

89TH CONGRESS
2D SESSION

H. R. 13361

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 1966

Mr. COOLEY introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To establish a cooperative Federal-State child nutrition program under the direction of the Department of Agriculture.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That this Act may be cited as the "Child Nutrition Act of
- 4 1966".

DECLARATION OF PURPOSE

- 5
- 6 SEC. 2. In recognition of the demonstrated relationship
- 7 between food and good nutrition and the capacity of children
- 8 to develop and learn, based on the years of cumulative suc-
- 9 cessful experience under the national school lunch program
- 10 with its significant contributions in the field of applied nutri-
- 11 tion research, it is hereby declared to be the policy of Con-

1 gress that these efforts shall be extended, expanded, and
 2 strengthened as a measure to safeguard the health and well-
 3 being of the Nation's children, with special effort directed
 4 toward improving the nutrition of children from low-income
 5 families, and to encourage the domestic consumption of agri-
 6 cultural and other foods, by assisting States, through grants-
 7 in-aid and other means, to meet more effectively the nutri-
 8 tional needs of our children.

9 **TITLE I—NATIONAL SCHOOL LUNCH AND CHILD**
 10 **—NUTRITION PROGRAM**

11 **AUTHORIZATION**

12 **SEC. 101.** The Secretary shall formulate and carry out
 13 a national school lunch and child nutrition program to
 14 assist States, through grants-in-aid and other means, to
 15 establish, maintain, and expand nonprofit school food service
 16 programs for children.

17 **APPORTIONMENTS TO STATES**

18 **SEC. 102.** (a) The Secretary shall apportion among the
 19 States during each fiscal year not less than 75 per centum
 20 of the funds appropriated for the purposes of this title,
 21 excluding section 107, for such year for obtaining agricul-
 22 tural and other foods. Apportionment among the States
 23 shall be made on the basis of two factors: (1) the partici-
 24 pation rate for the State, and (2) the assistance need rate
 25 for the State. The amount of apportionment to any State

1 shall be determined by the following method: First, deter-
 2 mine an index for the State by multiplying factors (1) and
 3 (2); second, divide this index by the sum of the indexes
 4 for all the States; and third, apply the figure thus obtained
 5 to the total funds to be apportioned. If any State cannot
 6 utilize all funds so apportioned to it, or if additional funds
 7 are made available for apportionment under this section
 8 among the States, the Secretary shall make further apportion-
 9 ments to the remaining States in the same manner. Not-
 10 withstanding the foregoing provisions of this section, for the
 11 fiscal year beginning July 1, 1966, the amount apportioned
 12 to American Samoa shall be \$25,000, which amount shall
 13 be first deducted from the funds available for apportionment
 14 in determining the amounts to be apportioned to the other
 15 States.

16 (b) Funds apportioned to any State under section 102
 17 for any fiscal year shall be available for payment to such
 18 State for disbursement by the State educational agency, for
 19 the purpose of assisting schools in that State in obtaining
 20 agricultural and other foods for consumption by children
 21 during such fiscal year. Payments to any State of funds
 22 so apportioned in any fiscal year shall be made upon condi-
 23 tion that each dollar will be matched by three dollars from
 24 sources within the State determined by the Secretary to
 25 have been expended in connection with the program under

1 this title. In the case of any State whose per capita income
 2 is less than the per capita income of the United States, the
 3 matching required for any fiscal year shall be decreased by
 4 the percentage which the State per capita income is below
 5 the per capita income of the United States. For the pur-
 6 pose of determining whether the matching requirements of
 7 this section and section 106, respectively, have been met,
 8 the reasonable value of donated services, supplies, facilities,
 9 and equipment as certified, respectively, by the State educa-
 10 tional agency and, in case of schools receiving funds pur-
 11 suant to section 106, by such schools (but not the cost or
 12 value of land, or of the acquisition, construction, or altera-
 13 tion of buildings or of commodities donated by the Secre-
 14 tary, or of Federal contributions), may be regarded as
 15 funds from sources within the State expended in connection
 16 with the program under this title.

17 DIRECT FEDERAL EXPENDITURES

18 SEC. 103. The funds appropriated for any fiscal year
 19 for carrying out the provisions of this title, excluding section
 20 107, less not to exceed $3\frac{1}{2}$ per centum thereof hereby made
 21 available to the Secretary for his administrative expenses
 22 under this Act, less the amount apportioned by him pursu-
 23 ant to sections 102 and 106, shall be available to the Secre-
 24 tary during such year for direct expenditure by him for agri-
 25 cultural and other foods to be distributed among the States

1 and schools participating in the program under this title
 2 in accordance with the needs as determined by the local
 3 school authorities. The provisions of law contained in the
 4 proviso of the Act of June 28, 1937 (50 Stat. 323), facili-
 5 tating operations with respect to the purchase and disposi-
 6 tion of surplus agricultural commodities under section 32 of
 7 the Act approved August 24, 1935 (49 Stat. 774), as
 8 amended, shall to the extent not inconsistent with the pro-
 9 visions of this title, also be applicable to expenditures of
 10 funds by the Secretary under this title.

