

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 1614

To amend the Child Nutrition Act of 1966 and the National School Lunch Act to promote healthy eating habits for children and to extend certain authorities contained in such Acts through fiscal year 1998, and for other purposes.

---

## IN THE SENATE OF THE UNITED STATES

NOVEMBER 2, 1993

Mr. LEAHY (for himself, Mr. HARKIN, Mr. DASCHLE, Mr. ROCKEFELLER, and Mr. JEFFORDS) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

---

## A BILL

To amend the Child Nutrition Act of 1966 and the National School Lunch Act to promote healthy eating habits for children and to extend certain authorities contained in such Acts through fiscal year 1998, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

### 3   **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4       (a) **SHORT TITLE.**—This Act may be cited as the  
5       “Better Nutrition and Health for Children Act of 1993”.

6       (b) **TABLE OF CONTENTS.**—The table of contents of  
7       this Act is as follows:

Sec. 1. Short title; table of contents.

# TITLE I—SPECIAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN

- Sec. 101. Full funding for WIC.
- Sec. 102. WIC breastfeeding promotion.
- Sec. 103. Expansion of WIC farmers' market program.
- Sec. 104. Technical amendments.

## TITLE II—SCHOOL BREAKFAST AND RELATED PROGRAMS

- Sec. 201. Providing milk to low-income children.
- Sec. 202. Elimination of cost basis for severe need reimbursement.
- Sec. 203. Low-fat yogurt as an allowable choice.
- Sec. 204. Promotion of school breakfast program.
- Sec. 205. Startup costs for school breakfast program.
- Sec. 206. Expansion of school breakfast programs.
- Sec. 207. State administrative expenses.
- Sec. 208. Clarification of authority to ban junk foods.
- Sec. 209. Nutrition education and training program.

## TITLE III—SCHOOL LUNCH AND RELATED PROGRAMS

- Sec. 301. Elimination of whole milk requirement.
- Sec. 302. Low-fat yogurt as an allowable choice.
- Sec. 303. Reports on increasing consumption of healthy foods in school lunches.
- Sec. 304. Information to parents concerning importance of nutrition.
- Sec. 305. Income guidelines for free lunches served to elementary school students.
- Sec. 306. School flexibility.
- Sec. 307. Automatic eligibility of Head Start participants.
- Sec. 308. Special assistance payments.
- Sec. 309. Promotion of healthy eating habits for children.
- Sec. 310. Organic foods.
- Sec. 311. Food and nutrition projects.
- Sec. 312. Summer food service program for children.
- Sec. 313. Commodity distribution program.
- Sec. 314. Child and adult care food program.
- Sec. 315. Meal supplements for children in afterschool care.
- Sec. 316. Demonstration projects to improve food service for homeless children.
- Sec. 317. Pilot program to increase offerings of fruits and vegetables.
- Sec. 318. Pilot program to increase consumption of low-fat dairy products and lean meats.
- Sec. 319. Pilot projects for fortified fluid milk; information on fortified milk.
- Sec. 320. Food service management institute and other institutions.
- Sec. 321. Compliance and accountability.
- Sec. 322. Nutrition guidance for child nutrition programs.
- Sec. 323. Information clearinghouse.

## TITLE IV—PROGRAM INTEGRITY

- Sec. 401. Findings.
- Sec. 402. Duties of the Secretary relating to anticompetitive activities.
- Sec. 403. Prevention and control of anticompetitive activities.

## TITLE V—EFFECTIVE DATES

Sec. 501. Effective dates.

1 **TITLE I—SPECIAL NUTRITION**  
 2 **PROGRAM FOR WOMEN, IN-**  
 3 **FANTS, AND CHILDREN**

4 **SEC. 101. FULL FUNDING FOR WIC.**

5 Section 17 of the Child Nutrition Act of 1966 (42  
 6 U.S.C. 1786) is amended—

7 (1) in the second sentence of subsection (a)—

8 (A) by striking “authorized” and inserting  
 9 “established”; and

10 (B) by striking “, up to the authorization  
 11 levels set forth in subsection (g) of this sec-  
 12 tion,”;

13 (2) in subsection (c)—

14 (A) in the first sentence of paragraph (1),  
 15 by striking “may” and inserting “shall”; and

16 (B) in paragraph (2), by striking “appro-  
 17 priated” and inserting “made available”;

18 (3) in subsection (g)—

19 (A) by striking paragraph (1) and insert-  
 20 ing the following new paragraph:

21 “(1)(A) There are authorized to be—

22 “(i) appropriated to carry out this section such  
 23 amounts as are necessary for each of fiscal years  
 24 1995 through 2000; and

1           “(ii) made available such amounts as are nec-  
2           essary for the Secretary of the Treasury to fulfill the  
3           requirements of subparagraph (B).

4           “(B)(i) For each of fiscal years 1996 through 2000,  
5           the Secretary of the Treasury shall credit to a special fund  
6           of the Treasury an amount equal to—

7                   “(I) \$254,000,000 for fiscal year 1996;

8                   “(II) \$407,000,000 for fiscal year 1997;

9                   “(III) \$384,000,000 for fiscal year 1998;

10                  “(IV) \$398,000,000 for fiscal year 1999; and

11                  “(V) \$411,000,000 for fiscal year 2000.

12           “(ii) Amounts in the fund—

13                   “(I) shall be available only for the program au-  
14           thorized under this section, exclusive of activities au-  
15           thorized under subsection (m); and

16                   “(II) shall be paid to the Secretary to carry out  
17           subclause (I).

18           “(iii) For a fiscal year specified in clause (i), the  
19           amount credited to the fund for the fiscal year shall be  
20           available for use in the program only if appropriations  
21           Acts for the fiscal year, without the addition of amounts  
22           provided under clause (i) for the fund, provide new budget  
23           authority for the program of no less than—

24                   “(I) \$3,660,000,000 for fiscal year 1996;

25                   “(II) \$3,759,000,000 for fiscal year 1997;

1 “(III) \$3,861,000,000 for fiscal year 1998;

2 “(IV) \$3,996,000,000 for fiscal year 1999; and

3 “(V) \$4,126,000,000 for fiscal year 2000.

4 “(C) As authorized by section 3 of the National  
5 School Lunch Act (42 U.S.C. 1752), funds made available  
6 to carry out this section shall remain available until ex-  
7 pended.”;

8 (B) in the first sentence of paragraph (4),  
9 by striking “appropriated” and inserting “made  
10 available”; and

11 (C) in paragraph (5), by striking “appro-  
12 priated” and inserting “made available”;

13 (4) in subsection (h)—

14 (A) in paragraph (1)—

15 (i) in subparagraph (A), by striking  
16 “appropriated” both places it appears and  
17 inserting “made available”; and

18 (ii) in subparagraph (C), by striking  
19 “appropriated” both places it appears and  
20 inserting “made available”; and

21 (B) in the first sentence of paragraph  
22 (2)(A), by striking “1990, 1991, 1992, 1993  
23 and 1994” and inserting “1990 through 2000”;  
24 and

1           (5) in subsection (l), by striking “funds appro-  
2       priated” and inserting “funds made available”.

3 **SEC. 102. WIC BREASTFEEDING PROMOTION.**

4       Section 17 of the Child Nutrition Act of 1966 (42  
5 U.S.C. 1786) is amended—

6           (1) in subsection (d)(4)—

7               (A) by striking “and” at the end of sub-  
8       paragraph (B);

9               (B) by redesignating subparagraph (C) as  
10      subparagraph (D); and

11              (C) by inserting after subparagraph (B)  
12      the following new subparagraph:

13              “(C) the rate of breastfeeding among  
14      postpartum women participating in the program,  
15      and expenditures for breastfeeding promotion; and”;  
16      and

17           (2) in subsection (h)(3)(A)—

18               (A) in clause (i)(II), by striking  
19              “\$8,000,000” and inserting “\$16,000,000”;  
20              and

21               (B) in clause (ii), by inserting after “sup-  
22              port activities” the following: “(including the  
23              purchase of breast pumps)”.

1 **SEC. 103. EXPANSION OF WIC FARMERS' MARKET PRO-**  
 2 **GRAM.**

3 (a) IN GENERAL.—Section 17(m) of the Child Nutri-  
 4 tion Act of 1966 (42 U.S.C. 1786(m)) is amended—

5 (1) in paragraph (3), by striking “30 percent”  
 6 and inserting “25 percent”;

7 (2) in paragraph (5)(C)(ii), by inserting before  
 8 the period at the end the following: “, except that  
 9 the Secretary, at the request of the State agency,  
 10 may increase the amount under unusual cir-  
 11 cumstances such as a natural disaster”;

12 (3) in paragraph (5)(F)—

13 (A) in clause (i), by striking “15 percent”  
 14 and inserting “17 percent”;

15 (B) in clause (ii), by striking “2 percent”  
 16 each place it appears and inserting “3 percent”;

17 (C) by redesignating clause (iii) as clause  
 18 (iv); and

19 (D) by inserting after clause (ii) the follow-  
 20 ing new clause:

21 “(iii) During any fiscal year for which a State re-  
 22 ceives assistance under this subsection, the Secretary shall  
 23 permit the State to use 3 percent of total program funds  
 24 for market development (including the establishment of  
 25 additional farmers’ markets and the improvement and ex-

1 pansion of participating markets) if the Secretary deter-  
 2 mines that the State intends to promote—

3 “(I) the development of farmers’ markets in so-  
 4 cially or economically disadvantaged areas where  
 5 residents have limited access to locally grown fruits  
 6 and vegetables; or

7 “(II) the participation of—

8 “(aa) socially disadvantaged farmers (as  
 9 defined in section 2501(e)(2) of the Food, Agri-  
 10 culture, Conservation, and Trade Act of 1990  
 11 (7 U.S.C. 2279(e)(2)));

12 “(bb) farmers located in very rural areas  
 13 (as defined by the Secretary); or

14 “(cc) farmers who own or operate small-  
 15 scale or limited-resource farms (as defined by  
 16 the Secretary).”;

17 (4) in paragraph (10)(A), by striking “and  
 18 \$8,000,000 for fiscal year 1994” and inserting  
 19 “\$8,000,000 for fiscal year 1994, \$10,500,000 for  
 20 fiscal year 1995, \$12,500,000 for fiscal year 1996,  
 21 \$15,000,000 for fiscal year 1997, and \$18,000,000  
 22 for fiscal year 1998”; and

23 (5) in paragraph (11)(D), by inserting before  
 24 the period at the end the following: “or any other



1       agency approved by the chief executive officer of the  
2       State”.

3       (b) PROMOTION BY THE SECRETARY.—The Secretary  
4       of Agriculture shall promote the use of farmers’ markets  
5       by recipients of Federal nutrition programs administered  
6       by the Secretary and shall annually report to the appro-  
7       priate committees of Congress on the efforts of the Sec-  
8       retary to carry out this subsection.

9       **SEC. 104. TECHNICAL AMENDMENTS.**

10       (a) CARRYOVER FUNDS.—Section 17(i)(3)(A) of the  
11       Child Nutrition Act of 1966 (42 U.S.C. 1786(i)(3)(A)) is  
12       amended by striking “1 percent” each place it appears in  
13       clauses (i) and (ii) and inserting “3 percent”.

