

Calendar No. 580108TH CONGRESS
2^D SESSION**S. 2507****[Report No. 108-279]**

To amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 7, 2004

Mr. COCHRAN, from the Committee on Agriculture, Nutrition, and Forestry, reported the following original bill; which was read twice and placed on the calendar

A BILL

To amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, 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,*

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

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Child Nutrition and WIC Reauthorization Act of 2004”.

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

Sec. 1. Short title; Table of contents.

TITLE I—AMENDMENTS TO RICHARD B. RUSSELL NATIONAL
SCHOOL LUNCH ACT

- Sec. 101. Nutrition promotion.
- Sec. 102. Nutrition requirements.
- Sec. 103. Provision of information.
- Sec. 104. Direct certification.
- Sec. 105. Household applications.
- Sec. 106. Duration of eligibility for free or reduced price meals.
- Sec. 107. Runaway, homeless, and migrant youth.
- Sec. 108. Exclusion of military housing allowances.
- Sec. 109. Waiver of requirement for weighted averages for nutrient analysis.
- Sec. 110. School food safety programs.
- Sec. 111. Purchases of locally produced foods.
- Sec. 112. Special assistance.
- Sec. 113. Food and nutrition projects integrated with elementary school curricula.
- Sec. 114. Procurement training.
- Sec. 115. Summer food service program for children.
- Sec. 116. Commodity distribution program.
- Sec. 117. Child and adult care food program.
- Sec. 118. Fresh fruit and vegetable program.
- Sec. 119. Summer food service rural transportation demonstration.
- Sec. 120. Summer food service residential camp demonstration.
- Sec. 121. Healthy school nutrition environment demonstrations.
- Sec. 122. Food service program personnel professional standards demonstration.
- Sec. 123. School garden grant demonstration.
- Sec. 124. Access to local foods.
- Sec. 125. Childhood obesity prevention demonstration.
- Sec. 126. Year round services for eligible entities.
- Sec. 127. Free lunch and breakfast expansion demonstration.
- Sec. 128. Training, technical assistance, and food service management institute.
- Sec. 129. Administrative error reduction.
- Sec. 130. Compliance and accountability.
- Sec. 131. Information clearinghouse.
- Sec. 132. Program evaluation.
- Sec. 133. Gleaning of fresh fruits and vegetables.

TITLE II—AMENDMENTS TO CHILD NUTRITION ACT OF 1966

Sec. 201. Severe need assistance.

- Sec. 202. State administrative expenses.
 Sec. 203. World Food Prize.
 Sec. 204. Special supplemental nutrition program for women, infants, and children.
 Sec. 205. Team nutrition network.
 Sec. 206. Review of best practices in the breakfast program.

TITLE III—COMMODITY DISTRIBUTION PROGRAMS

- Sec. 301. Commodity distribution programs.

TITLE IV—MISCELLANEOUS

- Sec. 401. Food employment empowerment and development program.

TITLE V—IMPLEMENTATION

- Sec. 501. Guidance and regulations.
 Sec. 502. Effective dates.

1 **TITLE I—AMENDMENTS TO**
 2 **RICHARD B. RUSSELL NA-**
 3 **TIONAL SCHOOL LUNCH ACT**

4 **SEC. 101. NUTRITION PROMOTION.**

5 The Richard B. Russell National School Lunch Act
 6 is amended by inserting after section 4 (42 U.S.C. 1753)
 7 the following:

8 **“SEC. 5. NUTRITION PROMOTION.**

9 “(a) IN GENERAL.—Subject to the availability of
 10 funds made available under subsection (g), the Secretary
 11 shall make payments to State agencies for each fiscal year,
 12 in accordance with this section, to promote nutrition in
 13 food service programs under this Act and the school
 14 breakfast program established under the Child Nutrition
 15 Act of 1966 (42 U.S.C. 1771 et seq.).

16 “(b) TOTAL AMOUNT FOR EACH FISCAL YEAR.—The
 17 total amount of funds available for a fiscal year for pay-

1 ments under this section shall equal not more than the
2 product obtained by multiplying—

3 “(1) ½ cent; by

4 “(2) the number of lunches reimbursed through
5 food service programs under this Act during the sec-
6 ond preceding fiscal year in schools, institutions, and
7 service institutions that participate in the food serv-
8 ice programs.

9 “(c) PAYMENTS TO STATES.—

10 “(1) ALLOCATION.—Subject to paragraph (2),
11 from the amounts of funds available under sub-
12 section (g) for a fiscal year, the Secretary shall allo-
13 cate to each State agency an amount equal to the
14 greater of—

15 “(A) a uniform base amount established by
16 the Secretary; or

17 “(B) an amount determined by the Sec-
18 retary, based on the ratio that—

19 “(i) the number of lunches reimbursed
20 through food service programs under this
21 Act in schools, institutions, and service in-
22 stitutions in the State that participate in
23 the food service programs; bears to

24 “(ii) the number of lunches reim-
25 bursed through the food service programs

1 in schools, institutions, and service institu-
2 tions in all States that participate in the
3 food service programs.

4 “(2) REDUCTIONS.—The Secretary shall reduce
5 allocations to State agencies qualifying for an alloca-
6 tion under paragraph (1)(B), in a manner deter-
7 mined by the Secretary, to the extent necessary to
8 ensure that the total amount of funds allocated
9 under paragraph (1) is not greater than the amount
10 appropriated under subsection (g).

11 “(d) USE OF PAYMENTS.—

12 “(1) USE BY STATE AGENCIES.—A State agen-
13 cy may reserve, to support dissemination and use of
14 nutrition messages and materials developed by the
15 Secretary, up to—

16 “(A) 5 percent of the payment received by
17 the State for a fiscal year under subsection (c);
18 or

19 “(B) in the case of a small State (as deter-
20 mined by the Secretary), a higher percentage
21 (as determined by the Secretary) of the pay-
22 ment.

23 “(2) DISBURSEMENT TO SCHOOLS AND INSTI-
24 TUTIONS.—Subject to paragraph (3), the State
25 agency shall disburse any remaining amount of the

1 payment to school food authorities and institutions
2 participating in food service programs described in
3 subsection (a) to disseminate and use nutrition mes-
4 sages and materials developed by the Secretary.

5 “(3) SUMMER FOOD SERVICE PROGRAM FOR
6 CHILDREN.—In addition to any amounts reserved
7 under paragraph (1), in the case of the summer food
8 service program for children established under sec-
9 tion 13, the State agency may—

10 “(A) retain a portion of the funds made
11 available under subsection (c) (as determined
12 by the Secretary); and

13 “(B) use the funds, in connection with the
14 program, to disseminate and use nutrition mes-
15 sages and materials developed by the Secretary.

16 “(e) DOCUMENTATION.—A State agency, school food
17 authority, and institution receiving funds under this sec-
18 tion shall maintain documentation of nutrition promotion
19 activities conducted under this section.

20 “(f) REALLOCATION.—The Secretary may reallocate,
21 to carry out this section, any amounts made available to
22 carry out this section that are not obligated or expended,
23 as determined by the Secretary.

24 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
25 are authorized to be appropriated such sums as are nec-

1 essary to carry out this section, to remain available until
2 expended.”.

3 **SEC. 102. NUTRITION REQUIREMENTS.**

4 Section 9(a) of the Richard B. Russell National
5 School Lunch Act (42 U.S.C. 1758(a)) is amended by
6 striking paragraph (2) and inserting the following:

7 “(2) FLUID MILK.—

8 “(A) IN GENERAL.—Lunches served by
9 schools participating in the school lunch pro-
10 gram under this Act—

11 “(i) shall offer students fluid milk in
12 a variety of fat contents;

13 “(ii) may offer students flavored and
14 unflavored fluid milk and lactose-free fluid
15 milk; and

16 “(iii) shall provide a substitute for
17 fluid milk for students whose disability re-
18 stricts their diet, on receipt of a written
19 statement from a licensed physician that
20 identifies the disability that restricts the
21 student’s diet and that specifies the sub-
22 stitute for fluid milk.

23 “(B) SUBSTITUTES.—

24 “(i) STANDARDS FOR SUBSTI-
25 TUTION.—A school may substitute for the

1 fluid milk provided under subparagraph
2 (A), a nondairy beverage that is nutrition-
3 ally equivalent to fluid milk and meets nu-
4 tritional standards established by the Sec-
5 retary (which shall, among other require-
6 ments to be determined by the Secretary,
7 include fortification of calcium, protein, vi-
8 tamin A, and vitamin D to levels found in
9 cow's milk) for students who cannot con-
10 sume fluid milk because of a medical or
11 other special dietary need other than a dis-
12 ability described in subparagraph (A)(iii).

13 “(ii) NOTICE.—The substitutions may
14 be made if the school notifies the State
15 agency that the school is implementing a
16 variation allowed under this subparagraph,
17 and if the substitution is requested by
18 written statement of a medical authority or
19 by a student's parent or legal guardian
20 that identifies the medical or other special
21 dietary need that restricts the student's
22 diet, except that the school shall not be re-
23 quired to provide beverages other than bev-
24 erages the school has identified as accept-
25 able substitutes.

1 “(iii) EXCESS EXPENSES BORNE BY
 2 SCHOOL DISTRICT.—Expenses incurred in
 3 providing substitutions under this subpara-
 4 graph that are in excess of expenses cov-
 5 ered by reimbursements under this Act
 6 shall be paid by the school district.

7 “(C) RESTRICTIONS ON SALE OF MILK
 8 PROHIBITED.—A school or institution that par-
 9 ticipates in the school lunch program under this
 10 Act shall not directly or indirectly restrict the
 11 sale or marketing of fluid milk products by the
 12 school (or by a person approved by the school)
 13 at any time or any place—

14 “(i) on the school premises; or

15 “(ii) at any school-sponsored event.”.

16 **SEC. 103. PROVISION OF INFORMATION.**

17 Section 9(a) of the Richard B. Russell National
 18 School Lunch Act (42 U.S.C. 1758(a)) is amended by add-
 19 ing at the end the following:

20 “(4) PROVISION OF INFORMATION.—The Sec-
 21 retary shall ensure that States and school food au-
 22 thorities administer school nutrition programs under
 23 this Act and the Child Nutrition Act of 1966 (42
 24 U.S.C. 1771 et seq.) in a manner that reflects con-
 25 sumption recommendations—

1 “(A) specified in the Dietary Guidelines for
2 Americans; and

3 “(B) at the option of the Secretary, based
4 on other recent scientifically valid informa-
5 tion.”.