11 STATE DISBURSEMENT TO SCHOOLS

12 SEC. 104. Funds apportioned under section 102 and
 13 paid to any State shall be disbursed by the State educational
 14 agency to those schools in the State which the State educa-
 15 tional agency, taking into account need and attendance, de-
 16 termines are eligible to participate in the program under this
 17 title. Disbursement to any school shall be made only for the
 18 purpose of reimbursing it for the cost of obtaining agri-
 19 cultural and other foods for consumption by children in the
 20 program. Such food costs may include, in addition to the
 21 purchase price of agricultural and other foods, the cost of
 22 processing, distributing, transporting, storing, and handling.
 23 In no event shall such disbursement for food to any school for
 24 any fiscal year exceed an amount determined by multiplying
 25 the number of lunches served in the school in the program

1 under this title during such year by the maximum Federal
 2 food-cost distribution rate for the State, for the type of lunch
 3 served, as prescribed by the Secretary for schools other than
 4 those receiving special assistance under section 107.

5 NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

6 SEC. 105. Lunches served by schools participating in the
 7 program under this title shall consist of a combination of
 8 foods and shall meet minimum nutritional requirements pre-
 9 scribed by the Secretary on the basis of tested nutritional
 10 research. Such meals shall be served without cost or at a
 11 reduced cost to children who are determined by local school
 12 authorities to be unable to pay the full cost of the lunch.
 13 In making such determinations, such local authorities should,
 14 to the extent practicable, consult with public welfare and
 15 health agencies. No physical segregation of or other dis-
 16 crimination against any child shall be made by the school
 17 because of his inability to pay.

18 NONPROFIT PRIVATE SCHOOLS

19 SEC. 106. If in any State the State educational agency
 20 is not permitted by law to disburse the funds paid to it under
 21 this title to nonprofit private schools in the State, or is not
 22 permitted by law to match Federal funds made available for
 23 use by such nonprofit private schools, the Secretary shall
 24 withhold from the funds apportioned to any such State under
 25 section 102 of this title an amount which bears the same

1 ratio to such funds as the number of lunches, consisting of a
 2 combination of foods and meeting the minimum requirements
 3 prescribed by the Secretary pursuant to section 105, served
 4 in the preceding fiscal year by all nonprofit private schools
 5 participating in the program under this title within the State,
 6 as determined by the Secretary, bears to the participation
 7 rate for the State. The Secretary shall disburse the funds
 8 so withheld directly to the nonprofit private schools within
 9 such State for the same purposes and subject to the same
 10 conditions as are required of a State educational agency dis-
 11 bursing funds made available under section 102 of this title,
 12 including the requirement that any such payment or pay-
 13 ments shall be matched, in the proportion specified in section
 14 102 (b) of this title for such State, by funds from sources
 15 within the State expended by nonprofit private schools within
 16 the State participating in the program under this title. Such
 17 funds shall not be considered a part of the funds constituting
 18 the matching funds under section 102 (b) of this title.

19 SPECIAL ASSISTANCE

20 SEC. 107. (a) The Secretary shall, with funds ap-
 21 propriated for special assistance under this section, provide
 22 such assistance to schools drawing attendance from areas in
 23 which poor economic conditions exist, for the purpose of help-
 24 ing such schools meet the requirements of section 105 of this

1 title with respect to the service of lunches to children unable
2 to pay the full cost of such lunches.

3 (b) Of the sums available for the purposes of this sec-
4 tion for any fiscal year, 3 per centum shall be available for
5 apportionment to Puerto Rico, the Virgin Islands, Guam,
6 and American Samoa. Of the funds available for such
7 States, the Secretary shall apportion to each such State an
8 amount which bears the same ratio to the total of such funds
9 as the number of free or reduced-price lunches served in
10 accordance with section 105 of this title in such State in
11 the preceding fiscal year bears to the total number of such
12 free or reduced-price lunches served in all such States in
13 the preceding fiscal year: *Provided*, That for the fiscal year
14 ending June 30, 1967, \$5,000 shall be apportioned to
15 American Samoa, which amount shall be first deducted from
16 the total amount available for apportionment under this sub-
17 section. If any such State cannot utilize all of the funds
18 apportioned to it for the purpose of this section the Secretary
19 shall make further apportionment, on the same basis as the
20 initial apportionment, to any of the other such States which
21 justify the need for additional funds for such purpose.