14       (b) CHANGE OF NAME OF WIC PROGRAM.—

15               (1) IN GENERAL.—Section 17 of the Child Nu-  
16       trition Act of 1966 (42 U.S.C. 1786) is amended—

17                       (A) by striking the section heading and in-  
18                       serting the following new section heading:

19       “SPECIAL NUTRITION PROGRAM FOR WOMEN, INFANTS,  
20                       AND CHILDREN”;

21                       (B) in the first sentence of subsection  
22                       (c)(1), by striking “special supplemental food  
23                       program” and inserting “special nutrition pro-  
24                       gram”;

25                       (C) in the second sentence of subsection  
26                       (k)(1), by striking “special supplemental food

1 program” each place it appears and inserting  
2 “special nutrition program”; and

3 (D) in subsection (o)(1)(B), by striking  
4 “special supplemental food program” and in-  
5 serting “special nutrition program”.

6 (2) CONFORMING AMENDMENTS.—

7 (A) The second sentence of section 9(c) of  
8 the Food Stamp Act of 1977 (7 U.S.C.  
9 2018(c)) is amended by striking “special sup-  
10 plemental food program for women, infants and  
11 children” and inserting “special nutrition pro-  
12 gram for women, infants, and children”.

13 (B) Section 685(b)(8) of the Individuals  
14 with Disabilities Education Act (20 U.S.C.  
15 1484a(b)(8)) is amended by striking “Special  
16 Supplemental Food Program for Women, In-  
17 fants and Children” and inserting “special nu-  
18 trition program for women, infants, and chil-  
19 dren”.

20 (C) Section 3803(c)(2)(C)(x) of title 31,  
21 United States Code, is amended by striking  
22 “special supplemental food program” and in-  
23 serting “special nutrition program”.

24 (D) Section 399(b)(6) of the Public Health  
25 Service Act (42 U.S.C. 280c-6(b)(6)) is amend-

1 ed by striking “special supplemental food pro-  
2 gram” and inserting “special nutrition pro-  
3 gram”.

4 (E) Paragraphs (11)(C) and (53)(A) of  
5 section 1902(a) of the Social Security Act (42  
6 U.S.C. 1396a(a)) are each amended by striking  
7 “special supplemental food program” and in-  
8 serting “special nutrition program”.

9 (F) Section 202 of the Children’s Nutri-  
10 tion Assistance Act of 1992 (Public Law 102–  
11 512; 42 U.S.C. 1786 note) is amended by strik-  
12 ing “special supplemental food program” each  
13 place it appears and inserting “special nutrition  
14 program”.

## 15 **TITLE II—SCHOOL BREAKFAST** 16 **AND RELATED PROGRAMS**

### 17 **SEC. 201. PROVIDING MILK TO LOW-INCOME CHILDREN.**

18 Section 3(a)(2) of the Child Nutrition Act of 1966  
19 (42 U.S.C. 1772(a)(2)) is amended—

20 (1) by inserting “(A)” after “shall not apply  
21 to”;

22 (2) by striking “kindergarten”; and

23 (3) by inserting before the period at the end the  
24 following: “, (B) elementary schools in which at least  
25 60 percent of the children participating in the school

1 lunch program authorized under the National School  
2 Lunch Act (42 U.S.C. 1751 et seq.) are eligible for  
3 free or reduced price lunches, or (C) schools that do  
4 not participate in the school lunch program but that  
5 participate in the school breakfast program author-  
6 ized under this Act”.

7 **SEC. 202. ELIMINATION OF COST BASIS FOR SEVERE NEED**  
8 **REIMBURSEMENT.**

9 Section 4(d) of the Child Nutrition Act of 1966 (42  
10 U.S.C. 1773(d)) is amended—

11 (1) in paragraph (1)(B), by striking “, and in  
12 which” and all that follows through “program”; and

13 (2) by striking paragraph (2) and inserting the  
14 following new paragraph:

15 “(2) If at least 40 percent of the students at a school  
16 who participate in the school lunch program established  
17 under the National School Lunch Act (42 U.S.C. 1751  
18 et seq.) are eligible to receive meals at free or reduced  
19 prices, the school shall be entitled to receive the meal reim-  
20 bursement rate specified in subsection (b)(2).”.

21 **SEC. 203. LOW-FAT YOGURT AS AN ALLOWABLE CHOICE.**

22 Section 4(e)(1) of the Child Nutrition Act of 1966  
23 (42 U.S.C. 1773(e)(1)) is amended by adding at the end  
24 the following new sentences: “The Secretary shall permit  
25 schools to offer low-fat yogurt as an alternative for eggs,

1 meats, or other meat alternatives in the school breakfast  
2 program. The Secretary may require that the yogurt be  
3 enriched with proteins or other nutrients.”.

4 **SEC. 204. PROMOTION OF SCHOOL BREAKFAST PROGRAM.**

5 Section 4(f)(1) of the Child Nutrition Act of 1966  
6 (42 U.S.C. 1773(f)(1)) is amended—

7 (1) by inserting “(A)” after “(1)”; and

8 (2) by adding at the end the following new sub-  
9 paragraph:

10 “(B) In cooperation with State educational agencies,  
11 the Secretary shall establish a program to promote the  
12 school breakfast program by—

13 “(i) marketing the program in a manner that  
14 expands participation in the program by schools and  
15 students; and

16 “(ii) improving public education and outreach  
17 efforts that enhance the public image of the pro-  
18 gram.”.

19 **SEC. 205. STARTUP COSTS FOR SCHOOL BREAKFAST PRO-**  
20 **GRAM.**

21 Section 4(g)(1) of the Child Nutrition Act of 1966  
22 (42 U.S.C. 1773(g)(1)) is amended—

23 (1) in the first sentence, by striking “and  
24 \$5,000,000 for each of the fiscal years 1991, 1992,  
25 1993, and 1994,” and inserting “, \$5,000,000 for

1 each of fiscal years 1991 through 1994, and  
2 \$9,000,000 for each of fiscal years 1995 through  
3 1998,”; and

4 (2) by inserting after the first sentence the fol-  
5 lowing new sentence: “Of the amounts made avail-  
6 able under the preceding sentence for fiscal years  
7 1995 through 1998, not more than \$3,000,000 shall  
8 be used to carry out the expansion program author-  
9 ized by subsection (i) for each of fiscal years 1995  
10 and 1996, and not more than \$4,000,000 shall be  
11 used to carry out the expansion program for each of  
12 fiscal years 1997 and 1998.”.

13 **SEC. 206. EXPANSION OF SCHOOL BREAKFAST PROGRAMS.**

14 Section 4 of the Child Nutrition Act of 1966 (42  
15 U.S.C. 1773) is amended by adding at the end the follow-  
16 ing new subsection:

17 “EXPANSION OF PROGRAMS

18 “(h)(1) With funds made available to carry out this  
19 subsection under subsection (g)(1), the Secretary shall  
20 make payments on a competitive basis to State edu-  
21 cational agencies in a substantial number of States for dis-  
22 tribution to eligible schools to assist the schools with ex-  
23 penses incurred in expanding a school breakfast program  
24 established under this section. Payments received under  
25 this subsection shall be in addition to payments to which

1 State educational agencies are entitled under subsection  
2 (b).

3 “(2) In making payments under this subsection in  
4 any fiscal year, the Secretary shall provide a preference  
5 to State educational agencies that submit to the Sec-  
6 retary—

7 “(A) a plan to expand school breakfast pro-  
8 grams conducted in the State, including a descrip-  
9 tion of—

10 “(i) the manner in which the agency will  
11 provide technical assistance and funding to  
12 schools in the State to expand the programs; or

13 “(ii) significant public or private resources  
14 that have been assembled to carry out the ex-  
15 pansion of the programs during the year; or

16 “(B) documentation of the need for—

17 “(i) equipment, including the purchase, re-  
18 placement, or upgrading of equipment associ-  
19 ated with expanding the school breakfast pro-  
20 gram; or

21 “(ii) other needs, including a need for tem-  
22 porary personnel, or funds to defray adminis-  
23 trative or other costs associated with expanding  
24 the school breakfast program.

1       “(3) Subparagraphs (B) and (C) of subsection (g)(2),  
2 and paragraphs (3) through (5) of subsection (g), shall  
3 apply to payments made under this subsection.”.

4 **SEC. 207. STATE ADMINISTRATIVE EXPENSES.**

5       Section 7 of the Child Nutrition Act of 1966 (42  
6 U.S.C. 1776) is amended—

7           (1) in subsection (a)(2)—

8               (A) in the first sentence, by inserting after  
9               “1 percent” the following: “plus \$780,000,”;  
10              and

11              (B) in the second sentence, by striking  
12              “September 30, 1981, or \$100,000” and insert-  
13              ing “September 30, 1993, or \$175,000”; and

14           (2) by striking subsection (h) and inserting the  
15       following new subsection:

16       “(h)(1) In addition to the funds allocated pursuant  
17 to the other provisions of this section, the Secretary shall  
18 make available to each State, for administrative costs in-  
19 curred for any fiscal year in connection with the distribu-  
20 tion of commodities, an amount equal to not less than 1  
21 percent, and not more than 1½ percent, of the value of  
22 the commodities distributed by the Secretary to each State  
23 pursuant to this Act and the National School Lunch Act  
24 (42 U.S.C. 1751 et seq).



1       “(2) The allocation required under this subsection  
2 shall be made to the State agency responsible for the dis-  
3 tribution of commodities authorized under this Act and  
4 the National School Lunch Act.”.

5 **SEC. 208. CLARIFICATION OF AUTHORITY TO BAN JUNK**  
6 **FOODS.**

7       Section 10 of the Child Nutrition Act of 1966 (42  
8 U.S.C. 1779) is amended—

9           (1) by designating the first, second, and third  
10 sentences as subsections (a), (b), and (c), respec-  
11 tively;

12           (2) in subsection (b) (as so designated)—

13               (A) by striking “Such regulations” and in-  
14 serting “(1) Except as provided in paragraph  
15 (2), the regulations”; and

16               (B) by adding at the end the following new  
17 paragraphs:

18       “(2) The regulations shall authorize State agencies  
19 and school food authorities to establish rules and policies  
20 that are more stringent than the minimum requirements  
21 imposed by the Secretary, including prohibiting or control-  
22 ling the sale of any competitive foods throughout the  
23 school campus at any time during the school day.

24       “(3) The Secretary shall develop and recommend to  
25 each State agency and school food authority model lan-

1 guage that bans the sale of competitive foods of minimal  
 2 nutritional value anywhere on school grounds before the  
 3 end of the last lunch period.”.