6 **SEC. 104. DIRECT CERTIFICATION.**

7 (a) IN GENERAL.—Section 9(b) of the Richard B.
8 Russell National School Lunch Act (42 U.S.C. 1758(b))
9 is amended—

10 (1) by redesignating paragraphs (3) through
11 (7) as paragraphs (9) through (13), respectively;
12 and

13 (2) in paragraph (2)—

14 (A) in subparagraph (B)—

15 (i) by striking “(B) Applications” and
16 inserting the following:

17 “(B) APPLICATIONS AND DESCRIPTIVE MA-
18 TERIAL.—

19 “(i) IN GENERAL.—Applications”;

20 (ii) in the second sentence, by striking
21 “Such forms and descriptive materials”
22 and inserting the following:

23 “(ii) INCOME ELIGIBILITY GUIDE-
24 LINES.—Forms and descriptive materials

1 distributed in accordance with clause (i)”;

2 and

3 (iii) by adding at the end the fol-
4 lowing:

5 “(iii) CONTENTS OF DESCRIPTIVE MA-
6 TERIALS.—

7 “(I) IN GENERAL.—Descriptive
8 materials distributed in accordance
9 with clause (i) shall contain a notifica-
10 tion that—

11 “(aa) participants in the
12 programs listed in subclause (II)
13 may be eligible for free or re-
14 duced price meals; and

15 “(bb) documentation may be
16 requested for verification of eligi-
17 bility for free or reduced price
18 meals.

19 “(II) PROGRAMS.—The programs
20 referred to in subclause (I)(aa) are—

21 “(aa) the special supple-
22 mental nutrition program for
23 women, infants, and children es-
24 tablished by section 17 of the

1 Child Nutrition Act of 1966 (42
2 U.S.C. 1786);

3 “(bb) the food stamp pro-
4 gram established under the Food
5 Stamp Act of 1977 (7 U.S.C.
6 2011 et seq.);

7 “(cc) the food distribution
8 program on Indian reservations
9 established under section 4(b) of
10 the Food Stamp Act of 1977 (7
11 U.S.C. 2013(b)); and

12 “(dd) a State program fund-
13 ed under the program of block
14 grants to States for temporary
15 assistance for needy families es-
16 tablished under part A of title IV
17 of the Social Security Act (42
18 U.S.C. 601 et seq.).”;

19 (B) by striking “(C)(i)” and inserting
20 “(3)”; and

21 (C) by striking clause (ii) of subparagraph
22 (C) (as it existed before the amendment made
23 by subparagraph (B)) and all that follows
24 through the end of subparagraph (D) and in-
25 serting the following:

1 “(4) DIRECT CERTIFICATION FOR CHILDREN IN
2 FOOD STAMP HOUSEHOLDS.—

3 “(A) IN GENERAL.—Subject to subpara-
4 graph (D), each State agency shall enter into
5 an agreement with the State agency conducting
6 eligibility determinations for the food stamp
7 program established under the Food Stamp Act
8 of 1977 (7 U.S.C. 2011 et seq.).

9 “(B) PROCEDURES.—Subject to paragraph
10 (6), the agreement shall establish procedures
11 under which a child who is a member of a
12 household receiving assistance under the food
13 stamp program shall be certified as eligible for
14 free lunches under this Act and free breakfasts
15 under the Child Nutrition Act of 1966 (42
16 U.S.C. 1771 et seq.), without further applica-
17 tion.

18 “(C) CERTIFICATION.—Subject to para-
19 graph (6), under the agreement, the school food
20 authority conducting eligibility determinations
21 for a school lunch program conducted under
22 this Act and school breakfast program under
23 the Child Nutrition Act of 1966 (42 U.S.C.
24 1771 et seq.) shall certify a child who is a
25 member of a household receiving assistance

1 under the food stamp program as eligible for
 2 free lunches under this Act and free breakfasts
 3 under the Child Nutrition Act of 1966 (42
 4 U.S.C. 1771 et seq.), without further applica-
 5 tion.

6 “(D) APPLICABILITY.—This paragraph ap-
 7 plies to—

8 “(i) in the case of the school year be-
 9 ginning July 2006, a school district that
 10 had an enrollment of 25,000 students or
 11 more in the preceding school year;

12 “(ii) in the case of the school year be-
 13 ginning July 2007, a school district that
 14 had an enrollment of 10,000 students or
 15 more in the preceding school year; and

16 “(iii) in the case of the school year be-
 17 ginning July 2008 and each subsequent
 18 school year, each school food authority.”.

19 (b) ADMINISTRATION.—

20 (1) IN GENERAL.—Section 9(b) of the Richard
 21 B. Russell National School Lunch Act (42 U.S.C.
 22 1758(b)) (as amended by subsection (a)) is amended
 23 by inserting after paragraph (4) the following:

24 “(5) DISCRETIONARY CERTIFICATION.—

1 “(A) IN GENERAL.—Subject to paragraph
2 (6), any school food authority may certify any
3 child as eligible for free lunches or breakfasts,
4 without further application, by directly commu-
5 nicating with the appropriate State or local
6 agency to obtain documentation of the status of
7 the child as—

8 “(i) a member of a family that is re-
9 ceiving assistance under the temporary as-
10 sistance for needy families program funded
11 under part A of title IV of the Social Secu-
12 rity Act (42 U.S.C. 601 et seq.) that the
13 Secretary determines complies with stand-
14 ards established by the Secretary that en-
15 sure that the standards under the State
16 program are comparable to or more re-
17 strictive than those in effect on June 1,
18 1995;

19 “(ii) a homeless child or youth (de-
20 fined as 1 of the individuals described in
21 section 725(2) of the McKinney-Vento
22 Homeless Assistance Act (42 U.S.C.
23 11434a(2));

24 “(iii) served by the runaway and
25 homeless youth grant program established

1 under the Runaway and Homeless Youth
2 Act (42 U.S.C. 5701 et seq.); or

3 “(iv) a migratory child (as defined in
4 section 1309 of the Elementary and Sec-
5 ondary Education Act of 1965 (20 U.S.C.
6 6399)).”.

7 “(B) CHILDREN OF HOUSEHOLDS RECEIV-
8 ING FOOD STAMPS.—Subject to paragraph (6),
9 any school food authority may certify any child
10 as eligible for free lunches or breakfasts, with-
11 out further application, by directly commu-
12 nicating with the appropriate State or local
13 agency to obtain documentation of the status of
14 the child as a member of a household that is re-
15 ceiving food stamps under the Food Stamp Act
16 of 1977 (7 U.S.C. 2011 et seq.).

17 “(6) USE OR DISCLOSURE OF INFORMATION.—

18 “(A) IN GENERAL.—The use or disclosure
19 of any information obtained from an application
20 for free or reduced price meals, or from a State
21 or local agency referred to in paragraph (3)(F),
22 (4), or (5), shall be limited to—

23 “(i) a person directly connected with
24 the administration or enforcement of this
25 Act or the Child Nutrition Act of 1966 (42

1 U.S.C. 1771 et seq.) (including a regula-
2 tion promulgated under either Act);

3 “(ii) a person directly connected with
4 the administration or enforcement of—

5 “(I) a Federal education pro-
6 gram;

7 “(II) a State health or education
8 program administered by the State or
9 local educational agency (other than a
10 program carried out under title XIX
11 or XXI of the Social Security Act (42
12 U.S.C. 1396 et seq.; 42 U.S.C.
13 1397aa et seq.)); or

14 “(III) a Federal, State, or local
15 means-tested nutrition program with
16 eligibility standards comparable to the
17 program under this section;

18 “(iii)(I) the Comptroller General of
19 the United States for audit and examina-
20 tion authorized by any other provision of
21 law; and

22 “(II) notwithstanding any other provi-
23 sion of law, a Federal, State, or local law
24 enforcement official for the purpose of in-
25 vestigating an alleged violation of any pro-

1 gram covered by this paragraph or para-
2 graph (3)(F), (4), or (5);

3 “(iv) a person directly connected with
4 the administration of the State medicaid
5 program under title XIX of the Social Se-
6 curity Act (42 U.S.C. 1396 et seq.) or the
7 State children’s health insurance program
8 under title XXI of that Act (42 U.S.C.
9 1397aa et seq.) solely for the purposes
10 of—

11 “(I) identifying children eligible
12 for benefits under, and enrolling chil-
13 dren in, those programs, except that
14 this subclause shall apply only to the
15 extent that the State and the school
16 food authority so elect; and

17 “(II) verifying the eligibility of
18 children for programs under this Act
19 or the Child Nutrition Act of 1966
20 (42 U.S.C. 1771 et seq.); and

21 “(v) a third party contractor de-
22 scribed in paragraph (3)(G)(iv).

23 “(B) LIMITATION ON INFORMATION PRO-
24 VIDED.—Information provided under clause (ii)
25 or (v) of subparagraph (A) shall be limited to

1 the income eligibility status of the child for
2 whom application for free or reduced price meal
3 benefits is made or for whom eligibility infor-
4 mation is provided under paragraph (3)(F), (4),
5 or (5), unless the consent of the parent or
6 guardian of the child for whom application for
7 benefits was made is obtained.

8 “(C) CRIMINAL PENALTY.—A person de-
9 scribed in subparagraph (A) who publishes, di-
10 vulges, discloses, or makes known in any man-
11 ner, or to any extent not authorized by Federal
12 law (including a regulation), any information
13 obtained under this subsection shall be fined
14 not more than \$1,000 or imprisoned not more
15 than 1 year, or both.

16 “(D) REQUIREMENTS FOR WAIVER OF
17 CONFIDENTIALITY.—A State that elects to exer-
18 cise the option described in subparagraph
19 (A)(iv) shall ensure that any school food au-
20 thority acting in accordance with that option—

21 “(i) has a written agreement with 1 or
22 more State or local agencies administering
23 health programs for children under titles
24 XIX and XXI of the Social Security Act
25 (42 U.S.C. 1396 et seq. and 1397aa et

1 seq.) that requires the health agencies to
2 use the information obtained under sub-
3 paragraph (A) to seek to enroll children in
4 those health programs; and

5 “(ii)(I) notifies each household, the
6 information of which shall be disclosed
7 under subparagraph (A), that the informa-
8 tion disclosed will be used only to enroll
9 children in health programs referred to in
10 subparagraph (A)(iv); and

11 “(II) provides each parent or guard-
12 ian of a child in the household with an op-
13 portunity to elect not to have the informa-
14 tion disclosed.

15 “(E) USE OF DISCLOSED INFORMATION.—

16 A person to which information is disclosed
17 under subparagraph (A)(iv) shall use or disclose
18 the information only as necessary for the pur-
19 pose of enrolling children in health programs
20 referred to in subparagraph (A)(iv).

21 “(7) FREE AND REDUCED PRICE POLICY
22 STATEMENT.—

23 “(A) IN GENERAL.—After the initial sub-
24 mission, a school food authority shall not be re-
25 quired to submit a free and reduced price policy

1 statement to a State educational agency under
2 this Act unless there is a substantive change in
3 the free and reduced price policy of the school
4 food authority.

5 “(B) ROUTINE CHANGE.—A routine
6 change in the policy of a school food authority
7 (such as an annual adjustment of the income
8 eligibility guidelines for free and reduced price
9 meals) shall not be sufficient cause for requir-
10 ing the school food authority to submit a policy
11 statement.

12 “(8) COMMUNICATIONS.—

13 “(A) IN GENERAL.—Any communication
14 with a household under this subsection or sub-
15 section (d) shall be in an understandable and
16 uniform format and, to the extent practicable,
17 in a language that parents and legal guardians
18 can understand.

19 “(B) ELECTRONIC AVAILABILITY.—In ad-
20 dition to the distribution of applications and de-
21 scriptive material in paper form as provided for
22 in this paragraph, the applications and material
23 may be made available electronically via the
24 Internet.”.