22 (c) Of the remaining sums appropriated for the pur-
23 poses of this section for any fiscal year, not less than 50 per
24 centum shall be apportioned among States, other than
25 Puerto Rico, the Virgin Islands, Guam, and American

1 Samoa, on the basis of the following factors for each State:
2 (1) the number of free or reduced-price lunches served in
3 accordance with section 105 of this title in the preceding
4 fiscal year, and (2) the assistance need rate. These factors
5 shall be applied in the following manner: First, determine
6 an index for each State by multiplying factors (1) and (2);
7 second, divide this index by the sum of the indexes for all
8 such States; and, third, apply the figure thus obtained to
9 the total funds to be apportioned. If any such State can-
10 not utilize all of the funds apportioned to it for the purpose
11 of this section the Secretary shall make further apportion-
12 ment of such funds together with the remainder of the funds
13 available under this subsection, on the same basis as the
14 initial apportionment, to any of the other such States which
15 justify the need for additional funds for such purpose.

16 (d) Funds apportioned and paid to any State for the
17 purpose of this section shall be disbursed to selected schools
18 in such State to assist such schools in the purchase of agri-
19 cultural and other foods and in meeting operational costs as
20 provided in subsection (e) of this section. The selection of
21 schools and the amounts of funds that each shall from time
22 to time receive (within a maximum per lunch amount estab-
23 lished by the Secretary for all the States), shall be deter-
24 mined by the State educational agency on the basis of the

1 following factors: (1) the economic condition of the area
 2 from which such schools draw attendance; (2) the needs of
 3 children in such schools for free or reduced-price lunches; (3)
 4 the percentages of free and reduced-price lunches being served
 5 in such schools to children; (4) the prevailing price of
 6 lunches in such schools as compared with the average pre-
 7 vailing price of lunches served in the State under this title;
 8 and (5) the need of such schools for additional assistance as
 9 reflected by the financial position of the lunch programs in
 10 such schools.

11 (e) In circumstances of severe need where the maxi-
 12 mum rate per lunch established by the Secretary is deemed
 13 insufficient to carry on an effective feeding program in a
 14 school, the Secretary may authorize financial assistance not
 15 to exceed 90 per centum of the operating costs of such a
 16 program, including the cost of obtaining, preparing, and serv-
 17 ing food.

18 (f) If in any State the State educational agency is not
 19 permitted by law to disburse funds paid to it under this title
 20 to nonprofit private schools in the State, the Secretary shall
 21 withhold from the funds apportioned to such State under
 22 subsections (b) or (c) of this section an amount which bears
 23 the same ratio to such funds as the number of free and re-
 24 duced-price lunches served in accordance with section 105 of
 25 this title in the preceding fiscal year by all nonprofit private

1 schools participating in the program under this title in such
 2 State bears to the number of such free and reduced-price
 3 lunches served during such year by all schools participating
 4 in the program under this title in such State. The Secretary
 5 shall disburse the funds so withheld directly to the nonprofit
 6 private schools within such State for the same purposes and
 7 subject to the same conditions as are required of a State edu-
 8 cational agency disbursing funds made available under this
 9 section.

10 (g) In carrying out this section, the terms and condi-
 11 tions governing the operation of the program set forth in the
 12 other sections of this title, including those applicable to funds
 13 apportioned pursuant to section 102, but excluding the pro-
 14 visions relating to matching, shall be applicable to the extent
 15 they are not inconsistent with the express provisions of this
 16 section.

17 TITLE II—SPECIAL MILK PROGRAM

18 AUTHORIZATION

19 SEC. 201. The Secretary shall formulate and carry out
 20 a Special Milk Program to assist States through grants-in-
 21 aid to establish, maintain, and expand nonprofit programs to
 22 increase the consumption of fluid whole milk by children,
 23 and particularly by needy children, in schools and nonprofit
 24 institutions.

APPORTIONMENT TO STATES

1 SEC. 202. (a) For each of the fiscal years 1967 and
 2 1968, 50 per centum of the funds appropriated for the pur-
 3 poses of this title shall be apportioned among the fifty States
 4 and the District of Columbia on the basis of the ratio of the
 5 number of children of ages five through seventeen in each of
 6 the fifty States and the District of Columbia to the number of
 7 all children of ages five through seventeen in the fifty States
 8 and the District of Columbia.

9 (b) The remaining 50 per centum of the funds for each
 10 of the fiscal years 1967 and 1968 shall be held by the Sec-
 11 retary in reserve and may be advanced to any of the fifty
 12 States and the District of Columbia on justification of need.