4 **SEC. 209. NUTRITION EDUCATION AND TRAINING PRO-**  
 5 **GRAM.**

6 (a) USE OF FUNDS.—Section 19(f)(1) of the Child  
 7 Nutrition Act of 1966 (42 U.S.C. 1788(f)(1)) is amend-  
 8 ed—

9 (1) by striking “for (A) employing” and insert-  
 10 ing “for—

11 “(A) employing”;

12 (2) by indenting the margins of each of sub-  
 13 paragraphs (B) through (I) as so to align with the  
 14 margin of subparagraph (A) (as amended by para-  
 15 graph (1));

16 (3) by striking “and” at the end of subpara-  
 17 graph (H);

18 (4) by redesignating subparagraph (I) as sub-  
 19 paragraph (Q); and

20 (5) by inserting after subparagraph (H) the fol-  
 21 lowing new subparagraphs:

22 “(I) providing funding for a nutrition compo-  
 23 nent in the health education curriculum offered to  
 24 children in kindergarten through grade 12;

1           “(J) instructing teachers, school administrators,  
2           or other school staff on how to promote better nutri-  
3           tional health and to motivate children to practice  
4           sound eating habits;

5           “(K) developing means of providing nutrition  
6           education to children and families of children  
7           through after-school programs;

8           “(L) training in relation to healthy and nutri-  
9           tious meals;

10          “(M) creating instructional programming for  
11          teachers, school food service personnel, and parents  
12          on the relationships between nutrition and health  
13          and the role of the food guide pyramid established  
14          by the Secretary;

15          “(N) funding aspects of the Strategic Plan for  
16          Nutrition and Education issued by the Secretary;

17          “(O) increasing evaluation efforts at the State  
18          level regarding needs assessment for nutrition edu-  
19          cation efforts;

20          “(P) encouraging public service advertisements  
21          to promote healthy eating habits for children; and”.

22          (b) AUTHORIZATION OF APPROPRIATIONS.—Section  
23          19(i)(2)(A) of such Act is amended—

24                 (1) by striking “and” at the end of clause (iii);

1           (2) by striking the period at the end of clause  
2           (iv) and inserting “; and”; and

3           (3) by adding at the end the following new  
4           clause:

5           “(v) \$30,000,000 for each of fiscal years 1995  
6           through 1998.”.

## 7       **TITLE III—SCHOOL LUNCH AND** 8       **RELATED PROGRAMS**

### 9       **SEC. 301. ELIMINATION OF WHOLE MILK REQUIREMENT.**

10       Section 9(a)(2) of the National School Lunch Act (42  
11 U.S.C. 1758(a)(2)) is amended by striking “fluid whole  
12 milk and fluid unflavored lowfat milk” and inserting “fluid  
13 milk”.

### 14       **SEC. 302. LOW-FAT YOGURT AS AN ALLOWABLE CHOICE.**

15       Section 9(a)(2) of the National School Lunch Act (42  
16 U.S.C. 1758(a)(2)) is amended by adding at the end the  
17 following new sentences: “The Secretary shall permit  
18 schools to offer low-fat yogurt as an alternative for meats,  
19 eggs, cooked dry beans or peas, peanut butter, or other  
20 meat alternatives in the school lunch program. The Sec-  
21 retary may require that the yogurt be enriched with pro-  
22 teins or other nutrients.”.

1 **SEC. 303. REPORTS ON INCREASING CONSUMPTION OF**  
2 **HEALTHY FOODS IN SCHOOL LUNCHES.**

3 Not later than 3 years after the date of enactment  
4 of this Act, the Secretary of Agriculture shall submit to  
5 the appropriate committees of Congress—

6 (1) a report on the impact on the nutritional  
7 health of children of increasing the number of  
8 servings of fruits and vegetables offered or served in  
9 lunches served by schools participating in the school  
10 lunch program established under the National  
11 School Lunch Act (42 U.S.C. 1751 et seq.) from 2  
12 to 3 servings per lunch, including—

13 (A) a summary of school food practices re-  
14 garding offerings of fruits and vegetables dur-  
15 ing lunch; and

16 (B) a description of the desirability of pro-  
17 viding an additional Federal reimbursement as  
18 an incentive to encourage schools to offer or  
19 serve 3 or more fruits or vegetables per lunch;

20 (2) a report on means by which the Secretary  
21 has encouraged students participating in the school  
22 lunch program to increase consumption of—

23 (A) fresh fruits and vegetables;

24 (B) fiber-rich, low-sodium, whole grains,  
25 breads, and pastas;

26 (C) low-fat, low-sodium soups and stews;

1 (D) low-fat yogurt, cheeses, and other  
2 dairy products;

3 (E) reduced-fat or leaner meats;

4 (F) low-fat salad dressings; and

5 (G) other similar low-fat, reduced-fat, low-  
6 sodium, or high-fiber foods; and

7 (3) a report on the actions the Secretary has  
8 taken—

9 (A) to reduce the fat, saturated fat, so-  
10 dium, or sugar content of the bonus and entitle-  
11 ment commodities the Secretary donates to  
12 schools; and

13 (B) to carry out paragraph (2) of section  
14 14(b) of the National School Lunch Act (42  
15 U.S.C. 1762a(b)) (as added by section  
16 313(2)(B)).

17 **SEC. 304. INFORMATION TO PARENTS CONCERNING IMPOR-**  
18 **TANCE OF NUTRITION.**

19 Section 9(a) of the National School Lunch Act (42  
20 U.S.C. 1758(a)) is amended by adding at the end the fol-  
21 lowing new paragraph:

22 “(5)(A) The Secretary shall carry out a program to  
23 assist States through grants-in-aid and other means to  
24 provide information to parents concerning the importance  
25 of nutrition for good health by carrying out parent-student

1 education programs and programs to encourage parents  
2 to visit schools with their children to see the operation of  
3 the school lunch program established under this Act and  
4 the school breakfast program established under the Child  
5 Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

6 “(B) There are authorized to be appropriated to  
7 carry out subparagraph (A) \$2,000,000 for each fiscal  
8 year.”.

9 **SEC. 305. INCOME GUIDELINES FOR FREE LUNCHES**  
10 **SERVED TO ELEMENTARY SCHOOL STU-**  
11 **DENTS.**

12 The second sentence of section 9(b)(1)(A) of the Na-  
13 tional School Lunch Act (42 U.S.C. 1758(b)(1)(A)) is  
14 amended by inserting after “130 percent” the following:  
15 “(or, in the case of a student attending an elementary  
16 school, 185 percent)”.

17 **SEC. 306. SCHOOL FLEXIBILITY.**

18 Section 9(b)(5) of the National School Lunch Act (42  
19 U.S.C. 1758(b)(5)) is amended by adding at the end the  
20 following new sentences: “A State agency or local school  
21 food authority shall use information concerning the eligi-  
22 bility of a child for free or reduced price meals for the  
23 purpose of determining the eligibility of the child for free  
24 or reduced price meals. A State agency or local school food  
25 authority may use a determination of the eligibility of a

1 child for free or reduced price meals to demonstrate the  
 2 eligibility of the child for benefits under other Federal,  
 3 State, or local means-tested programs.”.

4 **SEC. 307. AUTOMATIC ELIGIBILITY OF HEAD START PAR-**  
 5 **TICIPANTS.**

6 Section 9(b)(6) of the National School Lunch Act (42  
 7 U.S.C. 1758(b)(6)) is amended—

8 (1) in subparagraph (A)—

9 (A) in the matter preceding clause (i), by  
 10 striking “a member of”;

11 (B) in clause (i)—

12 (i) by inserting “a member of” after  
 13 “(i)”; and

14 (ii) by striking “or” at the end of the  
 15 clause;

16 (C) in clause (ii)—

17 (i) by inserting “a member of” after  
 18 “(ii)”; and

19 (ii) by striking the period at the end  
 20 of the clause and inserting “; or”; and

21 (D) by adding at the end the following new  
 22 clause:

23 “(iii) enrolled as a participant in the Head  
 24 Start program authorized under the Head Start Act  
 25 (42 U.S.C. 9831 et seq.).”; and



1           (2) in subparagraph (B), by striking “food  
2       stamps or aid to families with dependent children”  
3       and inserting “food stamps, aid to families with de-  
4       pendent children, or enrollment or participation in  
5       the Head Start program”.

6   **SEC. 308. SPECIAL ASSISTANCE PAYMENTS.**

7       Section 11(a)(1) of the National School Lunch Act  
8       (42 U.S.C. 1759a(a)(1)) is amended by striking “lunches”  
9       each place it appears in the third and fourth sentences  
10      and inserting “meals”.

11   **SEC. 309. PROMOTION OF HEALTHY EATING HABITS FOR**  
12                           **CHILDREN.**

13      Section 12 of the National School Lunch Act (42  
14      U.S.C. 1760) is amended by adding at the end the follow-  
15      ing new subsection:

16      “(j) The Secretary shall develop, and make available  
17      to the public, public service advertisements that promote  
18      healthy eating habits for children.”.

19   **SEC. 310. ORGANIC FOODS.**

20      Section 12 of the National School Lunch Act (42  
21      U.S.C. 1760) (as amended by section 309) is further  
22      amended by adding at the end the following new sub-  
23      section:

24      “(k)(1) The Secretary shall advise State educational  
25      agencies and schools participating in the school lunch pro-

1 gram about the increased opportunities offered by the Or-  
2 ganic Foods Production Act of 1990 (7 U.S.C. 6501 et  
3 seq.), and by programs established under this subsection,  
4 for schools to obtain organically produced agricultural  
5 products (as defined in section 2103 of such Act (7 U.S.C.  
6 6502)) (referred to in this subsection as ‘organically pro-  
7 duced agricultural products’) such as meats, poultry prod-  
8 ucts, fruits, products made from grains, dairy products,  
9 and vegetables that are organically produced.

10 “(2) The Secretary shall—

11 “(A) establish an information clearinghouse to  
12 provide information on where to obtain organically  
13 produced agricultural products;

14 “(B) collect, obtain, or develop information re-  
15 garding the availability of organically produced agri-  
16 cultural products; and

17 “(C) provide the information, or make the in-  
18 formation readily available, to State educational  
19 agencies and schools participating in the school  
20 lunch program established under this Act or the  
21 school breakfast program established under the  
22 Child Nutrition Act of 1966 (42 U.S.C. 1771 et  
23 seq.).

24 “(3) Out of any moneys in the Treasury not other-  
25 wise appropriated, the Secretary of the Treasury shall pro-

1 vide to the Secretary \$2,000,000 for each of fiscal years  
2 1995 through 1997. The Secretary shall be entitled to re-  
3 ceive the funds and shall accept the funds.

4 “(4)(A) The Secretary shall use the funds provided  
5 under paragraph (3) to provide to States and schools par-  
6 ticipating in the school lunch program authorized under  
7 this Act or the school breakfast program authorized under  
8 section 4 of the Child Nutrition Act of 1966 (42 U.S.C.  
9 1773)—

10 “(i) organically produced agricultural products  
11 purchased by the Secretary; or

12 “(ii) incentive awards or other payments in  
13 such amounts as the Secretary determines appro-  
14 priate to encourage the purchase of organically pro-  
15 duced agricultural products by schools that agree to  
16 purchase significant quantities of the products.