1 (2) AGREEMENT FOR DIRECT CERTIFICATION
2 AND COOPERATION.—Section 11 of the Food Stamp
3 Act of 1977 (7 U.S.C. 2020) is amended by adding
4 at the end the following:

5 “(u) AGREEMENT FOR DIRECT CERTIFICATION AND
6 COOPERATION.—

7 “(1) IN GENERAL.—Each State agency shall
8 enter into an agreement with the State agency ad-
9 ministering the school lunch program established
10 under the Richard B. Russell National School Lunch
11 Act (42 U.S.C. 1751 et seq.).

12 “(2) CONTENTS.—The agreement shall estab-
13 lish procedures that ensure that—

14 “(A) any child receiving benefits under this
15 Act shall be certified as eligible for free lunches
16 under the Richard B. Russell National School
17 Lunch Act (42 U.S.C. 1751 et seq.) and free
18 breakfasts under the Child Nutrition Act of
19 1966 (42 U.S.C. 1771 et seq.), without further
20 application; and

21 “(B) each State agency shall cooperate in
22 carrying out paragraphs (3)(F) and (4) of sec-
23 tion 9(b) of the Richard B. Russell National
24 School Lunch Act (42 U.S.C. 1758(b)).”.

25 (c) FUNDING.—

1 (1) IN GENERAL.—On October 1, 2005, out of
2 any funds in the Treasury not otherwise appro-
3 priated, the Secretary of the Treasury shall transfer
4 to the Secretary of Agriculture to assist States in
5 carrying out the amendments contained in this sec-
6 tion and the provisions of section 9(b)(3) of the
7 Richard B. Russell National School Lunch Act (as
8 amended by section 105(a)) \$9,000,000, to remain
9 available until expended.

10 (2) RECEIPT AND ACCEPTANCE.—The Sec-
11 retary shall be entitled to receive, shall accept, and
12 shall use to assist States in carrying out the amend-
13 ments made by this section and the provisions of
14 section 9(b)(3) of the Richard B. Russell National
15 School Lunch Act (as amended by section 105(a))
16 the funds transferred under paragraph (1), without
17 further appropriation.

18 (d) CONFORMING AMENDMENTS.—

19 (1) Effective July 1, 2008, paragraph (5) of
20 section 9(b) of the Richard B. Russell National
21 School Lunch Act (42 U.S.C. 1758(b)) (as added by
22 subsection (b)(1)) is amended—

23 (A) by striking subparagraph (B);

1 (B) by striking “CERTIFICATION.—” and
 2 all that follows through “IN GENERAL.—” and
 3 inserting “CERTIFICATION.—”; and

4 (C) by redesignating clauses (i) through
 5 (iv) as subparagraphs (A) through (D), respec-
 6 tively, and indenting appropriately.

7 (2) Section 9 of the Richard B. Russell Na-
 8 tional School Lunch Act (42 U.S.C. 1758) (as
 9 amended by subsection (a)(1)) is amended—

10 (A) in subsection (b)(12)(B), by striking
 11 “paragraph (2)(C)” and inserting “this sub-
 12 section”; and

13 (B) in the second sentence of subsection
 14 (d)(1), by striking “subsection (b)(2)(C)” and
 15 inserting “subsection (b)(3)(G)”.

16 (3) Section 11(e) of the Richard B. Russell Na-
 17 tional School Lunch Act (42 U.S.C. 1759a(e)) is
 18 amended in the first sentence by striking “section
 19 9(b)(3)” and inserting “section 9(b)(9)”.

20 **SEC. 105. HOUSEHOLD APPLICATIONS.**

21 (a) IN GENERAL.—Section 9(b) of the Richard B.
 22 Russell National School Lunch Act (42 U.S.C. 1758(b))
 23 (as amended by section 104(a)) is amended by striking
 24 paragraph (3) and inserting the following:

25 “(3) HOUSEHOLD APPLICATIONS.—

1 “(A) DEFINITION OF HOUSEHOLD APPLI-
2 CATION.—In this paragraph, the term ‘house-
3 hold application’ means an application for a
4 child of a household to receive free or reduced
5 price school lunches under this Act, or school
6 breakfasts under the Child Nutrition Act of
7 1966 (42 U.S.C. 1771 et seq.), for which an eli-
8 gibility determination is made other than under
9 paragraph (4) or (5).

10 “(B) ELIGIBILITY DETERMINATION.—

11 “(i) IN GENERAL.—An eligibility de-
12 termination shall be made on the basis of
13 a complete household application executed
14 by an adult member of the household or in
15 accordance with guidance issued by the
16 Secretary.

17 “(ii) ELECTRONIC SIGNATURES AND
18 APPLICATIONS.—A household application
19 may be executed using an electronic signa-
20 ture if—

21 “(I) the application is submitted
22 electronically; and

23 “(II) the electronic application
24 filing system meets confidentiality

1 standards established by the Sec-
2 retary.

3 “(C) CHILDREN IN HOUSEHOLD.—

4 “(i) IN GENERAL.—The household ap-
5 plication shall identify the names of each
6 child in the household for whom meal ben-
7 efits are requested.

8 “(ii) SEPARATE APPLICATIONS.—A
9 State educational agency or school food au-
10 thority may not request a separate applica-
11 tion for each child in the household that
12 attends schools under the same school food
13 authority.

14 “(D) VERIFICATION OF SAMPLE.—

15 “(i) DEFINITIONS.—In this subpara-
16 graph:

17 “(I) ERROR PRONE APPLICA-
18 TION.—The term ‘error prone applica-
19 tion’ means an approved household
20 application that—

21 “(aa) indicates monthly in-
22 come that is within \$100, or an
23 annual income that is within
24 \$1,200, of the income eligibility

1 limitation for free or reduced
2 price meals; or

3 “(bb) in lieu of the criteria
4 established under item (aa),
5 meets criteria established by the
6 Secretary.

7 “(II) NON-RESPONSE RATE.—

8 The term ‘non-response rate’ means
9 (in accordance with guidelines estab-
10 lished by the Secretary) the percent-
11 age of approved household applica-
12 tions for which verification informa-
13 tion has not been obtained by a school
14 food authority after attempted
15 verification under subparagraphs (F)
16 and (G).

17 “(ii) VERIFICATION OF SAMPLE.—

18 Each school year, a school food authority
19 shall verify eligibility of the children in a
20 sample of household applications approved
21 for the school year by the school food au-
22 thority, as determined by the Secretary in
23 accordance with this subsection.

24 “(iii) SAMPLE SIZE.—Except as other-
25 wise provided in this paragraph, the sam-

1 ple for a school food authority for a school
2 year shall equal the lesser of—

3 “(I) 3 percent of all applications
4 approved by the school food authority
5 for the school year, as of October 1 of
6 the school year, selected from error
7 prone applications; or

8 “(II) 3,000 error prone applica-
9 tions approved by the school food au-
10 thority for the school year, as of Octo-
11 ber 1 of the school year.

12 “(iv) ALTERNATIVE SAMPLE SIZE.—

13 “(I) IN GENERAL.—If the condi-
14 tions described in subclause (IV) are
15 met, the verification sample size for a
16 school food authority shall be the
17 sample size described in subclause (II)
18 or (III), as determined by the school
19 food authority.

20 “(II) 3,000/3 PERCENT OP-
21 TION.—The sample size described in
22 this subclause shall be the lesser of
23 3,000, or 3 percent of, applications
24 selected at random from applications
25 approved by the school food authority

1 for the school year, as of October 1 of
2 the school year.

3 “(III) 1,000/1 PERCENT PLUS
4 OPTION.—

5 “(aa) IN GENERAL.—The
6 sample size described in this sub-
7 clause shall be the sum of—

8 “(AA) the lesser of
9 1,000, or 1 percent of, all
10 applications approved by the
11 school food authority for the
12 school year, as of October 1
13 of the school year, selected
14 from error prone applica-
15 tions; and

16 “(BB) the lesser of
17 500, or $\frac{1}{2}$ of 1 percent of,
18 applications approved by the
19 school food authority for the
20 school year, as of October 1
21 of the school year, that pro-
22 vide a case number (in lieu
23 of income information)
24 showing participation in a
25 program described in item

1 (bb) selected from those ap-
2 proved applications that pro-
3 vide a case number (in lieu
4 of income information)
5 verifying the participation.

6 “(bb) PROGRAMS.—The pro-
7 grams described in this item
8 are—

9 “(AA) the food stamp
10 program established under
11 the Food Stamp Act of 1977
12 (7 U.S.C. 2011 et seq.);

13 “(BB) the food dis-
14 tribution program on Indian
15 reservations established
16 under section 4(b) of the
17 Food Stamp Act of 1977 (7
18 U.S.C. 2013(b)); and

19 “(CC) a State program
20 funded under the program
21 of block grants to States for
22 temporary assistance for
23 needy families established
24 under part A of title IV of
25 the Social Security Act (42

1 U.S.C. 601 et seq.) that the
2 Secretary determines com-
3 plies with standards estab-
4 lished by the Secretary that
5 ensure that the standards
6 under the State program are
7 comparable to or more re-
8 strictive than those in effect
9 on June 1, 1995.

10 “(IV) CONDITIONS.—The condi-
11 tions referred to in subclause (I) shall
12 be met for a school food authority for
13 a school year if—

14 “(aa) the nonresponse rate
15 for the school food authority for
16 the preceding school year is less
17 than 20 percent; or

18 “(bb) the school food au-
19 thority has more than 20,000
20 children approved by application
21 by the school food authority as
22 eligible for free or reduced price
23 meals for the school year, as of
24 October 1 of the school year,
25 and—

1 “(AA) the nonresponse
2 rate for the preceding school
3 year is at least 10 percent
4 below the nonresponse rate
5 for the second preceding
6 school year; or

7 “(BB) in the case of
8 the school year beginning
9 July 2005, the school food
10 authority attempts to verify
11 all approved household ap-
12 plications selected for
13 verification through use of
14 public agency records from
15 at least 2 of the programs
16 or sources of information de-
17 scribed in subparagraph
18 (F)(i).

19 “(v) ADDITIONAL SELECTED APPLICA-
20 TIONS.—A sample for a school food au-
21 thority for a school year under clauses (iii)
22 and (iv)(III) shall include the number of
23 additional randomly selected approved
24 household applications that are required to

1 comply with the sample size requirements
2 in those clauses.

3 “(E) PRELIMINARY REVIEW.—

4 “(i) IN GENERAL.—Prior to con-
5 ducting any other verification activity for
6 approved household applications selected
7 for verification, the school food authority
8 shall ensure that the initial eligibility de-
9 termination for each approved household
10 application is reviewed for accuracy by an
11 individual other than the individual making
12 the initial eligibility determination, unless
13 otherwise determined by the Secretary.

14 “(ii) CORRECT ELIGIBILITY DETER-
15 MINATION.—If the review indicates that
16 the initial eligibility determination is cor-
17 rect, the school food authority shall verify
18 the approved household application.