13 (c) For fiscal year 1969 and each fiscal year thereafter
 14 the funds appropriated for the purposes of this title shall be
 15 apportioned among the fifty States and the District of
 16 Columbia on the basis of the ratio of the number of half
 17 pints of milk reimbursed with funds apportioned under this
 18 section in each such State in the preceding fiscal year, as
 19 determined by the Secretary, to the total number of half
 20 pints of milk reimbursed with funds apportioned under this
 21 section in the fifty States and the District of Columbia in the
 22 preceding fiscal year as determined by the Secretary.

STATE DISBURSEMENT TO SCHOOLS

1 SEC. 203. Funds apportioned and paid to any State for
 2 the purpose of this title shall be disbursed to schools and
 3 nonprofit institutions, determined to be eligible by the State
 4 educational agency, on the basis of the following priorities:
 5 First, to schools without a food service; second, for needy
 6 children in schools with a food service; and third, if avail-
 7 able funds permit, to schools and nonprofit institutions for
 8 all children. Disbursement shall be made at such rates per
 9 half pint of fluid whole milk as the Secretary shall prescribe
 10 and shall not exceed the cost to the school or nonprofit in-
 11 stitution of obtaining such milk for service to children.

NONPROFIT PRIVATE SCHOOLS AND PRIVATE NONPROFIT
 INSTITUTIONS

12 SEC. 204. If in any State the State educational agency
 13 is not permitted by law to disburse funds paid to it under
 14 this title to nonprofit private schools and private nonprofit
 15 institutions in the State, the Secretary shall withhold from
 16 the funds apportioned to such State under section 202 of
 17 this title an amount in each of the fiscal years 1967 and
 18 1968 which bears the same ratio to the funds apportioned
 19 to the State as the number of children of ages five through

1 seventeen enrolled in nonprofit private schools within the
 2 State is of the total number of children of ages five through
 3 seventeen enrolled in schools within the State. Each fiscal
 4 year thereafter, the Secretary shall withhold from the funds
 5 apportioned to any such State under section 202 of this title
 6 an amount which bears the same ratio to such funds as the
 7 number of one-half pints of milk for which nonprofit private
 8 schools and nonprofit private institutions were reimbursed
 9 in the preceding fiscal year is of the total number of one-half
 10 pints of milk for which all schools and nonprofit institutions
 11 participating in the program under this title in the State were
 12 reimbursed. The Secretary shall disburse the funds so with-
 13 held directly to the nonprofit private schools and nonprofit
 14 institutions within such State for the same purposes and sub-
 15 ject to the same conditions as are required of a State educa-
 16 tional agency disbursing funds made available under this title.

17 TITLE III—SCHOOL BREAKFAST PROGRAM

18 AUTHORIZATION

19 SEC. 301. The Secretary shall formulate and carry out
 20 a pilot program to assist States through grants-in-aid and
 21 other means, to initiate, maintain or expand nonprofit break-
 22 fast programs in schools drawing attendance from areas in
 23 which poor economic conditions exist and in schools to
 24 which a substantial proportion of the children enrolled must
 25 travel long distances.

1 APPORTIONMENT TO STATES

2 SEC. 302. (a) Of the funds appropriated for the pur-
 3 poses of this title for any fiscal year, the Secretary shall
 4 reserve 3 per centum for apportionment to Guam, the
 5 Virgin Islands, Puerto Rico, and American Samoa. Such
 6 funds shall be apportioned among such States on the basis
 7 of the ratio of the number of children of ages five through
 8 seventeen in each such State to the number of all children
 9 of ages five through seventeen in all such States.

10 (b) Of the remainder of the funds appropriated, the
 11 Secretary shall for each fiscal year, (1) apportion the
 12 first \$2,500,000 equally among the States, other than Guam,
 13 the Virgin Islands, Puerto Rico, and American Samoa, and
 14 (2) shall apportion the remainder among such States on the
 15 basis of the ratio of the number of children in each State
 16 of ages five through seventeen in families with incomes of
 17 less than \$2,000 per annum plus the number of children of
 18 ages five through seventeen in families receiving more than
 19 \$2,000 per annum from payments under the Department of
 20 Health, Education, and Welfare's program of aid to families
 21 with dependent children to the total number of such children
 22 in the fifty States and the District of Columbia.