17 “(B) In carrying out subparagraph (A)(ii), the Sec-  
18 retary may provide—

19 “(i) payments to schools to assist in covering  
20 the price differential between products that are not  
21 organically produced agricultural products and or-  
22 ganically produced agricultural products;

23 “(ii) incentive awards to schools that agree to  
24 purchase significant quantities (as determined by the

1 Secretary) of organically produced agricultural prod-  
2 ucts during the school year; or

3 “(iii) other types of payments to schools to pro-  
4 mote the use of organically produced agricultural  
5 products by school lunch and breakfast programs.

6 “(5) The Secretary shall report to the appropriate  
7 committees of Congress on the numbers of schools affected  
8 by the program established under this subsection and on  
9 the effectiveness of the program in encouraging the pur-  
10 chase of organically produced agricultural products by  
11 schools.

12 “(6) The Secretary may provide a priority for receiv-  
13 ing funds under this subsection to schools that purchase  
14 organically produced products from—

15 “(A) socially disadvantaged farmers or ranchers  
16 (as defined in section 2501(e)(2) of the Food, Agri-  
17 culture, Conservation, and Trade Act of 1990 (7  
18 U.S.C. 2279(e)(2)));

19 “(B) farmers or ranchers located in very rural  
20 areas (as defined by the Secretary); or

21 “(C) farmers or ranchers who own or operate  
22 small-scale or limited-resource farms or ranches (as  
23 defined by the Secretary).”.

1 **SEC. 311. FOOD AND NUTRITION PROJECTS.**

2 Section 12 of the National School Lunch Act (42  
3 U.S.C. 1760) (as amended by section 310) is further  
4 amended by adding at the end the following new sub-  
5 section:

6 “(l)(1) The Secretary shall award on an annual basis  
7 grants to private nonprofit educational organizations in 3  
8 States to create and demonstrate food and nutrition  
9 projects that are fully integrated with elementary school  
10 curricula.

11 “(2) Each private nonprofit organization referred to  
12 in paragraph (1) shall be selected by the Secretary and  
13 shall—

14 “(A) assist local schools and educators in teach-  
15 ing food and nutrition education that integrates  
16 math, science, and verbal skills in the elementary  
17 grades;

18 “(B) assist local schools and educators in teach-  
19 ing sustainable agricultural practices and ecology  
20 through practical applications, like gardening;

21 “(C) assist in teaching the importance of com-  
22 munity-based models to combat hunger;

23 “(D) create community service learning oppor-  
24 tunities;

25 “(E) be experienced in assisting in the creation  
26 of curriculum-based models in elementary schools;

1           “(F) be sponsored by an organization, or be an  
2           organization, that provides information concerning  
3           hunger and community involvement; and

4           “(G) be able to provide model curricula, exam-  
5           ples, advice, and guidance to school, community  
6           groups, States, and local organizations regarding  
7           means of carrying out similar projects.

8           “(3) Out of any moneys in the Treasury not other-  
9           wise appropriated, the Secretary of the Treasury shall pro-  
10          vide to the Secretary for payment to each of the 3 private  
11          nonprofit educational organizations selected under this  
12          section not less than \$100,000 nor more than \$200,000  
13          for each of fiscal years 1994 through 1998. The Secretary  
14          shall be entitled to receive the funds and shall accept the  
15          funds.

16          “(4) The Secretary shall establish fair and reasonable  
17          auditing procedures regarding the expenditure of funds  
18          under this subsection.”.

19       **SEC. 312. SUMMER FOOD SERVICE PROGRAM FOR CHIL-**  
20                               **DREN.**

21          (a) DEFINITION OF AREAS IN WHICH POOR ECO-  
22          NOMIC CONDITIONS EXIST.—Section 13(a)(1)(C) of the  
23          National School Lunch Act (42 U.S.C. 1761(a)(1)(C)) is  
24          amended by striking “50 percent” and inserting “40 per-  
25          cent”.

1 (b) PRIVATE NONPROFIT ORGANIZATIONS.—

2 (1) LIMITS ON SITES AND NUMBER OF CHIL-  
3 DREN SERVED.—Section 13(a)(7)(B) of such Act is  
4 amended by striking clause (i) and inserting the fol-  
5 lowing new clause:

6 “(i) serve a total of not more than 3,000 chil-  
7 dren per day at not more than 20 sites, with not  
8 more than 500 children being served at any 1 site;”.

9 (2) VENDORS; WAITING PERIOD.—Section  
10 13(a)(7) of such Act is amended—

11 (A) in subparagraph (B)(ii), by inserting  
12 before the semicolon at the end the following: “,  
13 except as provided in subparagraph (C)”; and

14 (B) by striking subparagraph (C) and in-  
15 serting the following new subparagraph:

16 “(C) A State may, with the approval of the Secretary,  
17 grant a waiver to a private nonprofit organization from  
18 the eligibility requirements of subparagraph (B)(ii) to per-  
19 mit the organization to obtain meals from a vendor under  
20 the same terms and conditions as other service institu-  
21 tions, if the State determines that other reasonable alter-  
22 natives do not exist and that failure to grant a waiver will  
23 result in the lack of the establishment of a feeding site  
24 for children in the area.”.

1 (c) SECOND HELPINGS.—Section 13(a) of such Act  
 2 is amended by adding at the end the following new para-  
 3 graph:

4 “(8) In carrying out this section, the Secretary shall  
 5 issue regulations that provide an allowance for second  
 6 helpings of up to 5 percent.”.

7 (d) SINGLE RATE FOR OPERATIONAL AND ADMINIS-  
 8 TRATIVE COSTS.—

9 (1) IN GENERAL.—Paragraph (1) of section  
 10 13(b) of such Act is amended to read as follows:

11 “(1)(A) Except as otherwise provided in this para-  
 12 graph, payments to service institutions shall equal the full  
 13 cost of food service operations, including the cost of ob-  
 14 taining, preparing, and serving food, and administrative  
 15 costs.

16 “(B) Payments to an institution may not exceed—

17 “(i) \$2.2375 for each lunch and supper served;

18 “(ii) \$1.2425 for each breakfast served; and

19 “(iii) 58.75 cents for each meal supplement  
 20 served.

21 “(C) The amounts specified in subparagraph (B)  
 22 shall be adjusted on January 1, 1994, and each January  
 23 1 thereafter, to the nearest  $\frac{1}{4}$  cent in accordance with  
 24 the changes for the 12-month period ending the preceding  
 25 November 30 in the series for food away from home of



1 the Consumer Price Index for All Urban Consumers pub-  
 2 lished by the Bureau of Labor Statistics of the Depart-  
 3 ment of Labor.

4 “(D) Notwithstanding any other provision of this  
 5 paragraph, reimbursement for administrative costs of a  
 6 service institution shall not exceed 12 percent of the total  
 7 reimbursement provided to the service institution under  
 8 this paragraph.”.

9 (2) CONFORMING AMENDMENTS.—Section  
 10 13(b) of such Act is amended—

11 (A) in paragraph (3), by striking the sec-  
 12 ond sentence; and

13 (B) by striking paragraph (4).

14 (e) OFFER VS. SERVE OPTION.—Section 13(b)(2) of  
 15 such Act is amended by adding at the end the following  
 16 new sentences: “The Secretary shall issue regulations that  
 17 allow schools that are service institutions and that prepare  
 18 and serve meals on-site to permit children to refuse 1 food  
 19 item that the children do not intend to consume without  
 20 lowering the Federal reimbursement levels that are due  
 21 under the program established by this section and be  
 22 treated in the same manner as a service institution that  
 23 serves meals under the program.”.

24 (f) REIMBURSEMENT FOR TRANSPORTATION.—Sec-  
 25 tion 13(b) of such Act (as amended by subsection

1 (d)(2)(B)) is further amended by adding at the end the  
2 following new paragraph:

3 “(4)(A) The Secretary shall provide an additional re-  
4 imbursement to each eligible service institution located in  
5 a very rural area (as defined by the Secretary) for the  
6 cost of transporting each child to and from a feeding site  
7 for children who are brought to the site by the service in-  
8 stitution or for whom transportation is arranged by the  
9 service institution.

10 “(B) Subject to subparagraph (C), the amount of re-  
11 imbursement provided to a service institution under this  
12 paragraph may not exceed the lesser of—

13 “(i) 75 cents per day for each child transported  
14 to and from a feeding site; or

15 “(ii) the actual cost of transporting children to,  
16 and home from, a feeding site.

17 “(C) The amounts specified in subparagraph (B)  
18 shall be adjusted in accordance with paragraph (1)(C).”.

19 (g) STARTUP COSTS.—Section 13 of such Act is  
20 amended—

21 (1) in subsection (g), by striking the second and  
22 third sentences;

23 (2) by redesignating subsections (g) and (h) as  
24 subsections (h) and (i), respectively; and

1           (3) by inserting after subsection (f) the follow-  
2           ing new subsection:

3           “(g)(1) The Secretary shall make payments, totalling  
4           not less than \$2,000,000 for each fiscal year, to States  
5           for distribution to service institutions in a substantial  
6           number of States to assist the institutions with non-  
7           recurring expenses incurred in initiating the summer food  
8           service program. Payments received under this subsection  
9           shall be in addition to payments to which States are enti-  
10          tled under other provisions of this section and shall be  
11          used for increasing the number of feeding sites or the total  
12          meals served.

13          “(2) In making payments under this subsection for  
14          any fiscal year, the Secretary shall, to the maximum ex-  
15          tent practicable, ensure a wide geographic distribution  
16          among the States receiving the payments.

17          “(3) In making payments under this subsection for  
18          any fiscal year, the Secretary shall provide a preference  
19          to States—

20                 “(A)(i) in which the number of children partici-  
21                 pating in the program authorized by this section  
22                 represents the lowest percentages of the number of  
23                 children receiving free or reduced price meals under  
24                 the national school lunch program; or

1           “(ii) that do not have a summer food service  
2           program available to a large number of low-income  
3           children in the State; and

4           “(B) that submit to the Secretary a plan to ex-  
5           pand the programs conducted in the State, including  
6           a description of—

7                   “(i) the manner in which the State will  
8                   provide technical assistance to service institu-  
9                   tions in the State to expand the programs; or

10                   “(ii) significant public or private resources  
11                   that have been assembled to carry out the ex-  
12                   pansion of the programs during the year.

13           “(4) Funds made available under this subsection that  
14           are not used by the State shall be available to the Sec-  
15           retary for distribution to the States during the following  
16           fiscal year, in accordance with procedures established by  
17           the Secretary.

18           “(5) The Secretary shall allow States to apply on an  
19           annual basis for assistance under this subsection.

20           “(6) In allocating funds within the State, each State  
21           shall give preference for assistance under this subsection  
22           to service institutions in areas that demonstrate the great-  
23           est need for the program or that are in areas in which  
24           poor economic conditions exist.

25           “(7) Each State shall ensure that—

1           “(A) service institutions receiving assistance  
2           under this subsection establish additional feeding  
3           sites that provide meal service to children in pre-  
4           viously unserved areas; or

5           “(B) as a result of receiving the assistance,  
6           service institutions serve more meals than were  
7           served in the previous year.