19 “(iii) INCORRECT ELIGIBILITY DETER-
20 MINATION.—If the review indicates that
21 the initial eligibility determination is incor-
22 rect, the school food authority shall (as de-
23 termined by the Secretary)—

24 “(I) correct the eligibility status
25 of the household;

1 “(II) notify the household of the
2 change;

3 “(III) in any case in which the
4 review indicates that the household is
5 not eligible for free or reduced-price
6 meals, notify the household of the rea-
7 son for the ineligibility and that the
8 household may reapply with income
9 documentation for free or reduced-
10 price meals; and

11 “(IV) in any case in which the
12 review indicates that the household is
13 eligible for free or reduced-price
14 meals, verify the approved household
15 application.

16 “(F) DIRECT VERIFICATION.—

17 “(i) IN GENERAL.—Subject to clauses
18 (ii) and (iii), to verify eligibility for free or
19 reduced price meals for approved house-
20 hold applications selected for verification,
21 the school food authority may (in accord-
22 ance with criteria established by the Sec-
23 retary) first obtain and use income and
24 program participation information from a
25 public agency administering—

1 “(I) the food stamp program es-
2 tablished under the Food Stamp Act
3 of 1977 (7 U.S.C. 2011 et seq.);

4 “(II) the food distribution pro-
5 gram on Indian reservations estab-
6 lished under section 4(b) of the Food
7 Stamp Act of 1977 (7 U.S.C.
8 2013(b));

9 “(III) the temporary assistance
10 for needy families program funded
11 under part A of title IV of the Social
12 Security Act (42 U.S.C. 601 et seq.);

13 “(IV) the State medicaid pro-
14 gram under title XIX of the Social
15 Security Act (42 U.S.C. 1396 et seq.);

16 or

17 “(V) a similar income-tested pro-
18 gram or other source of information,
19 as determined by the Secretary.

20 “(ii) FREE MEALS.—Public agency
21 records that may be obtained and used
22 under clause (i) to verify eligibility for free
23 meals for approved household applications
24 selected for verification shall include the
25 most recent available information (other

1 than information reflecting program par-
2 ticipation or income before the 180-day pe-
3 riod ending on the date of application for
4 free meals) that is relied on to admin-
5 ister—

6 “(I) a program or source of in-
7 formation described in clause (i)
8 (other than clause (i)(IV)); or

9 “(II) the State plan for medical
10 assistance under title XIX of the So-
11 cial Security Act (42 U.S.C. 1396 et
12 seq.) in—

13 “(aa) a State in which the
14 income eligibility limit applied
15 under section 1902(l)(2)(C) of
16 that Act (42 U.S.C.
17 1396a(l)(2)(C)) is not more than
18 133 percent of the income official
19 poverty line described in section
20 1902(l)(2)(A) of that Act (42
21 U.S.C. 1396a(l)(2)(A)); or

22 “(bb) a State that otherwise
23 identifies households that have
24 income that is not more than 133
25 percent of the income official

1 poverty line described in section
2 1902(l)(2)(A) of that Act (42
3 U.S.C. 1396a(l)(2)(A)).

4 “(iii) REDUCED PRICE MEALS.—Pub-
5 lic agency records that may be obtained
6 and used under clause (i) to verify eligi-
7 bility for reduced price meals for approved
8 household applications selected for
9 verification shall include the most recent
10 available information (other than informa-
11 tion reflecting program participation or in-
12 come before the 180-day period ending on
13 the date of application for reduced price
14 meals) that is relied to administer—

15 “(I) a program or source of in-
16 formation described in clause (i)
17 (other than clause (i)(IV)); or

18 “(II) the State plan for medical
19 assistance under title XIX of the So-
20 cial Security Act (42 U.S.C. 1396 et
21 seq.) in—

22 “(aa) a State in which the
23 income eligibility limit applied
24 under section 1902(l)(2)(C) of
25 that Act (42 U.S.C.

1 1396a(l)(2)(C)) is not more than
2 185 percent of the income official
3 poverty line described in section
4 1902(l)(2)(A) of that Act (42
5 U.S.C. 1396a(l)(2)(A)); or

6 “(bb) a State that otherwise
7 identifies households that have
8 income that is not more than 185
9 percent of the income official
10 poverty line described in section
11 1902(l)(2)(A) of that Act (42
12 U.S.C. 1396a(l)(2)(A)).

13 “(iv) EVALUATION.—Not later than 3
14 years after the date of implementation of
15 this subparagraph, the Secretary shall
16 complete an evaluation of—

17 “(I) the effectiveness of direct
18 verification carried out under this
19 subparagraph in decreasing the por-
20 tion of the verification sample that
21 must be verified under subparagraph
22 (G) while ensuring that adequate
23 verification information is obtained;
24 and

1 “(II) the feasibility of direct
2 verification by State agencies and
3 school food authorities.

4 “(v) EXPANDED USE OF DIRECT
5 VERIFICATION.—If the Secretary deter-
6 mines that direct verification significantly
7 decreases the portion of the verification
8 sample that must be verified under sub-
9 paragraph (G) while ensuring that ade-
10 quate verification information is obtained
11 and can be conducted by most State agen-
12 cies and school food authorities, the Sec-
13 retary may require a State agency or
14 school food authority to implement direct
15 verification through 1 or more of the pro-
16 grams described in clause (i), as deter-
17 mined by the Secretary, unless the State
18 agency or school food authority dem-
19 onstrates (under criteria established by the
20 Secretary) that the State agency or school
21 food authority lacks the capacity to con-
22 duct, or is unable to implement, direct
23 verification.

24 “(G) HOUSEHOLD VERIFICATION.—

1 “(i) IN GENERAL.—If an approved
2 household application is not verified
3 through the use of public agency records,
4 a school food authority shall provide to the
5 household written notice that—

6 “(I) the approved household ap-
7 plication has been selected for
8 verification; and

9 “(II) the household is required to
10 submit verification information to con-
11 firm eligibility for free or reduced
12 price meals.

13 “(ii) PHONE NUMBER.—The written
14 notice in clause (i) shall include a toll-free
15 phone number that parents and legal
16 guardians in households selected for
17 verification can call for assistance with the
18 verification process.

19 “(iii) FOLLOWUP ACTIVITIES.—If a
20 household does not respond to a
21 verification request, a school food authority
22 shall make at least 1 attempt to obtain the
23 necessary verification from the household
24 in accordance with guidelines and regula-
25 tions promulgated by the Secretary.

1 “(iv) CONTRACT AUTHORITY FOR
2 SCHOOL FOOD AUTHORITIES.—A school
3 food authority may contract (under stand-
4 ards established by the Secretary) with a
5 third party to assist the school food au-
6 thority in carrying out clause (iii).

7 “(H) VERIFICATION DEADLINE.—

8 “(i) IN GENERAL.—Not later than
9 November 15 of each school year, a school
10 food authority shall complete the
11 verification activities required for the
12 school year (including followup activities).

13 “(ii) ELIGIBILITY CHANGES.—Based
14 on the verification activities, the school
15 food authority shall make appropriate
16 modifications to the eligibility determina-
17 tions made for household applications in
18 accordance with criteria established by the
19 Secretary.

20 “(I) LOCAL CONDITIONS.—In the case of a
21 natural disaster, civil disorder, strike, or other
22 local condition (as determined by the Sec-
23 retary), the Secretary may substitute alter-
24 natives for—

1 “(i) the sample size and sample selec-
2 tion criteria established under subpara-
3 graph (D); and

4 “(ii) the verification deadline estab-
5 lished under subparagraph (H).

6 “(J) INDIVIDUAL REVIEW.—In accordance
7 with criteria established by the Secretary, the
8 school food authority may, on individual re-
9 view—

10 “(i) decline to verify no more than 5
11 percent of approved household applications
12 selected under subparagraph (D); and

13 “(ii) replace the approved household
14 applications with other approved household
15 applications to be verified.

16 “(K) FEASIBILITY STUDY.—

17 “(i) IN GENERAL.—The Secretary
18 shall conduct a study of the feasibility of
19 using computer technology (including data
20 mining) to reduce—

21 “(I) overcertification errors in
22 the school lunch program under this
23 Act;

24 “(II) waste, fraud, and abuse in
25 connection with this paragraph; and

1 “(III) errors, waste, fraud, and
2 abuse in other nutrition programs, as
3 determined to be appropriate by the
4 Secretary.

5 “(ii) REPORT.—Not later than 180
6 days after the date of enactment of this
7 paragraph, the Secretary shall submit to
8 the Committee on Education and the
9 Workforce of the House of Representatives
10 and the Committee on Agriculture, Nutri-
11 tion, and Forestry of the Senate a report
12 describing—

13 “(I) the results of the feasibility
14 study conducted under this sub-
15 section;

16 “(II) how a computer system
17 using technology described in clause
18 (i) could be implemented;

19 “(III) a plan for implementation;
20 and

21 “(IV) proposed legislation, if nec-
22 essary, to implement the system.”.

23 (b) EVALUATION FUNDING.—

24 (1) IN GENERAL.—On October 1, 2005, out of
25 any funds in the Treasury not otherwise appro-

1 (3) by striking “The” in the last sentence and
2 inserting the following:

3 “(ii) MAXIMUM PRICE.—The”; and

4 (4) by adding at the end the following:

5 “(C) DURATION.—Except as otherwise
6 specified in paragraph (3)(E), (3)(H)(ii), and
7 section 11(a), eligibility for free or reduced
8 price meals for any school year shall remain in
9 effect—

10 “(i) beginning on the date of eligi-
11 bility approval for the current school year;
12 and

13 “(ii) ending on a date during the sub-
14 sequent school year determined by the Sec-
15 retary.”.

16 **SEC. 107. RUNAWAY, HOMELESS, AND MIGRANT YOUTH.**

17 (a) CATEGORICAL ELIGIBILITY FOR FREE LUNCHESES
18 AND BREAKFASTS.—Section 9(b)(12)(A) of the Richard
19 B. Russell National School Lunch Act (as redesignated
20 by section 104(a)(1) of this Act) is amended—

21 (1) in clause (ii), by striking “or” at the end;

22 (2) in clause (iii), by striking the period at the
23 end and inserting a semicolon; and

24 (3) by adding at the end the following:

1 “(iv) a homeless child or youth (defined as
2 1 of the individuals described in section 725(2)
3 of the McKinney-Vento Homeless Assistance
4 Act (42 U.S.C. 11434a(2));

5 “(v) served by the runaway and homeless
6 youth grant program established under the
7 Runaway and Homeless Youth Act (42 U.S.C.
8 5701 et seq.); or

9 “(vi) a migratory child (as defined in sec-
10 tion 1309 of the Elementary and Secondary
11 Education Act of 1965 (20 U.S.C. 6399)).”.

12 (b) DOCUMENTATION.—Section 9(d)(2) of the Rich-
13 ard B. Russell National School Lunch Act (42 U.S.C.
14 1758(d)(2)) is amended—

15 (1) in subparagraph (B), by striking “or”;

16 (2) in subparagraph (C), by striking the period
17 at the end and inserting a semicolon; and

18 (3) by inserting after subparagraph (C) the fol-
19 lowing:

20 “(D) documentation has been provided to the
21 appropriate school food authority showing that the
22 child meets the criteria specified in clauses (iv) or
23 (v) of subsection (b)(12)(A); or

24 “(E) documentation has been provided to the
25 appropriate school food authority showing the status

1 of the child as a migratory child (as defined in sec-
2 tion 1309 of the Elementary and Secondary Edu-
3 cation Act of 1965 (20 U.S.C. 6399)).”.

