



DATE: July 1, 2020

TO: School Food Authority Administrators

FROM: Christine Emerson, Director
School Nutrition Programs

SUBJECT: Paid Lunch Equity: Exemption for School Year 2020-21

In Section 747 of Division B of the Further Consolidated Appropriations Act, 2020 (P.L. 116-94) (the Appropriations Act), enacted on December 20, 2019, Congress provides that only school food authorities (SFAs) that had a negative balance in the nonprofit school food service account as of December 31, 2019, shall be required to establish prices for paid lunches according to the Paid Lunch Equity (PLE) provisions in Section 12(p) of the Richard B. Russell National School Lunch Act, 42 U.S.C. 1760(p) and implemented in National School Lunch Program regulations at 7 CFR 210.14(e).

Consistent with the terms of the Appropriations Act, this memorandum provides notice that any SFA with a positive or zero balance in its nonprofit school food service account as of December 31, 2019, is exempt from PLE pricing requirements found at 7 CFR 210.14(e) for school year (SY) 2019-20.

The Appropriations Act affects one school year only. SFAs that are using the PLE exemption for SY 2020-21 [are posted here](#). The State agency maintains financial documentation for each SFA implementing the exemption that had a positive or zero balance in the nonprofit school food service account as of December 31, 2019.

SFAs still maintain the discretion to complete the steps necessary to determine their target SY 2020-21 paid lunch price, consistent with Program regulations at 7 CFR 210.14(e), and adjust their paid meal prices accordingly. The SY 2020-21 PLE tool and instructions [may be found here](#).

If you have questions, please contact School Nutrition Programs at (406) 444-2501.