8           “(8) Expenditures of funds from State and local  
9           sources for the maintenance of the program shall not be  
10          diminished as a result of payments received under this  
11          subsection.

12          “(9) Not later than January 1, 1996, the Secretary  
13          shall submit a report to the Committee on Education and  
14          Labor of the House of Representatives and the Committee  
15          on Agriculture, Nutrition, and Forestry of the Senate con-  
16          cerning the efforts of the Secretary and the States to in-  
17          crease the participation of service institutions in the pro-  
18          gram.

19          “(10) As used in this subsection, the term ‘service  
20          institution’ means a service institution (as defined in sub-  
21          section (a)(1)(B)) that—

22                 “(A) will serve children a significant percentage  
23                 of whom are members of low-income families; and

24                 “(B) agrees to operate the summer food service  
25                 program established with the assistance provided

1 under this subsection for a period of not less than  
2 3 years.”.

3 (h) AUTHORIZATION OF APPROPRIATIONS.—Section  
4 13(r) of such Act is amended by striking “1994” and in-  
5 serting “1998”.

6 **SEC. 313. COMMODITY DISTRIBUTION PROGRAM.**

7 Section 14 of the National School Lunch Act (42  
8 U.S.C. 1762a) is amended—

9 (1) in subsection (a), by striking “1994” and  
10 inserting “1998”; and

11 (2) in subsection (b)—

12 (A) by inserting “(1)” after “(b)”;

13 (B) by adding at the end the following new  
14 paragraphs:

15 “(2) The Secretary shall improve the overall nutri-  
16 tional quality of entitlement commodities provided to  
17 schools to assist the schools in furthering the nutritional  
18 goals for meals established under section 24.

19 “(3) The Secretary shall—

20 “(A) require that nutritional content informa-  
21 tion labels be placed on packages or shipments of  
22 entitlement commodities provided to the schools; or

23 “(B) otherwise provide nutritional content in-  
24 formation regarding the commodities provided to the  
25 schools.”.

1 **SEC. 314. CHILD AND ADULT CARE FOOD PROGRAM.**

2 (a) DEFINITION OF INSTITUTION.—The second sen-  
3 tence of section 17(a) of the National School Lunch Act  
4 (42 U.S.C. 1766(a)) is amended by striking “for which  
5 it receives compensation from amounts granted to the  
6 States under title XX of the Social Security Act (but only  
7 if such organization receives compensation under such title  
8 for at least 25 percent of its enrolled children or 25 per-  
9 cent of its licensed capacity, whichever is less)” and insert-  
10 ing “if at least 25 percent of the children served by the  
11 organization meet the income eligibility criteria estab-  
12 lished under section 9(b) for free or reduced price meals”.

13 (b) EXPANSION FUNDS.—Section 17(f)(3)(C) of such  
14 Act is amended—

15 (1) in the last sentence, by striking “two  
16 months” and inserting “6 months”; and

17 (2) by adding at the end the following new sen-  
18 tences: “Expansion funds may be used to conduct  
19 outreach to unlicensed day care homes to enable the  
20 day care homes to become licensed and to partici-  
21 pate in the program established under this section.  
22 A sponsoring organization may receive expansion  
23 funds for no more than 50 day care homes.”.

24 (c) EXTENSION.—Section 17(p)(5) of such Act is  
25 amended by striking “1994” and inserting “1998”.

1 (d) MEDICAID AND WIC INFORMATION.—Section 17  
2 of such Act is amended by adding at the end the following  
3 new subsection:

4 “(q)(1)(A) The Secretary shall provide materials con-  
5 cerning the medical assistance program established under  
6 title XIX of the Social Security Act (42 U.S.C. 1396 et  
7 seq.) (referred to in this subsection as the ‘medicaid pro-  
8 gram’) to State agencies for use in carrying out the pro-  
9 gram established under this section.

10 “(B) The materials shall inform State agencies about  
11 the availability and importance of—

12 “(i) the medicaid program to children from low-  
13 income families, including a basic explanation of  
14 program benefits and national income standards;  
15 and

16 “(ii) the medicaid program components estab-  
17 lished for low-income elderly and disabled persons  
18 under subparagraphs (A)(ii)(X) and (E) of section  
19 1902(a)(10) of the Social Security Act (42 U.S.C.  
20 1396a(a)(10)), including a basic explanation of pro-  
21 gram benefits and national income standards.

22 “(C) The Secretary—

23 “(i) may request that the Secretary of Health  
24 and Human Services assist in the preparation of the  
25 materials; and



1           “(ii) shall submit the materials to the Secretary  
2           of Health and Human Services for comment prior to  
3           submitting the materials to State agencies.

4           “(2) The Secretary shall also provide State agencies  
5           with basic information concerning the importance and  
6           benefits of the special nutrition program for women, in-  
7           fants, and children authorized under section 17 of the  
8           Child Nutrition Act of 1966 (42 U.S.C. 1786).

9           “(3) The State agency shall—

10           “(A) provide each child care institution partici-  
11           pating in the program established under this section,  
12           other than institutions providing day care outside  
13           school hours for schoolchildren, with materials that  
14           include—

15                   “(i) a basic explanation of the benefits and  
16                   importance of—

17                           “(I) health care coverage provided to  
18                           young low-income children under the med-  
19                           icaid program; and

20                           “(II) the special nutrition program for  
21                           women, infants, and children;

22                           “(ii) the maximum income limits, accord-  
23                           ing to family size, applicable to children up to  
24                           age 5 in the State under the medicaid program

1 and under the special nutrition program for  
2 women, infants, and children; and

3 “(iii) a listing of the addresses and phone  
4 numbers of offices at which parents may apply;

5 “(B) provide each adult day care center partici-  
6 pating in the program established under this section  
7 with materials that include—

8 “(i) a basic explanation of benefits pro-  
9 vided under subparagraphs (A)(ii)(X) and (E)  
10 of section 1902(a)(10) of the Social Security  
11 Act;

12 “(ii) information on the income limits for  
13 the benefits by household size; and

14 “(iii) a listing of addresses and phone  
15 numbers of offices at which low-income elderly  
16 and disabled persons may apply for the bene-  
17 fits;

18 “(C) annually provide the institutions with an  
19 update of the information on income limits described  
20 in subparagraphs (A)(ii) and (B)(ii);

21 “(D) ensure that, at least once a year, the insti-  
22 tutions to which subparagraph (A) applies provide  
23 written information to parents that includes—

24 “(i) basic information on the benefits pro-  
25 vided under the medicaid program and the spe-

1           cial nutrition program for women, infants, and  
2           children;

3           “(ii) information on the maximum income  
4           limits, according to family size, applicable to  
5           each program; and

6           “(iii) information on where parents may  
7           apply to participate in each program; and

8           “(E) ensure that, at least once a year, adult  
9           day care centers provide written information to pro-  
10          gram participants that provides—

11           “(i) basic information on the benefits pro-  
12           vided under subparagraphs (A)(ii)(X) and (E)  
13           of section 1902(a)(10) of the Social Security  
14           Act;

15           “(ii) information on the income limits, by  
16           household size, applicable to the benefits; and

17           “(iii) information on where low-income and  
18           disabled persons may apply for the benefits.”.

19   **SEC. 315. MEAL SUPPLEMENTS FOR CHILDREN IN AFTER-**  
20           **SCHOOL CARE.**

21           Section 17A of the National School Lunch Act (42  
22   U.S.C. 1766a) is amended—

23           (1) in subsection (a)(2)—

24                   (A) by inserting “and” at the end of sub-  
25           paragraph (A);

1 (B) by striking “; and” at the end of sub-  
 2 paragraph (B) and inserting a period; and

3 (C) by striking subparagraph (C); and

4 (2) by adding at the end the following new sub-  
 5 section:

6 “(e) AUTOMATIC ELIGIBILITY.—

7 “(1) IN GENERAL.—A child shall be considered  
 8 automatically eligible for a free or reduced price  
 9 meal supplement under this section, without further  
 10 application or eligibility determination, if the child  
 11 has been certified as eligible for free or reduced  
 12 price breakfasts or lunches under the Child Nutri-  
 13 tion Act of 1966 (42 U.S.C. 1771 et seq.) or this  
 14 Act, respectively.

15 “(2) PROOF.—Proof of eligibility for free or re-  
 16 duced price breakfasts or lunches shall be sufficient  
 17 to satisfy any verification requirement imposed for  
 18 meal supplements under this section.”.

19 **SEC. 316. DEMONSTRATION PROJECTS TO IMPROVE FOOD**  
 20 **SERVICE FOR HOMELESS CHILDREN.**

21 Section 18(c) of the National School Lunch Act (42  
 22 U.S.C. 1769(c)) is amended—

23 (1) in paragraph (1), by inserting after “(1)”  
 24 the following new sentences: “Out of any moneys in  
 25 the Treasury not otherwise appropriated, the Sec-

1       retary of the Treasury shall provide to the Secretary  
 2       to carry out this subsection \$4,000,000 for fiscal  
 3       year 1995, \$5,000,000 for fiscal year 1996,  
 4       \$8,000,000 for fiscal year 1997, and \$10,000,000  
 5       for fiscal year 1998. The Secretary shall be entitled  
 6       to receive the funds and shall accept the funds.”;

7               (2) in the first sentence of paragraph (5)(A)—

8                       (A) by inserting “or provided” after “ap-  
 9               propriated”;

10                      (B) by striking “and” after “1993,”; and

11                      (C) by inserting after “1994,” the follow-  
 12               ing: “, and the amount specified in paragraph  
 13               (1) for each of fiscal years 1995 through  
 14               1998”;

15               (3) in paragraph (6)—

16                      (A) by inserting “(A)” after “(6)”;

17                      (B) by striking “1994” and inserting  
 18               “1998”; and

19                      (C) by adding at the end the following new  
 20               subparagraph:

21       “(B)(i) For any fiscal year in which all the funds pro-  
 22       vided for homeless demonstration programs established  
 23       under this subsection are not completely used, the Sec-  
 24       retary shall transfer the unused funds for the fiscal year  
 25       to the Secretary of the Treasury.

1       “(ii) For each fiscal year for which funds are trans-  
2       ferred to the Secretary of the Treasury under clause (i),  
3       the Secretary of Agriculture shall submit a report to the  
4       appropriate committees of Congress that includes—

5               “(I) an explanation of the actions the Secretary  
6       has taken to carry out paragraph (7);

7               “(II) an estimate, if practicable, of the number  
8       of children living in homeless shelters who are not  
9       served by the program established under this sub-  
10      section; and

11              “(III) a detailed plan for expanding the pro-  
12      gram so that more eligible children may participate  
13      in the program.”; and

14              (4) by adding at the end the following new  
15      paragraph:

16      “(8)(A) Out of the funds provided under paragraph  
17      (1), the Secretary shall use funds, for each of fiscal years  
18      1995 through 1998, to carry out programs operated by  
19      shelters, halfway houses, and hospitals described in sub-  
20      paragraph (B) that the Secretary has approved for partici-  
21      pation, for the purpose of providing nutrition counseling,  
22      nutrition assessments, and referrals to individuals partici-  
23      pating in—

24              “(i) the program established under this sub-  
25      section;

1           “(ii) the special nutrition program for women,  
2           infants, and children established under section 17 of  
3           the Child Nutrition Act of 1966 (42 U.S.C. 1786);

4           “(iii) the medical assistance program estab-  
5           lished under title XIX of the Social Security Act (42  
6           U.S.C. 1396 et seq.) (also known as the ‘medicaid  
7           program’); and

8           “(iv) similar programs for homeless pregnant  
9           women, pregnant women at risk of becoming home-  
10          less, homeless mothers with newborn infants, or the  
11          guardians of boarder babies or other abandoned in-  
12          fants.