4 **SEC. 108. EXCLUSION OF MILITARY HOUSING ALLOW-**
5 **ANCES.**

6 Section 9(b) of the Richard B. Russell National
7 School Lunch Act (42 U.S.C. 1758(b)) (as amended by
8 section 104(a)(1)) is amended in paragraph (13) by strik-
9 ing “For each of fiscal years 2002 and 2003 and through
10 June 30, 2004, the” and inserting “The”.

11 **SEC. 109. WAIVER OF REQUIREMENT FOR WEIGHTED AVER-**
12 **AGES FOR NUTRIENT ANALYSIS.**

13 Section 9(f)(5) of the Richard B. Russell National
14 School Lunch Act (42 U.S.C. 1758(f)(5)) is amended by
15 striking “September 30, 2003” and inserting “September
16 30, 2008”.

17 **SEC. 110. SCHOOL FOOD SAFETY PROGRAMS.**

18 Section 9(h) of the Richard B. Russell National
19 School Lunch Act (42 U.S.C. 1758) is amended—

20 (1) in the subsection heading, by striking “IN-
21 SPECTIONS”; and

22 (2) by adding at the end the following:

23 “(3) SCHOOL FOOD SAFETY PROGRAM.—Each
24 school food authority shall implement a school food
25 safety program, in the preparation and service of

1 each meal served to children, that complies with a
2 hazard analysis and critical control point system es-
3 tablished by the Secretary.”.

4 **SEC. 111. PURCHASES OF LOCALLY PRODUCED FOODS.**

5 Section 9(j)(2)(A) of the Richard B. Russell National
6 School Lunch Act (42 U.S.C. 1758(j)(2)(A)) is amended
7 by striking “2007” and inserting “2008”.

8 **SEC. 112. SPECIAL ASSISTANCE.**

9 Section 11(a)(1) of the Richard B. Russell National
10 School Lunch Act (42 U.S.C. 1759a(a)(1)) is amended by
11 inserting “or school district” after “school” each place it
12 appears in subparagraphs (C) through (E) (other than as
13 part of “school year”, “school years”, “school lunch”,
14 “school breakfast”, and “4-school-year period”).

15 **SEC. 113. FOOD AND NUTRITION PROJECTS INTEGRATED**
16 **WITH ELEMENTARY SCHOOL CURRICULA.**

17 Section 12 of the Richard B. Russell National School
18 Lunch Act (42 U.S.C. 1760) is amended by striking sub-
19 section (m).

20 **SEC. 114. PROCUREMENT TRAINING.**

21 Section 12 of the Richard B. Russell National School
22 Lunch Act (42 U.S.C. 1760) (as amended by section 113)
23 is amended by inserting after subsection (l) the following:

24 “(m) PROCUREMENT TRAINING.—

1 “(1) IN GENERAL.—Subject to the availability
2 of appropriations under paragraph (3), the Secretary
3 shall provide technical assistance and training to
4 States, State agencies, schools, and school food au-
5 thorities in the procurement of goods and services
6 for programs under this Act or the Child Nutrition
7 Act of 1966 (42 U.S.C. 1771 et seq.) (other than
8 section 17 of that Act (42 U.S.C. 1786)).

9 “(2) BUY AMERICAN TRAINING.—Activities car-
10 ried out under paragraph (1) shall include technical
11 assistance and training to ensure compliance with
12 subsection (n).

13 “(3) AUTHORIZATION OF APPROPRIATIONS.—
14 There is authorized to be appropriated to carry out
15 this subsection \$1,000,000 for each of fiscal years
16 2005 through 2008, to remain available until ex-
17 pended.”.

18 **SEC. 115. SUMMER FOOD SERVICE PROGRAM FOR CHIL-**
19 **DREN.**

20 (a) SEAMLESS SUMMER OPTION.—Section 13(a) of
21 the Richard B. Russell National School Lunch Act (42
22 U.S.C. 1761(a)) is amended by adding at the end the fol-
23 lowing:

24 “(8) SEAMLESS SUMMER OPTION.—Except as
25 otherwise determined by the Secretary, a service in-

1 stitution that is a public or private nonprofit school
2 food authority may provide summer or school vaca-
3 tion food service in accordance with applicable provi-
4 sions of law governing the school lunch program es-
5 tablished under this Act or the school breakfast pro-
6 gram established under the Child Nutrition Act of
7 1966 (42 U.S.C. 1771 et seq.).”.

8 (b) SEAMLESS SUMMER REIMBURSEMENTS.—Sec-
9 tion 13(b)(1) of the Richard B. Russell National School
10 Lunch Act (42 U.S.C. 1761(b)(1)) is amended by adding
11 at the end the following:

12 “(D) SEAMLESS SUMMER REIMBURSE-
13 MENTS.—A service institution described in sub-
14 section (a)(8) shall be reimbursed for meals and
15 meal supplements in accordance with the appli-
16 cable provisions under this Act (other than sub-
17 paragraphs (A), (B), and (C) of this paragraph
18 and paragraph (4)) and the Child Nutrition Act
19 of 1966 (42 U.S.C. 1771 et seq.), as deter-
20 mined by the Secretary.”.

21 (c) RURAL AREA ELIGIBILITY DEMONSTRATION FOR
22 SUMMER FOOD SERVICE.—Section 13 of the Richard B.
23 Russell National School Lunch Act (42 U.S.C. 1761) is
24 amended by inserting after subsection (h) the following:

1 “(i) RURAL AREA ELIGIBILITY DEMONSTRATION
2 FOR SUMMER FOOD SERVICE.—

3 “(1) IN GENERAL.—For each of calendar years
4 2005 and 2006, the Secretary shall carry out a dem-
5 onstration in rural areas of a State selected by the
6 Secretary under which the threshold for determining
7 ‘areas in which poor economic conditions exist’
8 under subsection (a)(1)(C) for the demonstration
9 authorized by this section shall be 40 percent.

10 “(2) EVALUATION.—

11 “(A) IN GENERAL.—The Secretary, acting
12 through the Administrator of the Food and Nu-
13 trition Service, shall conduct an evaluation of
14 the demonstration carried out under this sub-
15 section to assess the impact of the demonstra-
16 tion by comparing the areas operating under
17 the demonstration to comparable areas not op-
18 erating under the demonstration.

19 “(B) IMPACT.—The evaluation shall assess
20 the impact of the demonstration on—

21 “(i) the number of sponsors offering
22 meals through the summer food service
23 program;

1 “(ii) the number of sites offering
2 meals through the summer food service
3 program;

4 “(iii) the geographic location of the
5 sites;

6 “(iv) services provided to eligible chil-
7 dren; and

8 “(v) other factors determined by the
9 Secretary.

10 “(C) REPORT.—Not later than January 1,
11 2008, the Secretary shall submit to the Com-
12 mittee on Education and the Workforce of the
13 House of Representatives and the Committee
14 on Agriculture, Nutrition, and Forestry of the
15 Senate a report describing the results of the
16 evaluation of the demonstration under this sub-
17 section.

18 “(D) FUNDING.—

19 “(i) IN GENERAL.—On January 1,
20 2005, out of any funds in the Treasury not
21 otherwise appropriated, the Secretary of
22 the Treasury shall transfer to the Sec-
23 retary of Agriculture to carry out this
24 paragraph \$400,000, to remain available
25 until expended.

1 “(ii) RECEIPT AND ACCEPTANCE.—
 2 The Secretary shall be entitled to receive,
 3 shall accept, and shall use to carry out this
 4 paragraph the funds transferred under
 5 clause (i), without further appropriation.”.

6 (d) REAUTHORIZATION.—Section 13(q) of the Rich-
 7 ard B. Russell National School Lunch Act (42 U.S.C.
 8 1761(q)) is amended by striking “June 30, 2004” and in-
 9 serting “September 30, 2008”.

10 (e) SIMPLIFIED SUMMER FOOD PROGRAMS.—

11 (1) DEFINITION OF ELIGIBLE STATE.—Section
 12 18(f) of the Richard B. Russell National School
 13 Lunch Act (42 U.S.C. 1769(f)) is amended by strik-
 14 ing paragraph (1) and inserting the following:

15 “(1) DEFINITION OF ELIGIBLE STATE.—In this
 16 subsection, the term ‘eligible State’ means—

17 “(A) a State participating in the program
 18 under this subsection as of May 1, 2004; and

19 “(B) a State in which (based on data
 20 available in April 2004)—

21 “(i) the percentage obtained by divid-
 22 ing—

23 “(I) the sum of—

24 “(aa) the average daily num-
 25 ber of children attending the

1 summer food service program in
2 the State in July 2003; and

3 “(bb) the average daily
4 number of children receiving free
5 or reduced price meals under the
6 school lunch program in the
7 State in July 2003; by

8 “(II) the average daily number of
9 children receiving free or reduced
10 price meals under the school lunch
11 program in the State in March 2003;
12 is less than

13 “(ii) 66.67 percent of the percentage
14 obtained by dividing—

15 “(I) the sum of—

16 “(aa) the average daily num-
17 ber of children attending the
18 summer food service program in
19 all States in July 2003; and

20 “(bb) the average daily
21 number of children receiving free
22 or reduced price meals under the
23 school lunch program in all
24 States in July 2003; by

1 “(II) the average daily number of
2 children receiving free or reduced
3 price meals under the school lunch
4 program in all States in March
5 2003.”.

6 (2) DURATION.—Section 18(f)(2) of the Rich-
7 ard B. Russell National School Lunch Act (42
8 U.S.C. 1769(f)(2)) is amended by striking “During
9 the period beginning October 1, 2000, and ending
10 June 30, 2004, the” and inserting “The”.

11 (3) PRIVATE NONPROFIT ORGANIZATIONS.—
12 Section 18(f)(3) of the Richard B. Russell National
13 School Lunch Act (42 U.S.C. 1769(f)(3)) is amend-
14 ed in subparagraphs (A) and (B) by striking “(other
15 than a service institution described in section
16 13(a)(7))” both places it appears.

17 (4) REPORT.—Section 18(f) of the Richard B.
18 Russell National School Lunch Act (42 U.S.C.
19 1769(f)) is amended by striking paragraph (6) and
20 inserting the following:

21 “(6) REPORT.—Not later than April 30, 2007,
22 the Secretary shall submit to the Committee on
23 Education and the Workforce of the House of Rep-
24 resentatives and the Committee on Agriculture, Nu-

1 trition, and Forestry of the Senate a report that in-
2 cludes—

3 “(A) the evaluations completed by the Sec-
4 retary under paragraph (5); and

5 “(B) any recommendations of the Sec-
6 retary concerning the programs.”.