23 STATE DISBURSEMENT TO SCHOOLS

24 SEC. 303. (a) Funds apportioned and paid to any State
 25 for the purpose of this title shall be disbursed by the State

1 educational agency to schools selected by the State educa-
 2 tional agency, to reimburse such schools for the cost of
 3 obtaining agricultural and other foods for consumption by
 4 children in a breakfast program and for the purpose of sub-
 5 section (b). Such food costs may include, in addition to
 6 the purchase price, the cost of processing, distributing, trans-
 7 porting, storing, and handling. Disbursement to schools
 8 shall be made at such rates per meal or on such other basis
 9 as the Secretary shall prescribe. In selecting schools, the
 10 State educational agency shall, to the extent practicable, give
 11 first consideration to those schools drawing attendance from
 12 areas in which poor economic conditions exist.

13 (b) In circumstances of severe need where the rate
 14 per meal established by the Secretary is deemed by him
 15 insufficient to carry on an effective breakfast program in a
 16 school, the Secretary may authorize financial assistance up
 17 to 90 per centum of the operating costs of such a program,
 18 including cost of obtaining, preparing, and serving food.

19 NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

20 SEC. 304. Breakfasts served by schools participating in
 21 the school breakfast program under this title shall consist
 22 of a combination of foods and shall meet minimum nutri-
 23 tional requirements prescribed by the Secretary on the basis

1 of tested nutritional research. Such breakfasts shall be
 2 served without cost or at a reduced cost to children who
 3 are determined by local school authorities to be unable to
 4 pay the full cost of the breakfast. In making such deter-
 5 minations, such local authorities should, to the extent prac-
 6 ticable, consult with public welfare and health agencies. No
 7 physical segregation or other discrimination against any
 8 child shall be made by the school because of his inability to
 9 pay.

10 NONPROFIT PRIVATE SCHOOLS

11 SEC. 305. If in any State the State educational agency
 12 is not permitted by law to disburse the funds paid to it
 13 under this title to nonprofit private schools, the Secretary
 14 shall withhold from the funds apportioned to any such State
 15 under section 302 of this title an amount based on the ratio
 16 of the number of children enrolled in nonprofit private
 17 schools within the State to the total number of children
 18 enrolled in all schools within the State. The Secretary
 19 shall disburse the funds so withheld directly to the nonprofit
 20 private schools within such State for the same purposes
 21 and subject to the same conditions as are required of a
 22 State educational agency disbursing funds made available
 23 under this title.

1 TITLE IV—SPECIAL FOOD SERVICE PROGRAMS
2 FOR NEEDY CHILDREN

3 AUTHORIZATION

4 SEC. 401. In further recognition of the impact of inad-
5 equate nutrition on the health and well-being of children,
6 particularly those from low-income families, the Secretary
7 shall formulate and carry out a pilot program to assist non-
8 profit institutions such as child day-care centers, settlement
9 houses, and summer camps, which do not maintain children
10 in residence for periods in excess of three months and which
11 draw attendance from areas in which poor economic condi-
12 tions exist, to establish, maintain, and expand food service
13 for children in group situations away from home. Such food
14 service may be furnished on a seasonal or more extended
15 basis.

16 APPORTIONMENT TO STATES

17 SEC. 402. (a) Of the funds appropriated for the pur-
18 poses of this title for any fiscal year, the Secretary shall re-
19 serve 3 per centum for apportionment to Guam, Puerto Rico,
20 the Virgin Islands, and American Samoa. Such funds shall
21 be apportioned among such States on the basis of the number
22 of children of ages five through seventeen in each such State
23 to the number of all children of ages five through seventeen
24 in all such States.

25 (b) Of the remainder of the funds appropriated, the

1 Secretary shall, for each fiscal year (1) apportion such sums
2 as he deems appropriate but not more than \$50,000 to each
3 State, other than Guam, Puerto Rico, the Virgin Islands,
4 and American Samoa, as a basic grant, and (2) apportion
5 the remainder among such States on the basis of the ratio of
6 the number of children in each State of ages five through
7 seventeen in families with incomes of less than \$2,000 per
8 annum plus the number of children of ages five through
9 seventeen in families receiving more than \$2,000 per annum
10 from payments under the Department of Health, Education,
11 and Welfare's program of aid to families with dependent chil-
12 dren to the total number of such children in the fifty States
13 and the District of Columbia.

14 (c) If any State cannot utilize all funds so apportioned
15 to it, or if additional funds are made available for apportion-
16 ment under this section among the States, the Secretary shall
17 make further apportionments to the remaining States in the
18 same manner.