13          “(B) Programs administered by halfway houses,  
14          homeless shelters, hospitals, or transitional housing orga-  
15          nizations under subparagraph (A), if approved by the Sec-  
16          retary, may receive funding under this paragraph for pur-  
17          poses specified in regulations of the Secretary.

18          “(C) The Secretary shall impose such auditing and  
19          recordkeeping requirements as are necessary to monitor  
20          the use of Federal funds to carry out this paragraph.

21          “(D) The Secretary shall periodically report to the  
22          appropriate committees of Congress on the referral and  
23          nutrition counseling and assessment programs carried out  
24          under this paragraph.”.

1 **SEC. 317. PILOT PROGRAM TO INCREASE OFFERINGS OF**  
2 **FRUITS AND VEGETABLES.**

3 Section 18 of the National School Lunch Act (42  
4 U.S.C. 1769) is amended by adding at the end the follow-  
5 ing new subsection:

6 “(e)(1) The Secretary shall establish a national pilot  
7 program (referred to in this subsection as the ‘pilot pro-  
8 gram’) to assist schools participating in the school lunch  
9 program established under this Act, and the school break-  
10 fast program established under section 4 of the Child Nu-  
11 trition Act of 1966 (42 U.S.C. 1773), to offer participat-  
12 ing students additional choices of fruits and vegetables.

13 “(2) The Secretary shall establish procedures under  
14 which schools may apply to participate in the pilot pro-  
15 gram. To the maximum extent practicable, the Secretary  
16 shall select qualified schools that apply from each State.

17 “(3) The Secretary shall use the funds provided  
18 under this subsection to provide to the schools referred  
19 to in paragraph (1)—

20 “(A) per meal reimbursements, in addition to  
21 reimbursements otherwise due the schools;

22 “(B) incentive awards to schools that agree to  
23 increase their offerings of fruits and vegetables dur-  
24 ing the school year; or

25 “(C) fruits and vegetables purchased by the  
26 Secretary.



1       “(4) The Secretary may provide a priority for receiv-  
2 ing benefits under this subsection to schools that—

3               “(A) are located in low-income areas (as de-  
4 fined by the Secretary);

5               “(B) rarely offer 3 or more servings of fruits or  
6 vegetables per meal; or

7               “(C) purchase or agree to purchase a substan-  
8 tial portion of their fruits and vegetables from—

9                       “(i) socially disadvantaged farmers (as de-  
10 fined in section 2501(e)(2) of the Food, Agri-  
11 culture, Conservation, and Trade Act of 1990  
12 (7 U.S.C. 2279(e)(2)));

13                      “(ii) farmers located in very rural areas  
14 (as defined by the Secretary); or

15                      “(iii) farmers who own or operate small-  
16 scale or limited-resource farms (as defined by  
17 the Secretary).

18       “(5) Not later than March 31, 1996, and March 31,  
19 1997, the Secretary shall report to the appropriate com-  
20 mittees of Congress on the impact of the pilot program  
21 on participating schools, including—

22               “(A) the extent to which school children in-  
23 creased consumption of fruits and vegetables;

1 “(B) the extent of any increase in costs to the  
 2 schools in offering the additional fruits or vegeta-  
 3 bles;

4 “(C) the desirability of—

5 “(i) requiring that each school participat-  
 6 ing in the school lunch program increase the  
 7 number of servings of fruits or vegetables of-  
 8 fered per meal to at least 3 servings; and

9 “(ii) mandating that the Secretary provide  
 10 additional Federal reimbursements to assist  
 11 schools in complying with the proposed require-  
 12 ment described in clause (i); and

13 “(D) the extent to which fresh, frozen, and  
 14 canned foods are offered under the pilot program.

15 “(6) Out of any moneys in the Treasury not other-  
 16 wise appropriated, the Secretary of the Treasury shall pro-  
 17 vide to the Secretary to carry out this subsection  
 18 \$40,000,000 for each of fiscal years 1995 through 1997.  
 19 The Secretary shall be entitled to receive the funds and  
 20 shall accept the funds.”.

21 **SEC. 318. PILOT PROGRAM TO INCREASE CONSUMPTION OF**  
 22 **LOW-FAT DAIRY PRODUCTS AND LEAN**  
 23 **MEATS.**

24 Section 18 of the National School Lunch Act (42  
 25 U.S.C. 1769) (as amended by section 317) is further

1 amended by adding at the end the following new sub-  
2 section:

3       “(f)(1) The Secretary shall establish a national pilot  
4 program (referred to in this subsection as the ‘pilot pro-  
5 gram’) to better assist schools participating in the school  
6 lunch program established under this Act and the school  
7 breakfast program established under section 4 of the Child  
8 Nutrition Act of 1966 (42 U.S.C. 1773) to offer low-fat  
9 dairy products and lean meats and poultry products.

10       “(2) The Secretary shall establish procedures under  
11 which schools may apply to participate in the pilot pro-  
12 gram. To the maximum extent practicable, the Secretary  
13 shall select qualified schools that apply from each State.

14       “(3) The Secretary shall purchase, and provide to  
15 schools selected to participate in the pilot program, low-  
16 fat dairy products and lean meats and poultry products.

17       “(4) Not later than March 31, 1996, and March 31,  
18 1997, the Secretary shall report to the appropriate com-  
19 mittees of Congress on the impact of the pilot program  
20 on participating schools, including—

21               “(A) the extent to which school children in-  
22 creased consumption of low-fat dairy products and  
23 lean meats and poultry products; and

24               “(B) alternative means of providing additional  
25 offerings of low-fat dairy products and lean meats

1 and poultry products in the school lunch and break-  
2 fast programs.

3 “(5) Out of any moneys in the Treasury not other-  
4 wise appropriated, the Secretary of the Treasury shall pro-  
5 vide to the Secretary to carry out the pilot program with  
6 respect to the purchase and distribution of—

7 “(A) low-fat dairy products, \$35,000,000 for  
8 each of fiscal years 1995 through 1997; and

9 “(B) lean meats and poultry products,  
10 \$10,000,000 for each of fiscal years 1995 through  
11 1997.

12 “(6) The Secretary shall be entitled to receive the  
13 funds described in paragraph (5) and shall accept the  
14 funds.”.

15 **SEC. 319. PILOT PROJECTS FOR FORTIFIED FLUID MILK;**

16 **INFORMATION ON FORTIFIED MILK.**

17 (a) IN GENERAL.—Section 18 of the National School  
18 Lunch Act (42 U.S.C. 1769) (as amended by section 318)  
19 is further amended by adding at the end the following new  
20 subsection:

21 “(g)(1) The Secretary shall establish pilot projects in  
22 at least 25 school districts under which the milk offered  
23 by schools meets the fortification requirements of para-  
24 graph (3) for lowfat, skim, and other forms of fluid milk.

1       “(2) The Secretary shall make available to school dis-  
2 tricts information that compares the nutritional benefits  
3 of fluid milk that meets the fortification requirements of  
4 paragraph (3) and the nutritional benefits of other milk  
5 that is made available through the school lunch program  
6 established under this Act.

7       “(3) The fortification requirements for fluid milk for  
8 the pilot project referred to in paragraph (1) shall provide  
9 that—

10           “(A) all whole milk in final package form for  
11 beverage use shall contain not less than—

12                   “(i) 3.25 percent milk fat; and

13                   “(ii) 8.7 percent milk solids not fat;

14           “(B) all lowfat milk in final package form for  
15 beverage use shall contain not less than 10 percent  
16 milk solids not fat; and

17           “(C) all skim milk in final package form for  
18 beverage use shall contain not less than 9 percent  
19 milk solids not fat.

20       “(4)(A) In selecting where to establish pilot projects  
21 under this subsection, the Secretary shall take into ac-  
22 count, among other factors, the availability of fortified  
23 milk and the interest of the school district in being in-  
24 cluded in the pilot program.

1       “(B) The Secretary shall establish the pilot projects  
2 in as many geographic areas as practicable, except that  
3 none of the projects shall be established in school districts  
4 that use milk described in paragraph (3) or similar milk.

5       “(5) Not later than 2 years after the establishment  
6 of pilot projects under this subsection, the Secretary shall  
7 report to the appropriate committees of Congress on—

8               “(A) the effect of the pilot program on the nu-  
9 trition and health of children;

10              “(B) the acceptability of fortified whole, lowfat,  
11 and skim milk products to participating children and  
12 teachers;

13              “(C) the impact of offering the milk on milk  
14 consumption;

15              “(D) the views of the school food service au-  
16 thorities on the pilot program; and

17              “(E) any increases or reductions in costs attrib-  
18 uted to the pilot program.

19       “(6) The Secretary shall—

20              “(A) obtain copies of research studies and pa-  
21 pers that discuss the impact of the fortification of  
22 milk pursuant to standards established by the State  
23 of California in the early 1960’s; and

24              “(B) make the information available to the pub-  
25 lic.

1       “(7)(A) The pilot projects established under this sub-  
2 section shall terminate on the last day of the third year  
3 after the establishment of the pilot projects.

4       “(B) The Secretary shall advise representatives of all  
5 districts participating in the pilot projects that the dis-  
6 tricts may continue to offer the fortified forms of milk de-  
7 scribed in paragraph (3) after the project terminates.”.

8       (b) INFORMATION ON FORTIFIED MILK.—Section  
9 9(a) of such Act (7 U.S.C. 1758(a)) (as amended by sec-  
10 tion 304) is further amended by adding at the end the  
11 following new paragraph:

12       “(6)(A) In the case of fluid milk offered under the  
13 national school lunch program established under this Act,  
14 the school breakfast program established under section 4  
15 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), and  
16 the special milk program established under section 3 of  
17 such Act (42 U.S.C. 1772), the Secretary shall establish  
18 a program under which schools may obtain information  
19 about where to obtain milk described in section 18(g)(3).

20       “(B) The Secretary shall notify State educational  
21 agencies and participating schools about the possible bene-  
22 fits to school children of the milk described in section  
23 18(g)(3) and of the availability of the informational serv-  
24 ice made available under this paragraph.

1 “(C) Not later than 120 days after the date of enact-  
 2 ment of this paragraph, the Secretary shall issue an eval-  
 3 uation that compares the nutritional value of—

4 “(i) milk that is fortified as described in section  
 5 18(g)(3);

6 “(ii) milk that is fortified in a similar manner  
 7 to milk described in clause (i); and

8 “(iii) milk not fortified as described in clause (i)  
 9 or (ii).”.