7 (5) CONFORMING AMENDMENTS.—Section 18(f)
8 of the Richard B. Russell National School Lunch
9 Act (42 U.S.C. 1769(f)) is amended—

10 (A) by striking the subsection heading and
11 inserting the following:

12 “(f) SIMPLIFIED SUMMER FOOD PROGRAMS.—”;

13 (B) in paragraph (2)—

14 (i) by striking the paragraph heading
15 and inserting the following:

16 “(2) PROGRAMS.—”; and

17 (ii) by striking “pilot project” and in-
18 sserting “program”;

19 (C) in subparagraph (A) and (B) of para-
20 graph (3), by striking “pilot project” both
21 places it appears and inserting “program”; and

22 (D) in paragraph (5)—

23 (i) in the paragraph heading by strik-
24 ing “PILOT PROJECTS” and inserting
25 “PROGRAMS”; and

1 (ii) by striking “pilot project” each
2 place it appears and inserting “program”.

3 **SEC. 116. COMMODITY DISTRIBUTION PROGRAM.**

4 Section 14(a) of the Richard B. Russell National
5 School Lunch Act (42 U.S.C. 1762a(a)) is amended by
6 striking “, during the period beginning July 1, 1974, and
7 ending June 30, 2004,”.

8 **SEC. 117. CHILD AND ADULT CARE FOOD PROGRAM.**

9 (a) DEFINITION OF INSTITUTION.—

10 (1) IN GENERAL.—Section 17(a)(2)(B)(i) of the
11 Richard B. Russell National School Lunch Act (42
12 U.S.C. 1766(a)(2)(B)(i)) is amended by striking
13 “during” and all that follows through “2004,”.

14 (2) CONFORMING AMENDMENT.—Section 17 of
15 the Richard B. Russell National School Lunch Act
16 (42 U.S.C. 1766) is amended by striking subsection
17 (p).

18 (b) DURATION OF DETERMINATION AS TIER I FAMIL-
19 ILY OR GROUP DAY CARE HOME.—Section
20 17(f)(3)(E)(iii) of the Richard B. Russell National School
21 Lunch Act (42 U.S.C. 1766(f)(3)(E)(iii)) is amended by
22 striking “3 years” and inserting “5 years”.

23 (c) AUDITS.—Section 17(i) of the Richard B. Russell
24 National School Lunch Act (42 U.S.C. 1766(i)) is amend-
25 ed by striking “(i) The” and inserting the following:

1 “(i) AUDITS.—

2 “(1) DISREGARDS.—

3 “(A) IN GENERAL.—Subject to subpara-
 4 graph (B), in conducting management evalua-
 5 tions, reviews, or audits under this section, the
 6 Secretary or a State agency may disregard any
 7 overpayment to an institution for a fiscal year
 8 if the total overpayment to the institution for
 9 the fiscal year does not exceed an amount that
 10 is consistent with the disregards allowed in
 11 other programs under this Act and recognizes
 12 the cost of collecting small claims, as deter-
 13 mined by the Secretary.

14 “(B) CRIMINAL OR FRAUD VIOLATIONS.—
 15 In carrying out this paragraph, the Secretary
 16 and a State agency shall not disregard any
 17 overpayment for which there is evidence of a
 18 violation of a criminal law or civil fraud law.

19 “(2) FUNDING.—The”.

20 (d) DURATION OF AGREEMENTS.—Section 17(j) of
 21 the Richard B. Russell National School Lunch Act (42
 22 U.S.C. 1766(j)) is amended—

23 (1) by striking “(j) The” and inserting the fol-
 24 lowing:

25 “(j) AGREEMENTS.—

1 “(1) IN GENERAL.—The”; and

2 (2) by adding at the end the following:

3 “(2) DURATION.—An agreement under para-
4 graph (1) shall remain in effect until terminated by
5 either party to the agreement.”.

6 (e) RURAL AREA ELIGIBILITY DEMONSTRATION FOR
7 DAY CARE HOMES.—Section 17 of the Richard B. Russell
8 National School Lunch Act (42 U.S.C. 1766) (as amended
9 by subsection (a)(2)) is amended by inserting after sub-
10 section (o) the following:

11 “(p) RURAL AREA ELIGIBILITY DEMONSTRATION
12 FOR DAY CARE HOMES.—

13 “(1) DEFINITION OF DEMONSTRATION TIER I
14 FAMILY OR GROUP DAY CARE HOME.—In this sub-
15 section, the term ‘demonstration tier I family or
16 group day care home’ means a family or group day
17 home that meets the definition of tier I family or
18 group day care home under subclause (I) of sub-
19 section (f)(3)(A)(ii) except that items (aa) and (bb)
20 of that subclause shall be applied by substituting ‘40
21 percent’ for ‘50 percent’.

22 “(2) DEMONSTRATION.—For each of fiscal
23 years 2006 and 2007, the Secretary shall conduct a
24 demonstration in rural areas of a State selected by
25 the Secretary under which demonstration tier I fam-

1 ily or group day care homes (as defined in para-
2 graph (1)) shall be provided reimbursement under
3 subsection (f)(3) in the same manner as tier I family
4 or group day care homes (as defined in subsection
5 (f)(3)(A)(ii)(I)).

6 “(3) EVALUATION.—

7 “(A) IN GENERAL.—The Secretary, acting
8 through the Administrator of the Food and Nu-
9 trition Service, shall conduct an evaluation of
10 the demonstration carried out under this sub-
11 section to assess the impact of the demonstra-
12 tion by comparing the areas operating under
13 the demonstration to comparable areas not op-
14 erating under the demonstration.

15 “(B) IMPACT.—The evaluation shall assess
16 the impact of the demonstration on—

17 “(i) the number of family or group
18 day care homes offering meals under this
19 section;

20 “(ii) the number of family or group
21 day care homes offering meals under this
22 section that are defined as tier I family or
23 group day care homes as a result of the
24 demonstration conducted under this sub-
25 section that otherwise would be defined as

1 tier II family or group day care homes
2 under subsection (f)(3)(A)(iii);

3 “(iii) the geographic location of the
4 family or group day care homes;

5 “(iv) services provided to eligible chil-
6 dren; and

7 “(v) other factors determined by the
8 Secretary.

9 “(C) REPORT.—Not later than March 31,
10 2008, the Secretary shall submit to the Com-
11 mittee on Education and the Workforce of the
12 House of Representatives and the Committee
13 on Agriculture, Nutrition, and Forestry of the
14 Senate a report describing the results of the
15 evaluation of the demonstration under this sub-
16 section.

17 “(D) FUNDING.—

18 “(i) IN GENERAL.—On October 1,
19 2005, out of any funds in the Treasury not
20 otherwise appropriated, the Secretary of
21 the Treasury shall transfer to the Sec-
22 retary of Agriculture to carry out this
23 paragraph \$400,000, to remain available
24 until expended.

1 “(ii) RECEIPT AND ACCEPTANCE.—
2 The Secretary shall be entitled to receive,
3 shall accept, and shall use to carry out this
4 paragraph the funds transferred under
5 clause (i), without further appropriation.”.

6 (f) MANAGEMENT SUPPORT.—Section 17(q)(3) of the
7 Richard B. Russell National School Lunch Act (42 U.S.C.
8 1766(q)(3)) is amended by striking “1999 through 2003”
9 and inserting “2005 and 2006”.

10 (g) AGE LIMITS.—Section 17(t)(5)(A)(i) of the Rich-
11 ard B. Russell National School Lunch Act (42 U.S.C.
12 1766(t)(5)(A)(i) is amended—

13 (1) in subclause (I)—

14 (A) by striking “12” and inserting “18”;

15 and

16 (B) by inserting “or” after the semicolon;

17 (2) by striking subclause (II); and

18 (3) by redesignating subclause (III) as sub-
19 clause (II).

20 (h) TECHNICAL AMENDMENTS.—Section 17 of the
21 Richard B. Russell National School Lunch Act (42 U.S.C.
22 1766) is amended—

23 (1) in subsection (a)(6)(B), by inserting “and
24 adult” after “child”; and

1 (2) in subsection (t)(3), by striking “subsection
2 (a)(1)” and inserting “subsection (a)(5)”.

3 (i) PAPERWORK REDUCTION.—The Secretary of Ag-
4 riculture, in conjunction with States and participating in-
5 stitutions, shall examine the feasibility of reducing paper-
6 work resulting from regulations and recordkeeping re-
7 quirements for State agencies, family child care homes,
8 child care centers, and sponsoring organizations partici-
9 pating in the child and adult care food program estab-
10 lished under section 17 of the Richard B. Russell National
11 School Lunch Act (42 U.S.C. 1766).

12 **SEC. 118. FRESH FRUIT AND VEGETABLE PROGRAM.**

13 Section 18 of the Richard B. Russell National School
14 Lunch Act (42 U.S.C. 1769) is amended by striking sub-
15 section (g) and inserting the following:

16 “(g) FRESH FRUIT AND VEGETABLE PROGRAM.—

17 “(1) IN GENERAL.—For the school year begin-
18 ning July 2004 and each subsequent school year, the
19 Secretary shall carry out a program to make free
20 fresh fruits and vegetables available, to the max-
21 imum extent practicable, to—

22 “(A) 25 elementary or secondary schools in
23 each of the 4 States authorized to participate in
24 the program under this subsection on May 1,
25 2004;

1 “(B) 25 elementary or secondary schools
2 (as selected by the Secretary in accordance with
3 paragraph (3)) in each of 4 States (including a
4 State for which funds were allocated under the
5 program described in paragraph (3)(B)(ii)) that
6 are not participating in the program under this
7 subsection on May 1, 2004; and

8 “(C) 25 elementary or secondary schools
9 operated on 3 Indian reservations (including the
10 reservation authorized to participate in the pro-
11 gram under this subsection on May 1, 2004), as
12 selected by the Secretary.

13 “(2) PROGRAM.—A school participating in the
14 program shall make free fresh fruits and vegetables
15 available to students throughout the school day in 1
16 or more areas designated by the school.

17 “(3) SELECTION OF SCHOOLS.—

18 “(A) IN GENERAL.—Except as provided in
19 subparagraph (B), in selecting additional
20 schools to participate in the program under
21 paragraph (1)(B), the Secretary shall—

22 “(i) to the maximum extent prac-
23 ticable, ensure that the majority of schools
24 selected are those in which not less than

1 50 percent of students are eligible for free
2 or reduced price meals under this Act;

3 “(ii) solicit applications from inter-
4 ested schools that include—

5 “(I) information pertaining to
6 the percentage of students enrolled in
7 the school submitting the application
8 who are eligible for free or reduced
9 price school lunches under this Act;

10 “(II) a certification of support
11 for participation in the program
12 signed by the school food manager,
13 the school principal, and the district
14 superintendent (or equivalent posi-
15 tions, as determined by the school);
16 and

17 “(III) such other information as
18 may be requested by the Secretary;
19 and

20 “(iii) for each application received, de-
21 termine whether the application is from a
22 school in which not less than 50 percent of
23 students are eligible for free or reduced
24 price meals under this Act.

