/2
	Cooked dry beans or peas	1/8 cup	1/4 cup
	Tofu	1/8 cup	1/4 cup
	Nuts/seeds,	1/2 oz.	1 oz.
	nut/seed butters	1 Tbsp.	2 Tbsp.
	Yogurt, plain or flavored	2 oz.	4 oz.
	or		
	equivalent quantity of any combination of the above		
Vegetable or Fruit		1/4 cup	1/2 cup
Bread or Bread Alternate	Bread	1/2 serving	1 serving
	Biscuits, rolls, muffins, etc.	1/2 serving	1 serving
	Cold dry cereal	1/3 cup or 1/2 oz.	3/4 cup or 1 oz.
	Cooked cereal, cereal grains,		
	pasta, or noodle products	1/4 cup	1/2 cup
	or		
	an equivalent quantity of any combination of the above		
Milk	Fluid milk	4 oz.	6 oz.
	Yogurt, plain or flavored	4 oz.	6 oz.

*If children older than age 12 are served they should be served larger portions.

BILLING CODE 3410-30-C

4. In Parts 210, and 220 a new section is added to the end of Appendix A to read as follows:

Appendix A—Alternate Foods for Meals

* * * * *

Bread and Bread Alternates

To meet meal pattern requirements, a wide variety of foods listed below may contribute to the bread/bread alternate requirement. The lists are not intended to be all inclusive.

1. Schools may use a food as a bread/bread alternate if it is or contains whole-grain or enriched flour or meal, or whole-grain, enriched or fortified cereal as the primary ingredient by weight.

2. The serving size of a bread or bread alternate depends on its moisture content, nutrients, and grain content of approximately 18 grams. There are five groups of bread/bread alternates. The required grain content is the basis for determining the minimum weight of a serving for each group.

Group A—Breads and Rolls: 1 serving = 25 grams (0.9 oz): Bagels, Biscuits, Cobbler Crust, Corn Bread, Cracked Wheat Bread, English Muffins, French or Vienna Bread, "Fry Bread", Italian Bread, Muffins, Pie and Turnover crust, Pizza Crust, Pretzels (soft), Pumpernickel, Raisin Bread, Rolls, Rye Bread, Stuffing, Bread (weights apply to the bread in the stuffing), Syrian Bread (flat), Tortillas, White Bread, Whole Wheat Bread.

Group B—Crackers and Low Moisture Breads: 1 serving = 20 grams (0.7 oz): Bread Sticks (dry), Chips (corn, wheat, or other grains), Graham Crackers, Melba Toast, Pretzels (hard), Rye Wafers, Saltine Crackers, Soda Crackers, Taco Shells, Zwieback.

Group C—High Moisture Breads, Cookies, Cakes and Specialty Items: 1 serving = 35 grams (1.3 oz): Cakes, Cookies, Corn Dog Batter, Boston Brown Bread, Doughnuts, Dumplings, Hush Puppies, Pancakes, Sopaipillas, Spoonbread, Waffles, Fruit/Vegetable/Nut Breads (applesauce, carrot, banana, etc).

Group D—Pasta, Cereal Grains, and Cooked Cereals: 1 serving = ½ cup: Bulgur, Corn Grits, Corn Meal, Farina, Lasagna Noodles, Macaroni, Noodles (egg), Rice, Rolled Oats, Rolled Wheat, Spaghetti.

Group E—Dry Cereals: 1 serving = ¾ cup or 1 ounce, whichever is less: Dry cereals—puffed, flaked, shredded, etc., Granola.

5. In Part 226, the existing Appendix is deleted and a new Appendix A is added to read as follows:

Appendix A—Alternate Foods for Meals

Bread and Bread Alternates

To meet meal pattern requirements, a wide variety of foods listed below may contribute to the bread/bread alternate requirement. The lists are not intended to be all inclusive.

1. Schools may use a food as a bread/bread alternate if it is or contains whole-grain or enriched flour or meal, or whole-grain, enriched or fortified cereal as the primary ingredient by weight.

2. The serving size of a bread or bread alternate depends on its moisture content, nutrients, and grain content of approximately 18 grams. There are five groups of bread/bread alternates. The required grain content is the basis for determining the minimum weight of a serving for each group.

GroupA—Breads and Rolls: 1 Serving = 25 grams (0.9 oz): Bagels, Biscuits, Cobbler Crust, Corn Bread, Cracked Wheat Bread, English Muffins, French or Vienna Bread, "Fry Bread", Italian Bread, Muffins, Pie and Turnover Crust, Pizza Crust, Pretzels (soft), Pumpernickel, Raisin Bread, Rolls, Rye Bread, Stuffing, Bread (weights apply to the bread in the stuffing), Syrian Bread (flat), Tortillas, White Bread, Whole Wheat Bread.