10 **SEC. 320. FOOD SERVICE MANAGEMENT INSTITUTE AND**  
 11 **OTHER INSTITUTIONS.**

12 Section 21 of the National School Lunch Act (42  
 13 U.S.C. 1769b-1) is amended—

14 (1) in subsection (b)—

15 (A) by striking “and” at the end of para-  
 16 graph (2);

17 (B) by striking the period at the end of  
 18 paragraph (3) and inserting “; and”; and

19 (C) by adding at the end the following new  
 20 paragraph:

21 “(4) in the case of a food service management  
 22 institute established as authorized by subsection  
 23 (a)(2) and other institutions (such as a culinary in-  
 24 stitute)—



1           “(A) training food service personnel to  
2           comply with the nutrition guidance and objec-  
3           tive referred to in section 24(b) through a na-  
4           tional network of instructors or other means;

5           “(B) preparing informational materials,  
6           such as video instruction tapes and menu plan-  
7           ners, to promote healthier food preparation; and

8           “(C) assisting State educational agencies  
9           in providing additional nutrition and health in-  
10          structions and instructors.”; and

11          (2) in subsection (e)—

12                (A) in paragraph (1), by striking “1992,  
13                1993, and 1994” and inserting “1992 through  
14                1998”; and

15                (B) in paragraph (2), by striking “1991,  
16                1992, 1993, and 1994” and inserting “1991  
17                through 1998”.

18 **SEC. 321. COMPLIANCE AND ACCOUNTABILITY.**

19          Not later than 90 days after the date of enactment  
20 of this Act, the Secretary of Agriculture shall submit a  
21 report to the Committee on Education and Labor of the  
22 House of Representatives and the Committee on Agri-  
23 culture, Nutrition, and Forestry of the Senate that ana-  
24 lyzes—

1 (1) the status of the coordinated review system  
2 authorized under section 22 of the National School  
3 Lunch Act (42 U.S.C. 1769c);

4 (2) the advantages and disadvantages of the  
5 system; and

6 (3) the cost impact of the system on schools.

7 **SEC. 322. NUTRITION GUIDANCE FOR CHILD NUTRITION**  
8 **PROGRAMS.**

9 (a) IN GENERAL.—Section 24 of the National School  
10 Lunch Act (42 U.S.C. 1769e) is amended—

11 (1) by striking subsection (b) and inserting the  
12 following new subsection:

13 “(b) REVISION OF MENU PLANNING GUIDES.—

14 “(1) FAT CONTENT.—The Secretary shall in-  
15 clude in menu planning guides the recommendation  
16 provided in the April 1992 version of the publication  
17 that menus achieve an average fat content of 30 per-  
18 cent of calories from fat and that saturated fat in-  
19 take should be reduced to an average of 10 percent  
20 or less of calories.

21 “(2) REVISED RECOMMENDATIONS.—The Sec-  
22 retary shall, as necessary, revise the menu planning  
23 guides for each covered program to include rec-  
24 ommendations for the implementation of nutrition  
25 guidance described in the publication, including re-

1       vised recommendations in the publication concerning  
2       the consumption of fat and saturated fat.”;

3               (2) in subsection (c), by inserting after “publi-  
4       cation” the following: “, including the guidance re-  
5       garding fat and saturated fat consumption,”; and

6               (3) in subsection (d), by inserting after “publi-  
7       cation” the following: “, including the guidance re-  
8       garding fat and saturated fat consumption”.

9       (b) REPORT.—Not later than July 1, 1995, the Sec-  
10      retary of Agriculture shall submit to the appropriate com-  
11      mittees of Congress a report that—

12              (1) describes actions taken to ensure compli-  
13      ance with the requirements of section 24 of the Na-  
14      tional School Lunch Act (42 U.S.C. 1769e); and

15              (2) makes recommendations regarding the use-  
16      fulness of specific guidelines for dietary fiber, so-  
17      dium, and sugar regarding the school lunch and  
18      breakfast programs established under the National  
19      School Lunch Act (42 U.S.C. 1751 et seq.) and the  
20      Child Nutrition Act of 1966 (42 U.S.C. 1771 et  
21      seq.), respectively.

22       (c) REGULATIONS.—Not later than 150 days after  
23      the date of enactment of this Act, the Secretary of Agri-  
24      culture shall issue final regulations to implement section

1 24 of the National School Lunch Act (as amended by sub-  
2 section (a)).

3 **SEC. 323. INFORMATION CLEARINGHOUSE.**

4 The National School Lunch Act (42 U.S.C. 1751 et  
5 seq.) is amended by adding at the end the following new  
6 section:

7 **“SEC. 25. INFORMATION CLEARINGHOUSE.**

8 “(a) IN GENERAL.—The Secretary shall enter into  
9 a contract with a nongovernmental organization described  
10 in subsection (b) to establish and maintain a clearinghouse  
11 to provide information to nongovernmental groups located  
12 throughout the United States that assist low-income indi-  
13 viduals or communities regarding food assistance, self-help  
14 activities to aid individuals in becoming self-reliant, and  
15 other activities that empower low-income individuals or  
16 communities to improve the lives of low-income individuals  
17 and reduce reliance on Federal, State, or local govern-  
18 mental agencies for food or other assistance.

19 “(b) NONGOVERNMENTAL ORGANIZATION.—The  
20 nongovernmental organization referred to in subsection  
21 (a) shall be selected on a competitive basis and shall—

22 “(1) be experienced in the gathering of first-  
23 hand information in all the States through on-site  
24 visits to grassroots organizations in each State that

1 fight hunger and poverty or that assist individuals  
2 in becoming self-reliant;

3 “(2) be experienced in the establishment of a  
4 clearinghouse similar to the clearinghouse described  
5 in subsection (a);

6 “(3) agree to contribute in-kind resources to-  
7 wards the establishment and maintenance of the  
8 clearinghouse and agree to provide the clearinghouse  
9 information, free of charge, to the Secretary, States,  
10 counties, cities, antihunger groups, and grassroots  
11 organizations that assist individuals in becoming  
12 self-sufficient and self-reliant;

13 “(4) be sponsored by an organization, or be an  
14 organization, that—

15 “(A) has helped combat hunger for at least  
16 10 years;

17 “(B) is committed to reinvesting in the  
18 United States; and

19 “(C) is knowledgeable regarding Federal  
20 nutrition programs;

21 “(5) be experienced in communicating the pur-  
22 pose of the clearinghouse through the media, includ-  
23 ing the radio and print media, and be able to pro-  
24 vide access to the clearinghouse information through

1 computer or telecommunications technology, as well  
2 as through the mails; and

3 “(6) be able to provide examples, advice, and  
4 guidance to communities, States, counties, cities,  
5 antihunger groups, and local organizations regarding  
6 means of assisting individuals and communities to  
7 reduce reliance on government programs, to reduce  
8 hunger and to improve nutrition, and to otherwise  
9 assist low-income individuals and communities be-  
10 come more self-sufficient.

11 “(c) AUDITS.—The Secretary shall establish fair and  
12 reasonable auditing procedures regarding the expenditures  
13 of funds to carry out this section.

14 “(d) FUNDING.—Out of any moneys in the Treasury  
15 not otherwise appropriated, the Secretary of the Treasury  
16 shall pay to the Secretary to provide to the organization  
17 selected under this section, to establish and maintain the  
18 information clearinghouse, \$200,000 for each of fiscal  
19 years 1995 and 1996, \$150,000 for fiscal year 1997, and  
20 \$75,000 for fiscal year 1998. The Secretary shall be enti-  
21 tled to receive the funds and shall accept the funds.”.

## 22 **TITLE IV—PROGRAM INTEGRITY**

### 23 **SEC. 401. FINDINGS.**

24 Congress finds that—

1           (1) in recent years, there has been an alarming  
2           number of instances of price-fixing and bid-rigging  
3           regarding foods purchased for—

4                   (A) the school lunch program established  
5                   under the National School Lunch Act (42  
6                   U.S.C. 1751 et seq.); and

7                   (B) the school breakfast program estab-  
8                   lished under the Child Nutrition Act of 1966  
9                   (42 U.S.C. 1771 et seq.);

10          (2) during the past several years, the Antitrust  
11          Division of the United States Department of Justice  
12          has filed over 100 criminal cases against companies  
13          and individuals accused of bid-rigging conspiracies,  
14          false statements, mail fraud, price-fixing, and simi-  
15          lar activities involving dairy products sold to schools  
16          or the Department of Defense;

17          (3) over 30 grand juries in States are inves-  
18          tigating similar activities, especially in connection  
19          with activities involving the dairy industry;

20          (4) 54 corporations and 50 individuals have  
21          been convicted by Federal courts of similar activi-  
22          ties, and total fines and civil damages of approxi-  
23          mately \$100,000,000 have been assessed in Federal  
24          and State actions for similar activities;

1           (5) a report of the Comptroller General of the  
2       United States noted that, as of March 1992, the  
3       Secretary of Agriculture had neither suspended nor  
4       debarred any of the 13 dairy companies or 28 indi-  
5       viduals convicted, as of March 1992, of milk con-  
6       tract bid-rigging from participating in the school  
7       lunch and breakfast programs;

8           (6) effective educational and monitoring pro-  
9       grams can greatly reduce the incidence of price-fix-  
10      ing and bid-rigging by companies that sell products  
11      to schools;

12          (7) reducing the incidence of price-fixing and  
13      bid-rigging in connection with the school lunch and  
14      breakfast programs could save school districts, par-  
15      ents, and taxpayers millions of dollars per year;

16          (8) the Comptroller General of the United  
17      States has noted that bid-rigging awareness training  
18      is an effective means of deterring improper collusion  
19      and bid-rigging; and

20          (9) the Comptroller General of the United  
21      States in a General Accounting Office report ad-  
22      dressed many of the concerns described in this sec-  
23      tion with respect to bid rigging in the school lunch  
24      program.



1 **SEC. 402. DUTIES OF THE SECRETARY RELATING TO ANTI-**  
2 **COMPETITIVE ACTIVITIES.**

3 (a) IN GENERAL.—The National School Lunch Act  
4 (42 U.S.C. 1751 et seq.) (as amended by section 323) is  
5 further amended by adding at the end the following new  
6 section:

7 **“SEC. 26. DUTIES OF THE SECRETARY RELATING TO ANTI-**  
8 **COMPETITIVE ACTIVITIES.**

9 “(a) DEFINITIONS.—As used in this section:

10 “(1) CHILD NUTRITION PROGRAM.—The term  
11 ‘child nutrition program’ means—

12 “(A) the school lunch program established  
13 under this Act;

14 “(B) the school breakfast program estab-  
15 lished under section 4 of the Child Nutrition  
16 Act of 1966 (42 U.S.C. 1773);

17 “(C) the special milk program established  
18 under section 3 of such Act (42 U.S.C. 1772);

19 “(D) the special nutrition program for  
20 women, infants, and children authorized under  
21 section 17 of such Act (42 U.S.C. 1786);

22 “(E) the summer food service program for  
23 children established under section 13 of this  
24 Act; and

25 “(F) the child and adult care food program  
26 established under section 17 of this Act.