1 “(B) NONAPPLICABILITY TO EXISTING
2 PARTICIPANTS.—Subparagraph (A) shall not
3 apply to a school, State, or Indian reservation
4 authorized—

5 “(i) to participate in the program on
6 May 1, 2004; or

7 “(ii) to receive funding for free fruits
8 and vegetables under funds provided for
9 public health improvement under the head-
10 ing ‘DISEASE CONTROL, RESEARCH, AND
11 TRAINING’ under the heading ‘CENTERS
12 FOR DISEASE CONTROL AND PREVENTION’
13 in title II of the Departments of Labor,
14 Health and Human Services, and Edu-
15 cation, and Related Agencies Appropria-
16 tions Act, 2004 (Division E of Public Law
17 108–199; 118 Stat. 238).

18 “(4) NOTICE OF AVAILABILITY.—To be eligible
19 to participate in the program under this subsection,
20 a school shall widely publicize within the school the
21 availability of free fresh fruits and vegetables under
22 the program.

23 “(5) REPORTS.—

24 “(A) INTERIM REPORTS.—Not later than
25 September 30 of each of fiscal years 2005

1 through 2008, the Secretary, acting through
2 the Administrator of the Food and Nutrition
3 Service, shall submit to the Committee on Edu-
4 cation and the Workforce of the House of Rep-
5 resentatives and the Committee on Agriculture,
6 Nutrition, and Forestry of the Senate an in-
7 terim report that describes the activities carried
8 out under this subsection during the fiscal year
9 covered by the report.

10 “(B) FINAL REPORT.—Not later than De-
11 cember 31, 2008, the Secretary, acting through
12 the Administrator of the Food and Nutrition
13 Service, shall submit to the Committee on Edu-
14 cation and the Workforce of the House of Rep-
15 resentatives and the Committee on Agriculture,
16 Nutrition, and Forestry of the Senate a final
17 report that describes the results of the program
18 under this subsection.

19 “(6) FUNDING.—

20 “(A) EXISTING FUNDS.—The Secretary
21 shall use to carry out this subsection any funds
22 that remain under this subsection on the day
23 before the date of enactment of this subpara-
24 graph.

25 “(B) MANDATORY FUNDS.—

1 “(i) IN GENERAL.—On October 1,
2 2004, and on each October 1 thereafter,
3 out of any funds in the Treasury not oth-
4 erwise appropriated, the Secretary of the
5 Treasury shall transfer to the Secretary of
6 Agriculture to carry out this subsection
7 \$9,000,000, to remain available until ex-
8 pended.

9 “(ii) RECEIPT AND ACCEPTANCE.—
10 The Secretary shall be entitled to receive,
11 shall accept, and shall use to carry out this
12 subsection the funds made available under
13 this subparagraph, without further appro-
14 priation.

15 “(C) AUTHORIZATION OF APPROPRIA-
16 TIONS.—In addition to any amounts made
17 available under subparagraphs (A) and (B),
18 there are authorized to be appropriated such
19 sums as are necessary to expand the program
20 carried out under this subsection.

21 “(D) REALLOCATION.—The Secretary may
22 reallocate any amounts made available to carry
23 out this subsection that are not obligated or ex-
24 pended, as determined by the Secretary.”.

1 **SEC. 119. SUMMER FOOD SERVICE RURAL TRANSPOR-**
2 **TATION DEMONSTRATION.**

3 Section 18 of the Richard B. Russell National School
4 Lunch Act (42 U.S.C. 1769) is amended by adding at the
5 end the following:

6 “(h) SUMMER FOOD SERVICE RURAL TRANSPOR-
7 TATION DEMONSTRATION.—

8 “(1) IN GENERAL.—The Secretary shall carry
9 out a demonstration under which grants are pro-
10 vided, through not more than 5 eligible State agen-
11 cies selected by the Secretary, to not more than 60
12 eligible service institutions selected by the Secretary
13 to increase participation in the summer food service
14 program for children authorized by section 13
15 through innovative approaches to limited transpor-
16 tation in rural areas.

17 “(2) ELIGIBILITY.—To be eligible to participate
18 in the demonstration under this subsection—

19 “(A) a State agency shall—

20 “(i) submit an application to the Sec-
21 retary, in such manner as the Secretary
22 shall establish, and meet criteria estab-
23 lished by the Secretary;

24 “(ii) provide such information relating
25 to the operation and results of the dem-
26 onstration as the Secretary may require;

1 “(iii) provide technical assistance to
2 participating service institutions; and

3 “(iv) establish procedures that ensure
4 that service institutions making purchases
5 under this subsection meet any criteria es-
6 tablished by the Secretary and secure
7 State agency approval prior to a purchase;
8 and

9 “(B) a service institution shall—

10 “(i) agree to the terms and conditions
11 of the grant, as established by the Sec-
12 retary;

13 “(ii) provide such information relating
14 to the operation and results of the dem-
15 onstration as the Secretary may require;
16 and

17 “(iii) not have a history of violations
18 of this Act or the Child Nutrition Act of
19 1966 (42 U.S.C. 1771 et seq.), as deter-
20 mined by the Secretary.

21 “(3) DURATION.—A service institution that re-
22 ceives a grant to carry out a demonstration under
23 this subsection shall conduct the demonstration dur-
24 ing a period of 3 successive years, beginning in fiscal
25 year 2005.

1 “(4) REPORTS.—The Secretary shall submit to
2 the Committee on Education and the Workforce of
3 the House of Representatives and the Committee on
4 Agriculture, Nutrition, and Forestry of the Senate—

5 “(A) not later than January 1, 2007, an
6 interim report that describes—

7 “(i) the use of funds made available
8 under this subsection; and

9 “(ii) any progress made by each dem-
10 onstration carried out under this sub-
11 section; and

12 “(B) not later than January 1, 2009, a
13 final report that describes—

14 “(i) the use of funds made available
15 under this subsection;

16 “(ii) any progress made by each dem-
17 onstration carried out under this sub-
18 section;

19 “(iii) the impact of the demonstra-
20 tions on participation in the summer food
21 service program for children authorized by
22 section 13; and

23 “(iv) any recommendations by the
24 Secretary concerning the activities of the

1 service institutions receiving grants under
2 this subsection.

3 “(5) FUNDING.—

4 “(A) IN GENERAL.—Out of any funds in
5 the Treasury not otherwise appropriated, the
6 Secretary of the Treasury shall transfer to the
7 Secretary of Agriculture to carry out this sec-
8 tion—

9 “(i) on October 1, 2005, \$2,000,000;
10 and

11 “(ii) on October 1, 2006, and October
12 1, 2007, \$1,000,000.

13 “(B) RECEIPT AND ACCEPTANCE.—The
14 Secretary shall be entitled to receive, shall ac-
15 cept, and shall use to carry out this subsection
16 the funds transferred under subparagraph (A),
17 without further appropriation.

18 “(C) AVAILABILITY OF FUNDS.—Funds
19 transferred under subparagraph (A) shall re-
20 main available until expended.

21 “(D) REALLOCATION.—The Secretary may
22 reallocate any amounts made available to carry
23 out this subsection that are not obligated or ex-
24 pended, as determined by the Secretary.”.

1 **SEC. 120. SUMMER FOOD SERVICE RESIDENTIAL CAMP**
2 **DEMONSTRATION.**

3 Section 18 of the Richard B. Russell National School
4 Lunch Act (42 U.S.C. 1769) (as amended by section 119)
5 is amended by adding at the end the following:

6 “(i) **SUMMER FOOD SERVICE RESIDENTIAL CAMP**
7 **DEMONSTRATION.**—

8 “(1) **IN GENERAL.**—During the month after the
9 date of enactment of this subsection through Sep-
10 tember, 2004, and the months of May through Sep-
11 tember, 2005, the Secretary shall carry out a dem-
12 onstration, at not more than 1 private nonprofit res-
13 idential camp in each of not more than 2 States, as
14 determined by the Secretary, for the purpose of
15 identifying and evaluating alternative methods of de-
16 termining the eligibility of residential private non-
17 profit camps to participate in the summer food serv-
18 ice program for children established under section
19 13.

20 “(2) **ELIGIBILITY.**—To be eligible to participate
21 in the demonstration, a residential camp—

22 “(A) shall be a service institution (as de-
23 fined in section 13(a)(1));

24 “(B) may not charge a fee to any child in
25 residence at the camp; and

1 “(C) shall serve children who reside in an
2 area in which poor economic conditions exist (as
3 defined in section 13(a)(1)).

4 “(3) PAYMENTS.—

5 “(A) IN GENERAL.—Under the demonstra-
6 tion, the Secretary shall provide reimbursement
7 for meals served to all children at a residential
8 camp at the payment rates specified in section
9 13(b)(1).

10 “(B) REIMBURSABLE MEALS.—A residen-
11 tial camp participating in the demonstration
12 may receive reimbursement for not more than 3
13 meals, or 2 meals and 1 supplement, during
14 each day of operation.

15 “(4) EVALUATION OF DEMONSTRATIONS.—

16 “(A) INFORMATION FROM RESIDENTIAL
17 CAMPS.—Not later than December 31, 2005, a
18 residential camp participating in the dem-
19 onstration shall report to the Secretary such in-
20 formation as is required by the Secretary con-
21 cerning participation in the demonstration.

22 “(B) REPORT TO CONGRESS.—Not later
23 than March 31, 2006, the Secretary shall sub-
24 mit to the Committee on Education and the
25 Workforce of the House of Representatives and

1 the Committee on Agriculture, Nutrition, and
2 Forestry of the Senate a report that evaluates
3 the results of the demonstration.”.

4 **SEC. 121. HEALTHY SCHOOL NUTRITION ENVIRONMENT**
5 **DEMONSTRATIONS.**

6 Section 18 of the Richard B. Russell National School
7 Lunch Act (42 U.S.C. 1769) (as amended by section 120)
8 is amended by adding at the end the following:

9 “(j) HEALTHY SCHOOL NUTRITION ENVIRONMENT
10 DEMONSTRATIONS.—

11 “(1) IN GENERAL.—Subject to the availability
12 of funds under paragraph (6), the Secretary shall
13 conduct demonstrations in selected elementary and
14 secondary schools—

15 “(A) to create healthy school nutrition en-
16 vironments; and

17 “(B) to assess the impact of the environ-
18 ments on the health and well-being of children
19 enrolled in the schools.

20 “(2) SELECTION OF SCHOOLS.—In selecting
21 schools for participation in demonstrations under
22 this subsection, the Secretary shall select schools in
23 a manner that—

24 “(A) provides for an equitable distribution
25 of demonstrations among—

1 “(i) urban, suburban, and rural
2 schools; and

3 “(ii) schools with varying family in-
4 come levels; and

5 “(B) permits the evaluation of demonstra-
6 tions designed by the Secretary.

7 “(3) ASSESSMENT OF NUTRITIONAL ENVIRON-
8 MENTS AND ACHIEVEMENT OF CERTIFICATION CRI-
9 TERIA.—In carrying out this subsection, for the first
10 school year for which funds are made available, the
11 Secretary shall make a grant to each selected school
12 to assist the school in—

13 “(A) conducting an assessment of the nu-
14 tritional environment of the school, in accord-
15 ance with procedures established by the Sec-
16 retary; and

17 “(B) meeting the certification criteria
18 specified in paragraph (4)(B).