19 DISBURSEMENT BY STATES

20 SEC. 403. (a) Funds apportioned and paid to any State
21 for the purpose of this title shall be disbursed by the State
22 educational agency to nonprofit institutions selected by the
23 State educational agency to reimburse such nonprofit institu-
24 tions for the cost of obtaining agricultural and other foods
25 and for the purposes of subsections (b) and (c) of this

1 section. The costs of obtaining agricultural and other foods
 2 may include the cost of processing, distributing, transporting
 3 or handling thereof. Disbursement to participating institu-
 4 tions shall be made at such rates of reimbursement per meal
 5 or on such other basis as the Secretary shall prescribe. In
 6 selecting the nonprofit institutions, the State educational
 7 agency shall to the extent practicable, give first considera-
 8 tion to those institutions with the highest proportion of
 9 children from low-income families.

10 (b) In circumstances of severe need where the rate per
 11 meal established by the Secretary is insufficient to carry on an
 12 effective feeding program, the Secretary may authorize
 13 financial assistance not to exceed 90 per centum of the
 14 operating costs of such a program, including cost of obtain-
 15 ing, preparing, and serving food.

16 (c) Not to exceed 25 per centum of the funds paid to
 17 any State may be used by the State to assist nonprofit in-
 18 stitutions serving needy children in the purchase or rental
 19 of facilities, other than land and buildings, for the storage,
 20 preparation, transportation, and serving of food to enable
 21 such institutions to establish, maintain, and expand food
 22 service under this title.

23 DIRECT PAYMENTS

24 SEC. 404. If in any State the State educational agency
 25 is not permitted by law or is otherwise unable to disburse

1 the funds paid to it under this title to any nonprofit institu-
 2 tion in the State, the Secretary shall withhold all funds ap-
 3 portioned under this title and shall disburse the funds so with-
 4 held directly to nonprofit institutions in the State for the
 5 same purposes and subject to the same conditions as are
 6 required of a State educational agency disbursing funds made
 7 available under this title.

8 OBLIGATION OF FUNDS

9 SEC. 405. Notwithstanding the provisions of any other
 10 law, balances of funds appropriated for the purposes of this
 11 section and unobligated at the end of any fiscal year shall
 12 remain available for obligation during the first three months
 13 of the following fiscal year only to assist those child-feeding
 14 activities that are wholly seasonal in nature, such as summer
 15 camps and summer recreational programs.

16 NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

17 SEC. 406. Nonprofit institutions to which funds are dis-
 18 bursed under this title shall serve meals consisting of a
 19 combination of foods and meeting minimum nutritional
 20 standards prescribed by the Secretary on the basis of tested
 21 nutritional research. Such meals shall be served without
 22 cost or at a reduced cost to children determined by such
 23 institutions to be unable to pay the full cost. In making
 24 such determination, institutional authorities should, to the
 25 extent practicable, consult with public welfare and health

1 agencies. No physical segregation or other discrimination
2 against any child shall be made because of his inability to
3 pay.

4 TITLE V—NONFOOD ASSISTANCE PROGRAM

5 AUTHORIZATION

6 SEC. 501. The Secretary shall formulate and carry out
7 a program to assist the States through grants-in-aid and
8 other means to supply schools drawing attendance from
9 areas in which poor economic conditions exist with facilities,
10 other than land and buildings, for the storage, preparation,
11 transportation, and serving of food to enable such schools to
12 establish, maintain, and expand school food service programs.

13 APPORTIONMENTS TO STATES

14 SEC. 502. The Secretary shall apportion the funds ap-
15 propriated for the purposes of this title among the States
16 during each fiscal year on the same basis as apportionments
17 are made under section 102 of title I of this Act for supply-
18 ing agricultural and other foods, except that apportionment
19 to American Samoa for any fiscal year shall be on the same
20 basis as the apportionment to the other States. Payments
21 to any State of funds apportioned for any fiscal year shall
22 be made upon condition that one-fourth of the cost of any
23 facilities financed under this title shall be borne by State or
24 local funds.

1 STATE DISBURSEMENT TO SCHOOLS

2 SEC. 503. Funds apportioned and paid to any State for
3 the purpose of this title shall be disbursed by the State edu-
4 cational agency to assist schools, which draw attendance
5 from areas in which poor economic conditions exist and
6 which have no, or grossly inadequate, facilities, to conduct
7 a school food service program, and to acquire such facilities.
8 Disbursements to any school may be made, by advances or
9 reimbursements, only after approval by the State educational
10 agency of a request by the school for funds, accompanied by
11 a detailed description of the facilities to be acquired and the
12 plans for the use thereof in effectively meeting the nutri-
13 tional needs of children in the school.