1           “(2) CONTRACTOR.—The term ‘contractor’  
2 means a person that contracts with a State, an  
3 agency of a State, or a local agency to provide goods  
4 or services in conjunction with the participation of  
5 a local agency in a child nutrition program.

6           “(3) LOCAL AGENCY.—The term ‘local agency’  
7 means a school, school food authority, child care  
8 center, sponsoring organization, or other entity au-  
9 thorized to operate a child nutrition program at the  
10 local level.

11           “(4) NONPROCUREMENT DEBARMENT.—The  
12 term ‘nonprocurement debarment’ means an action  
13 to bar a person from programs and activities involv-  
14 ing Federal financial and nonfinancial assistance,  
15 but not including Federal procurement programs  
16 and activities.

17           “(5) PERSON.—The term ‘person’ means any  
18 individual, corporation, partnership, association, or  
19 other legal entity, however organized.

20           “(b) ASSISTANCE.—The Secretary shall—

21           “(1) provide advice, training, technical assist-  
22 ance, and guidance (which may include awareness  
23 training, training films, and troubleshooting advice)  
24 to representatives of States and local agencies re-  
25 garding means of identifying and preventing anti-

1 competitive activities relating to the provision of  
2 goods or services in conjunction with the participa-  
3 tion of a local agency in a child nutrition program;  
4 and

5 “(2) provide information to, and fully cooperate  
6 with, the Attorney General and State attorneys gen-  
7 eral regarding investigations of anticompetitive ac-  
8 tivities relating to the provision of goods or services  
9 in conjunction with the participation of a local agen-  
10 cy in a child nutrition program.

11 “(c) FOOD SERVICE MANAGEMENT INSTITUTE.—  
12 The Secretary may request assistance from the food serv-  
13 ice management institute authorized under section 21 in  
14 carrying out subsection (b)(1).

15 “(d) NONPROCUREMENT DEBARMENT.—

16 “(1) DEBARMENT DECISIONS.—Except as pro-  
17 vided in paragraph (3), not later than 180 days  
18 after notification of the occurrence of a cause for de-  
19 barment described in paragraph (2), the Secretary  
20 shall decide whether to initiate nonprocurement de-  
21 barment proceedings against the contractor who has  
22 committed the cause for debarment.

23 “(2) CAUSES FOR DEBARMENT.—

24 “(A) IN GENERAL.—Subject to subpara-  
25 graph (B), actions requiring consideration of

1 nonprocurement debarment pursuant to para-  
2 graph (1) shall be limited to convictions or civil  
3 judgments for the following offenses:

4 “(i) Violation of Federal or State  
5 antitrust laws, including laws relating to  
6 bid-rigging and price-fixing.

7 “(ii) Commission of embezzlement,  
8 theft, forgery, fraud, bribery, making false  
9 statements, receiving stolen property, mak-  
10 ing false claims, or obstruction of justice.

11 “(B) APPLICATION.—Subparagraph (A)  
12 shall apply to the extent an offense is commit-  
13 ted by a contractor in connection with providing  
14 a good or service in conjunction with the par-  
15 ticipation of a local agency in a child nutrition  
16 program.

17 “(3) EXCEPTION.—If the Secretary determines  
18 that a decision on initiating nonprocurement debar-  
19 ment proceedings cannot be made within 180 days  
20 because of the need to further investigate matters  
21 relating to the possible debarment, the Secretary  
22 may have such additional time as the Secretary con-  
23 sidered necessary to make a decision, but not to ex-  
24 ceed an additional 180 days.

1           “(4) MANDATORY CHILD NUTRITION PROGRAM  
2       DEBARMENT PERIODS.—

3           “(A) IN GENERAL.—Subject to the other  
4       provisions of this paragraph and notwithstand-  
5       ing any other provision of law except subsection  
6       (e), if after deciding to initiate nonprocurement  
7       debarment proceedings pursuant to paragraph  
8       (1) the Secretary decides to debar a contractor,  
9       the debarment shall be for no less than 1 year.

10          “(B) PREVIOUS DEBARMENT.—If the con-  
11       tractor has been previously debarred pursuant  
12       to nonprocurement debarment proceedings initi-  
13       ated pursuant to paragraph (1), and the cause  
14       for debarment is a conviction or civil judgment  
15       described in paragraph (2) based on activities  
16       that occurred subsequent to the initial debar-  
17       ment, the debarment shall be for no less than  
18       3 years.

19          “(C) SCOPE.—At a minimum, a debarment  
20       under this subsection shall serve to bar the con-  
21       tractor for the specified period from contracting  
22       to provide goods or services in conjunction with  
23       the participation of a local agency in a child nu-  
24       trition program.

1           “(D) REVERSAL, REDUCTION, OR EXCEP-  
2           TION.—Nothing in this paragraph shall restrict  
3           the ability of the Secretary to reverse a debar-  
4           ment decision, to reduce the period or scope of  
5           a debarment, nor to grant an exception permit-  
6           ting a debarred contractor to participate in a  
7           particular contract to provide goods or services  
8           in conjunction with the participation of a local  
9           agency in a child nutrition program, if the Sec-  
10          retary determines there is good cause for the  
11          action.

12          “(5) INFORMATION.—On request, the Secretary  
13          shall present to the appropriate committees of Con-  
14          gress information regarding the decisions required  
15          by this subsection.

16          “(6) RELATIONSHIP TO OTHER AUTHORI-  
17          TIES.—

18                 “(A) IN GENERAL.—Subject to subpara-  
19                 graph (B), consideration of nonprocurement de-  
20                 barment pursuant to this subsection shall not  
21                 reduce or diminish the authority of a Federal,  
22                 State, or local government agency or court to  
23                 penalize, imprison, fine, suspend, debar, or take  
24                 other adverse action against a person in a civil,  
25                 criminal or administrative proceeding.

1           “(B) COORDINATION.—To the maximum  
2           extent practicable, the Secretary shall consoli-  
3           date and coordinate any nonprocurement debar-  
4           ment actions pursuant to this subsection with  
5           other adverse actions, including other  
6           nonprocurement debarment actions.

7           “(7) REGULATIONS.—The Secretary shall issue  
8           such regulations as are necessary to carry out this  
9           subsection.

10          “(e) MANDATORY DEBARMENT.—Notwithstanding  
11          any other provision of this section, the Secretary shall ini-  
12          tiate nonprocurement debarment proceedings against the  
13          contractor (including a dairy cooperative) who has com-  
14          mitted the cause for debarment (as determined under sub-  
15          section (d)), unless the action—

16                “(1) is likely to have a significant adverse effect  
17                on competition or prices in the relevant market or  
18                nationally;

19                “(2) will interfere with the ability of a school,  
20                school district, or school district consortium to pro-  
21                cure a needed product for a child nutrition program;  
22                or

23                “(3) is not in the public interest, as determined  
24                by the Secretary.

1       “(f) TERMINATION OF AUTHORITY.—The authority  
2 provided by this section shall terminate on September 30,  
3 1999.”.

4       (b) REPORT ON CONSISTENT DEBARMENT POLICY.—  
5 Not later than 120 days after the date of enactment of  
6 this Act, the Director of the Office of Management and  
7 Budget (in consultation with the Secretary of Agriculture  
8 and the Secretary of Defense) shall advise the appropriate  
9 committees of Congress and the Comptroller General of  
10 the United States as to the appropriateness and usefulness  
11 of a consistent debarment policy under—

12               (1) the Federal acquisition regulations issued  
13               under title 48, Code of Federal Regulations; and

14               (2) Federal nonprocurement regulations.

15       (c) APPLICATION.—Section 26(d) of the National  
16 School Lunch Act (as added by subsection (a)) shall not  
17 apply to a conviction or civil judgment that is based on  
18 an activity that took place prior to the date of enactment  
19 of this Act.

20       **SEC. 403. PREVENTION AND CONTROL OF ANTICOMPETI-**  
21                               **TIVE ACTIVITIES.**

22       The National School Lunch Act (42 U.S.C. 1751 et  
23 seq.) (as amended by section 402) is further amended by  
24 adding at the end the following new section:



1 **“SEC. 27. PREVENTION AND CONTROL OF ANTICOMPETI-**  
2 **TIVE ACTIVITIES.**

3 “(a) ASSISTANCE.—

4 “(1) IN GENERAL.—The Secretary may provide  
5 grants to State educational agencies and other State  
6 agencies that administer child nutrition programs  
7 (as defined in section 26(a)(1)) to assist the agen-  
8 cies in the prevention and control of anticompetitive  
9 activities relating to the programs, including activi-  
10 ties to further coordination and cooperation with law  
11 enforcement officials.

12 “(2) FORMULA.—The grants shall be made  
13 pursuant to a formula established by the Secretary  
14 that takes into account the size of the child nutrition  
15 programs in each State, subject to a minimum grant  
16 amount for each State.

17 “(b) FEDERAL ACTIVITIES.—

18 “(1) IN GENERAL.—Subject to paragraph (2),  
19 the Secretary shall retain 25 percent of the sums  
20 made available for any fiscal year to carry out this  
21 section to administer subsection (a) and to conduct  
22 the activities described in section 26(b).

23 “(2) ADDITIONAL FUNDS.—Nothing in para-  
24 graph (1) shall preclude the Secretary from expend-  
25 ing for the activities described in section 26(b) any  
26 funds otherwise available to carry out section 26(b).

1       “(c) INFORMATION.—On request, the Secretary shall  
 2 provide to the appropriate committees of Congress infor-  
 3 mation regarding the administration of this section and  
 4 other efforts to reduce the incidence of anticompetitive ac-  
 5 tivity (such as price-fixing and bid-rigging), in connection  
 6 with child nutrition programs (as defined in section  
 7 26(a)(1)).

8       “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
 9 are authorized to be appropriated to carry out this section  
 10 \$4,000,000 for each of fiscal years 1994 through 1998.”.

## 11       **TITLE V—EFFECTIVE DATES**

### 12       **SEC. 501. EFFECTIVE DATES.**

13       (a) IN GENERAL.—Except as provided in subsection  
 14 (b), this Act and the amendments made by this Act shall  
 15 become effective on the date of enactment of this Act.

16       (b) SPECIAL EFFECTIVE DATES.—The amendments  
 17 made by—

18               (1) sections 101 through 104, 205 through 207,  
 19       313, and 318 shall become effective on October 1,  
 20       1994;

21               (2) sections 201 through 204, 209, 301 through  
 22       310, 314(a), 314(b), 315, 317, and 320 shall be-  
 23       come effective on July 1, 1995;

24               (3) section 312 shall become effective on Sep-  
 25       tember 1, 1995; and

1           (4) section 314(c) shall become effective on Oc-  
2       tober 1, 1995.

○

S 1614 IS—2

S 1614 IS—3

S 1614 IS—4

S 1614 IS—5

S 1614 IS—6