

establishes that the grant of the license would not be consistent with the requirements of 35 U.S.C. 209 and 37 CFR 404.7.

**R.M. Parry, Jr.,**

*Assistant Administrator.*

[FR Doc. 95-16473 Filed 7-5-95; 8:45 am]

BILLING CODE 3410-03-M

## Food and Consumer Service

### Food Distribution Program; Value of Donated Foods from July 1, 1995 to June 30, 1996

**AGENCY:** Food and Consumer Service, USDA.

**ACTION:** Notice.

**SUMMARY:** This notice announces the value of donated foods or, where applicable, cash in lieu thereof to be provided in the 1996 school year for each lunch served by schools participating in the National School Lunch Program (NSLP) or by commodity schools and for each lunch and supper served by institutions participating in the Child and Adult Care Food Program.

**EFFECTIVE DATE:** July 1, 1995.

**FOR FURTHER INFORMATION CONTACT:**

David R. Seger, Section Head, Institutional Programs Section, Policy and Program Development Branch, Food Distribution Division, Food and Consumer Service, U.S. Department of Agriculture, 3101 Park Center Drive, Alexandria, Virginia 22302-1594 or telephone (703) 305-2660.

**SUPPLEMENTARY INFORMATION:**

#### Classification

These programs are listed in the Catalog of Federal Domestic Assistance under Nos. 10.550, 10.555, and 10.558 and are subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, subpart V, and final rule related notice published at 48 FR 29114, June 24, 1983.)

This notice imposes no new reporting or recordkeeping provisions that are subject to Office of Management and Budget review in accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. 3507). This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601-612) and thus is exempt from the provisions of that Act. This notice has been determined to be exempt under Executive Order 12866.

### National Average Minimum Value of Donated Foods for the Period July 1, 1995 Through June 30, 1996

This notice implements mandatory provisions of sections 6(e), 14(f) and 17(h)(1) of the National School Lunch Act (the Act) (42 U.S.C. 1755(e), 1762a(f), and 1766(h)(1)). Section 6(e)(1)(A) of the Act establishes the national average value of donated food assistance to be given to States for each lunch served in NSLP at 11.00 cents per meal. Pursuant to section 6(e)(1)(B), this amount is subject to annual adjustments as of July 1 of each year to reflect changes in the Price Index for Food Used in Schools and Institutions. Section 17(h)(1) of the Act provides that the same value of assistance in donated foods for school lunches shall also be established for lunches and suppers served in the Child and Adult Care Food Program. Notice is hereby given that the national average minimum value of donated foods, or cash in lieu thereof, per lunch under NSLP (7 CFR part 210) and per lunch and supper under the Child and Adult Care Food Program (7 CFR part 226) shall be 14.25 cents for the period July 1, 1995 through June 30, 1996.

The Price Index for Food Used in Schools and Institutions is computed on the basis of five major food components in the Bureau of Labor Statistics' Producer Price Index (cereal and bakery products; meats, poultry and fish; dairy products; processed fruits and vegetables; and fats and oils). Each component is assigned a proportional value using the appropriate relative weight as determined by the Bureau of Labor Statistics. The value of food assistance is adjusted each July 1 by the annual percentage change in a three-month simple average value of this Price Index for March, April and May. The three-month average of the Price Index decreased by 2.00 percent from 126.83 for March, April and May of 1994 to 124.29 for the same three months in 1995. When computed on the basis of unrounded data and rounded to the nearest one-quarter cent, the resulting national average for the period July 1, 1995 through June 30, 1996 will be 14.25 cents per meal. This is a decrease of 0.25 cents from the school year 1995 rate.

Section 14(f) of the Act provides that commodity schools shall be eligible to receive donated foods equal in value to the sum of the national average value of donated foods established under section 6(e) of the Act and the national average payment established under section 4 of the Act (42 U.S.C. 1753). Such schools are eligible to receive up to 5 cents of

this value in cash for processing and handling expenses related to the use of such foods.

Commodity schools are defined in section 12(d)(7) of the Act (42 U.S.C. 1760(d)(7)) as "schools that do not participate in the school lunch program under this Act, but which receive commodities made available by the Secretary for use by such schools in nonprofit lunch programs."

For the 1996 school year, commodity schools shall be eligible to receive donated food assistance valued at 31.50 cents for each lunch served. This amount is based on the sum of the section 6(e) level of assistance announced in this notice and the adjusted section 4 minimum national average payment factor for school year 1996. The section 4 factor for commodity schools does not include the two cents per lunch increase for schools where 60 percent of the lunches were served in the second preceding year free or at reduced prices, since that increase is applicable only to schools participating in the National School Lunch Program. While the level of section 6(e) assistance has decreased, an equal increase has occurred in the section 4 payment factor, thus leaving the per meal assistance level for commodity schools unchanged from the previous year.

Prior to school year 1995, the 6(e) level of assistance and the assistance level for commodity schools, which includes 6(e) support, were final rates not subject to adjustment. However, Section 103 of the Healthy Meals for Healthy Americans Act of 1994, (Public Law 103-448), which became effective October 1, 1994, amended section 6 of the National School Lunch Act by adding a new paragraph (g), which mandates that not less than 12 percent of the assistance provided under sections 4, 6, and 11 of the Act be in the form of commodity assistance, including cash in lieu of commodities and administrative costs for commodity procurement of commodities under section 6. In school year 1995, the announced rate generated commodity assistance at a level that exceeded the 12-percent mandate. In the event that the rate of \$.1425 announced in this Notice fails to meet the 12-percent requirement, the rate will be retroactively adjusted upward, and the additional commodities will be delivered to States during the first quarter of the next school year.