14 NONPROFIT PRIVATE SCHOOLS

15 SEC. 504. If in any State the State educational agency
16 is not permitted by law to disburse the funds paid to it
17 under this title to nonprofit private schools in the State, the
18 Secretary shall withhold from the funds apportioned to such
19 State under section 502 an amount which bears the same
20 ratio to such funds as the number of lunches, consisting of a
21 combination of foods and meeting the minimum requirements
22 prescribed by the Secretary under section 105 of this Act,
23 served in the preceding fiscal year by all nonprofit private
24 schools participating in the program under title I within the

1 State, as determined by the Secretary, bears to the participa-
 2 tion rate for the State. The Secretary shall disburse the
 3 funds so withheld directly to the nonprofit private schools
 4 within such State for the same purposes and subject to the
 5 same conditions as are required of a State educational agency
 6 disbursing funds made available under this title.

7 TITLE VI—DEFINITIONS AND GENERAL

8 PROVISIONS

9 DEFINITIONS

10 SEC. 601. For the purposes of this Act—

11 (a) "State" means any of the fifty States, the District
 12 of Columbia, the Commonwealth of Puerto Rico, the Virgin
 13 Islands, Guam, or American Samoa.

14 (b) "State educational agency" means, as the State
 15 legislature may determine, (1) the chief State school officer
 16 (such as the State superintendent of public instruction, com-
 17 missioner of education, or similar officer), or (2) a board
 18 of education controlling the State department of education.

19 (c) "Nonprofit private school" means any private school
 20 exempt from income tax under section 501(c)(3) of the
 21 Internal Revenue Code of 1954.

22 (d) "Nonprofit institution" means any public or pri-
 23 vate institution, except a school or other educational institu-
 24 tion of higher learning, which provides for the care and

1 training of children and no part of the earnings of which
 2 inures to the benefit of any private shareholder or institution.

3 (e) "Participation rate" for a State means a number
 4 equal to the total number of lunches, consisting of a combina-
 5 tion of foods and meeting the minimum requirements pre-
 6 scribed by the Secretary pursuant to section 105 of this Act,
 7 served in the preceding fiscal year by schools participating
 8 in the programs under title I of this Act in the State, as
 9 determined by the Secretary.

10 (f) "Assistance need rate" (1) in the case of any
 11 State whose per capita income is equal to or greater than
 12 the annual per capita income for all the States, shall be
 13 five; and (2) in the case of any State having an average
 14 annual per capita income less than the average annual per
 15 capita income for all the States, shall be the product of five
 16 and the quotient obtained by dividing the average annual
 17 per capita income for all the States by the average annual
 18 per capita income for such State, except that such product
 19 may not exceed nine for any such State. For the purposes
 20 of this paragraph the average annual per capita income for
 21 any State and for all the States shall be determined by the
 22 Secretary on the basis of the average annual per capita
 23 income for each State and for all the States for the three most
 24 recent years for which such data are available; and the

1 average annual per capita income for American Samoa shall
2 be disregarded in determining the average annual per capita
3 income for all the States for periods ending before July 1,
4 1967.

5 (g) "School" means any public or nonprofit private
6 school of high school grade and under, including kindergarten
7 and preschool programs operated by such school.

8 (h) "Secretary" means the Secretary of Agriculture.

9 ACCOUNTS AND RECORDS

10 SEC. 602. States, State educational agencies, schools,
11 and nonprofit institutions participating in programs under
12 this Act shall keep such accounts and records as may be
13 necessary to enable the Secretary to determine whether there
14 has been compliance with this Act and the regulations here-
15 under. Such accounts and records shall at all times be
16 available for inspection and audit by representatives of the
17 Secretary and shall be preserved for such period of time,
18 not in excess of three years, as the Secretary determines
19 necessary.

20 PROHIBITIONS

21 SEC. 603. (a) In carrying out the provisions of this
22 Act, neither the Secretary nor the State shall impose any
23 requirements with respect to teaching personnel, curriculum,
24 instruction, methods of instruction, and materials of instruc-
25 tion in any school or nonprofit institution.

1 (b) The value of assistance to children under this Act
2 shall not be considered to be income or resources for any
3 purpose under any Federal or State laws including, but not
4 limited to, laws relating to taxation, welfare, and public
5 assistance programs.

6 (c) Expenditures of funds from State and local sources
7 for the maintenance of food programs for children shall not
8 be diminished as a result of funds received under this Act.

9 PAYMENTS TO STATES

10 SEC. 604. The Secretary shall certify to the Secretary
11 of the Treasury from time to time the amounts to be paid
12 to any State under this Act and the time or times such
13 amounts are to be paid; and the Secretary of the Treasury
14 shall pay to the State at the time or times fixed by the
15 Secretary the amounts so certified.