Group B—Crackers and Low Moisture Breads: 1 serving = 20 grams (0.7 oz): Bread Sticks (dry); Chips (corn, wheat, or other grains), Graham Crackers, Melba Toast, Pretzels (hard), Rye Wafers, Saltine Crackers, Soda Crackers, Taco Shells, Zwieback.

Group C—High Moisture Breads, Cookies, Cakes and Specialty Items: 1 serving = 35 grams (1.3 oz): Cakes, Cookies, Corn Dog Batter, Boston Brown Bread, Doughnuts, Dumplings, Hush Puppies, Pancakes, Sopaipillas, Spoonbread, Waffles, Fruit/Vegetable/Nut Breads (applesauce, carrot, banana, etc.).

Group D—Pasta, Cereal Grains, and Cooked Cereals: 1 serving = ½ cup: Bulgur, Corn Grits, Corn Meal, Farina, Lasagna Noodles, Macaroni, Noodles (egg), Rice, Rolled Oats, Rolled Wheat, Spaghetti.

Group E—Dry Cereals: 1 serving = ¾ cup or 1 ounce, whichever is less: Dry cereals—puffed, flaked, shredded, etc., Granola.

(Section 19 of the National School Lunch Act; Section 10 of the Child Nutrition Act of 1966; the Omnibus Reconciliation Act of 1981 (Pub. L. 97-35))

Signed in Washington, D.C. on September 1, 1981.

Mary C. Jarratt,

Assistant Secretary for Food and Consumer Services.

[FR Doc. 81-25955 Filed 9-3-81; 8:45 am]

BILLING CODE 3410-30-M

Rural Electrification Administration

7 CFR Part 1701

Public Information; Appendix A—REA Bulletins Specification for Low-Loss Buried Distribution Wire, PE-44, Bulletin 345-42 and Specification for Plastic-Insulated Line Wire, PE-21, Bulletin 345-17

AGENCY: Rural Electrification Administration, Agriculture.

ACTION: Proposed rule.

SUMMARY: REA proposes to amend Appendix A by withdrawing Bulletin 345-42, Specification for Low-Loss Buried Distribution Wire, PE-44, and Bulletin 345-17, Specification for Plastic-Insulated Line Wire, PE-21. A survey of REA borrowers and manufacturers indicated that these products are no longer being produced or used in rural telephony. Withdrawal of these specifications will, therefore, have no impact on the private sector and will enable the government to save printing and handling costs associated with the documents.

DATE: Public comments must be received by REA no later than Noember 3, 1981.

ADDRESS: Submit written comments to Joseph M. Flanigan, Director, Telecommunications Engineering and Standards Division, Rural Electrification Administration, Room 1355, South Building, U.S. Department of Agriculture, Washington, D.C. 20250.

FOR FURTHER INFORMATION CONTACT: Harry M. Hutson, Chief, Outside Plant Branch, Telecommunications Engineering and Standards Division, Rural Electrification Administration, Room 1342, South Building, U.S. Department of Agriculture, Washington, D.C. 20250, telephone (202) 447-3827. The Draft Regulatory Impact Analyses describing the options considered in developing this proposed rule and the impact of implementing each option are available on request from the above office.

SUPPLEMENTARY INFORMATION: Pursuant to the Rural Electrification Act, as amended (7 U.S.C. 901 et seq.), REA proposes to amend Appendix A by withdrawing Bulletin 345-42, Specification for Low-Loss Buried Distribution Wire, PE-44, and Bulletin 345-17, Specification for Plastic-Insulated Line Wire, PE-21. This proposed action has been issued in conformance with Executive Order 12291, Federal Regulation, and has been determined to be "not major." A Regulatory Flexibility Analysis is not required, and an OMB Circular A-95 review is not applicable to this action.

A survey of borrowers and manufacturers indicated that neither of these products was currently being produced by manufacturers or in use on the systems of REA borrowers. As other existing materials are filling the borrowers' needs, it was felt that withdrawal of the specifications was best for all concerned.

Maintaining existing specifications was considered, however, as material is not manufactured or used in accordance with these documents so that this would be a useless proliferation of paperwork. Revising the documents to force manufacturers to develop innovative and useful products was also considered. Insofar as borrowers' needs are being met with existing products, and the marketplace will force the