16 STATE ADMINISTRATIVE EXPENSES

17 SEC. 605. The Secretary may utilize not to exceed 1½
18 per centum of the total funds appropriated under this Act
19 for any fiscal year for advances to each State educational
20 agency for use for its administrative expenses in carrying out
21 programs under this Act; *Provided*, That no such agency
22 shall receive a sum greater than 1 per centum of the funds
23 apportioned to it under this Act, or \$7,500, whichever is
24 greater. The amount of such payments shall be deducted

1 from such appropriated funds prior to any apportionment
2 thereof under this Act.

3 SELECTION OF SCHOOLS

4 SEC. 606. In the selection of schools to receive Federal
5 assistance under section 107 and under titles II, III, IV and
6 V of this Act and in the selection of nonprofit institutions to
7 receive assistance under title IV of this Act, the State agency
8 shall adopt the methods and procedures necessary to assure
9 coordination with and give, where the need is comparable,
10 preference to programs carried on under the Elementary and
11 Secondary Education Act of 1965 and the Economic Oppor-
12 tunity Act of 1964 in such schools or institutions.

13 UTILIZATION OF FOODS

14 SEC. 607. Each school and nonprofit institution partici-
15 pating under this Act shall, insofar as practicable, utilize in
16 its program foods designated from time to time by the Secre-
17 tary as being in abundance, either nationally or in the school
18 area, or foods donated by the Secretary. Foods available
19 under section 416 of the Agricultural Act of 1949 (63 Stat.
20 1058), as amended, or purchased under section 32 of the
21 Act of August 24, 1935 (49 Stat. 774), as amended, or
22 section 709 of the Food and Agriculture Act of 1965 (79
23 Stat. 1212), may be donated by the Secretary to schools, in
24 accordance with the needs as determined by local school
25 authorities, and to nonprofit institutions for utilization in

1 their feeding programs under this Act, as well as to other
2 schools carrying out nonprofit school lunch programs and
3 other institutions authorized to receive such foods.

4 NONPROFIT PROGRAMS

5 SEC. 608. The food and milk service programs in schools
6 and nonprofit institutions receiving assistance under this Act
7 shall be conducted on a nonprofit basis.

8 STATISTICAL DATA

9 SEC. 609. Data on numbers of children of ages five
10 through seventeen and on per capita income shall be made
11 available by the Secretary of Commerce to the Secretary
12 and, except where otherwise expressly stated in this Act,
13 shall be the latest available.

14 REGULATIONS

15 SEC. 610. The Secretary shall prescribe such regula-
16 tions as he may deem necessary to carry out this Act.

17 APPROPRIATIONS AUTHORIZED

18 SEC. 611. For each fiscal year there is hereby author-
19 ized to be appropriated such funds as may be necessary to
20 enable the Secretary to carry out each of the titles of this
21 Act: *Provided, however,* That no appropriation shall be
22 made for purposes of titles III and IV for any fiscal year
23 commencing on or after July 1, 1969, unless otherwise
24 expressly authorized.

EFFECTIVE DATES

1 from such appropriated funds prior to any appropriation
 2 thereof under this Act. as well as to other
 3 **SEC. 612. This Act shall be effective upon enactment,**
 4 **except that titles I and II of this Act shall be effective begin-**
 5 **ning with the first fiscal year after enactment and shall**
 6 **supersede, respectively, the National School Lunch Act (60**
 7 **Stat. 230), as amended, and the Act of July 1, 1958 (72**
 8 **Stat. 276), as amended. For the first year of operation,**
 9 **references in title I and title II of this Act to participation**
 10 **in the preceding fiscal year shall refer to participation, re-**
 11 **spectively, in the programs under the National School Lunch**
 12 **Act, as amended, and the Act of July 1, 1958, as amended.**

UTILIZATION OF FOODS

13 shall be the latest available.
 14 **SEC. 607. Each school and nonprofit institution partici-**
 15 **pating under this Act shall, insofar as practicable, utilize**
 16 **the program foods designated from time to time by the Sec-**
 17 **retary as being in abundance, either nationally or in the school**
 18 **area, or foods donated by the Secretary. Foods availab-**
 19 **le for each fiscal year there is hereby author-**
 20 **ized to be appropriated such funds as may be necessary to**
 21 **enable the Secretary to carry out each of the titles of this**
 22 **Act, as amended, or purchased under section 32 of the**
 23 **Act of August 24, 1935 (49 Stat. 774), as amended, and**
 24 **section 709 of the Food and Agriculture Act of 1955 (70**
 25 **Stat. 1212), may be donated by the Secretary to schools**
 26 **commencing on or after July 1, 1960, unless otherwise**
 27 **expressly authorized.**
 28 **accordance with the needs as determined by local school**
 29 **authorities, and to nonprofit institutions for utilization in**