19 “(4) INCENTIVE GRANTS FOR HEALTHY
20 SCHOOL NUTRITION ENVIRONMENTS.—

21 “(A) IN GENERAL.—In carrying out this
22 subsection, for each subsequent school year, the
23 Secretary shall make a grant to each selected
24 school that meets the certification criteria speci-

1 fied in subparagraph (B) to assist the school in
2 conducting—

3 “(i) meal service activities under the
4 nonprofit school food service program of
5 the school; and

6 “(ii) other activities that the Sec-
7 retary determines are consistent with a
8 healthy school nutrition environment.

9 “(B) CERTIFICATION CRITERIA.—To be
10 certified as a school that meets healthy school
11 nutrition environment criteria under subpara-
12 graph (A), the school shall meet criteria estab-
13 lished by the Secretary, that include (at a min-
14 imum)—

15 “(i) providing program meals that
16 meet the nutritional standards for break-
17 fasts and lunches established by the Sec-
18 retary;

19 “(ii) offering healthy food choices out-
20 side program meals, such as offering
21 healthy foods in vending machines, school
22 stores, and other venues;

23 “(iii) promoting the consumption of
24 fruits and vegetables;

1 “(iv) providing nutrition education to
2 staff and to students in an understandable
3 and uniform format and, to the extent
4 practicable, in a language that students
5 can understand; and

6 “(v) meeting other criteria established
7 by the Secretary.

8 “(5) EVALUATIONS.—

9 “(A) IN GENERAL.—In carrying out this
10 subsection, the Secretary, acting through the
11 Administrator of the Food and Nutrition Serv-
12 ice, shall conduct an evaluation of schools that
13 conduct demonstrations under this subsection.

14 “(B) CONTENT.—The evaluation shall
15 measure, at a minimum, the effects of a healthy
16 school nutrition environment on—

17 “(i) overweight children and obesity;

18 “(ii) dietary intake;

19 “(iii) nutrition education and behav-
20 ior;

21 “(iv) the adequacy of time to eat;

22 “(v) physical activities;

23 “(vi) parental and student attitudes
24 and participation; and

1 “(vii) related funding issues, including
2 the cost of maintaining a healthy school
3 nutrition environment.

4 “(C) REPORTS.—In carrying out this sub-
5 section, the Secretary shall submit to the Com-
6 mittee on Education and the Workforce of the
7 House of Representatives and the Committee
8 on Agriculture, Nutrition, and Forestry of the
9 Senate a report on the activities of schools par-
10 ticipating in demonstrations under this sub-
11 section.

12 “(6) AUTHORIZATION OF APPROPRIATIONS.—
13 There is authorized to be appropriated to carry out
14 this subsection such sums as are necessary, to re-
15 main available until expended.”.

16 **SEC. 122. FOOD SERVICE PROGRAM PERSONNEL PROFES-**
17 **SIONAL STANDARDS DEMONSTRATION.**

18 Section 18 of the Richard B. Russell National School
19 Lunch Act (42 U.S.C. 1769) (as amended by section 121)
20 is amended by adding at the end the following:

21 “(k) FOOD SERVICE PROGRAM PERSONNEL PROFES-
22 SIONAL STANDARDS DEMONSTRATION.—

23 “(1) IN GENERAL.—Subject to the availability
24 of funds under paragraph (5), the Secretary shall
25 carry out a demonstration—

1 “(A) to assess issues pertaining to profes-
2 sional certification of school food service pro-
3 gram personnel; and

4 “(B) to provide States, school districts,
5 and schools with assistance in improving profes-
6 sional standards, and obtaining appropriate
7 program certification, related to food service
8 and dietary management.

9 “(2) ASSISTANCE.—In carrying out the dem-
10 onstration, the Secretary shall—

11 “(A) assist States in providing training
12 and professional development classes and pro-
13 grams for district school food service adminis-
14 trators and other senior food service program
15 personnel who do not possess an approved cer-
16 tificate or credential in preparing for and ob-
17 taining an approved certificate or credential;
18 and

19 “(B) provide assistance to schools, or indi-
20 viduals described in subparagraph (A), to pay
21 the costs of attending classes and obtaining an
22 approved certificate or credential.

23 “(3) ASSESSMENT.—In carrying out the dem-
24 onstration, the Secretary shall assess—

1 “(A) which certifications or credentials
2 may be considered appropriate professional
3 standards for senior administration personnel of
4 a district school food service program;

5 “(B) the degree to which school food au-
6 thorities require the senior district food service
7 program personnel to have attained certification
8 or credentials from an approved or appropriate
9 governing body, including differences that may
10 derive from district size;

11 “(C) the impact that employing a certified
12 or credentialed school food service adminis-
13 trator has on program quality; and

14 “(D) the costs to the school food authority
15 of including such a requirement in employing a
16 district school food service administrator.

17 “(4) REPORT.—On completion of the dem-
18 onstration, the Secretary shall submit to the Com-
19 mittee on Education and the Workforce of the
20 House of Representatives and the Committee on Ag-
21 riculture, Nutrition, and Forestry of the Senate a
22 report on the results of the demonstration.

23 “(5) AUTHORIZATION OF APPROPRIATIONS.—
24 There are authorized to be appropriated such sums

1 as are necessary to carry out this subsection, to re-
2 main available until expended.”.

3 **SEC. 123. SCHOOL GARDEN GRANT DEMONSTRATION.**

4 Section 18 of the Richard B. Russell National School
5 Lunch Act (42 U.S.C. 1769) (as amended by section 122)
6 is amended by adding at the end the following:

7 “(1) SCHOOL GARDEN GRANT DEMONSTRATION.—

8 “(1) IN GENERAL.—Subject to paragraph (2),
9 the Secretary may make grants to State or local
10 educational agencies and nonprofit organizations to
11 support school garden demonstrations that allow
12 children to learn about the importance of specialty
13 crops to a healthy diet.

14 “(2) SUBSTANTIAL URBAN CENTERS.—The
15 Secretary shall initially target grants under this sub-
16 section to substantial urban centers, as determined
17 by the Secretary.

18 “(3) CONSULTATION.—The Secretary shall de-
19 velop and carry out the grant demonstration in con-
20 sultation with the State department of agriculture
21 and other appropriate institutions in each State in
22 which the grant demonstration is conducted.

23 “(4) AUTHORIZATION OF APPROPRIATIONS.—
24 There is authorized to be appropriated to carry out

1 this subsection \$15,000,000, to remain available
2 until expended.”.

3 **SEC. 124. ACCESS TO LOCAL FOODS.**

4 Section 18 of the Richard B. Russell National School
5 Lunch Act (42 U.S.C. 1769) (as amended by section 123)
6 is amended by adding at the end the following:

7 “(m) ACCESS TO LOCAL FOODS.—

8 “(1) IN GENERAL.—The Secretary may provide
9 assistance, through competitive matching grants and
10 technical assistance, to schools and nonprofit entities
11 for projects that—

12 “(A) improve access to local foods in
13 schools and institutions participating in pro-
14 grams under this Act and section 4 of the Child
15 Nutrition Act of 1966 (42 U.S.C. 1773)
16 through farm-to-cafeteria activities that may in-
17 clude the acquisition of food and appropriate
18 equipment and the provision of training and
19 education;

20 “(B) are, at a minimum, designed to pro-
21 cure local foods from small- and medium-sized
22 farms for school meals;

23 “(C) support nutrition education activities
24 or curriculum planning that incorporates the

1 participation of school children in farm and ag-
2 ricultural education activities;

3 “(D) develop a sustained commitment to
4 farm-to-cafeteria projects in the community by
5 linking schools, agricultural producers, parents,
6 and other community stakeholders;

7 “(E) require \$100,000 or less in Federal
8 contributions;

9 “(F) require a Federal share of costs of
10 not to exceed 75 percent;

11 “(G) provide matching support in the form
12 of cash or in-kind contributions (including fa-
13 cilities, equipment, or services provided by State
14 and local governments and private sources); and

15 “(H) cooperate in an evaluation carried
16 out by the Secretary.

17 “(2) AUTHORIZATION OF APPROPRIATIONS.—

18 There are authorized to be appropriated such sums
19 as are necessary to carry out this subsection for
20 each of fiscal years 2004 through 2008.”.

21 **SEC. 125. CHILDHOOD OBESITY PREVENTION DEMONSTRA-**
22 **TION.**

23 Section 18 of the Richard B. Russell National School
24 Lunch Act (42 U.S.C. 1769) (as amended by section 124)
25 is amended by adding at the end the following:

1 “(n) CHILDHOOD OBESITY PREVENTION DEM-
2 ONSTRATION.—

3 “(1) IN GENERAL.—Subject to the availability
4 of funds under paragraph (6), for a period of 4 suc-
5 cessive years, the Secretary shall award to a national
6 organization with expertise in designing and imple-
7 menting health education programs for limited-
8 English-proficient individuals a grant to carry out a
9 demonstration to enhance obesity prevention activi-
10 ties for child care centers and sponsoring organiza-
11 tions providing services to limited-English-proficient
12 individuals through the child and adult care food
13 program under section 17 in each of 4 States se-
14 lected by the Secretary in accordance with para-
15 graph (2).

16 “(2) STATES.—The demonstration shall be car-
17 ried out in States that have experienced a growth in
18 the limited-English-proficient population of the
19 States of at least 100 percent between the years
20 1990 and 2000, as measured by the census.

21 “(3) REQUIRED ACTIVITIES.—Activities carried
22 out under paragraph (1) shall include—

23 “(A) developing an interactive and com-
24 prehensive tool kit for use by lay health edu-
25 cators and training activities;

1 “(B) conducting training and providing on-
2 going technical assistance for lay health edu-
3 cators; and

4 “(C) establishing collaborations with child
5 care centers and sponsoring organizations par-
6 ticipating in the child and adult care food pro-
7 gram under section 17 to—

8 “(i) identify limited-English-proficient
9 children and families; and

10 “(ii) enhance the capacity of the child
11 care centers and sponsoring organizations
12 to use appropriate obesity prevention strat-
13 egies.

14 “(4) EVALUATION.—The grant recipient shall
15 identify an institution of higher education to conduct
16 an independent evaluation of the effectiveness of the
17 demonstration.

18 “(5) REPORT.—The Secretary shall submit to
19 the Committee on Education and the Workforce of
20 the House of Representatives, the Committee on Ag-
21 riculture, Nutrition, and Forestry of the Senate, and
22 the Health, Education, Labor, and Pensions Com-
23 mittee of the Senate a report that includes—

24 “(A) the evaluation completed by the insti-
25 tution of higher education under paragraph (4);

1 “(B) the effectiveness of lay health edu-
2 cators in reducing childhood obesity; and

3 “(C) any recommendations of the Sec-
4 retary concerning the demonstration.

5 “(6) AUTHORIZATION OF APPROPRIATIONS.—

6 There are authorized to be appropriated to carry out
7 this subsection \$250,000 for each of fiscal years
8 2005 through 2008.”.

9 **SEC. 126. YEAR ROUND SERVICES FOR ELIGIBLE ENTITIES.**

10 Section 18 of the Richard B. Russell National School
11 Lunch Act (42 U.S.C. 1769) (as amended by section 125)
12 is amended by adding at the end the following:

13 “(o) YEAR ROUND SERVICES FOR ELIGIBLE ENTI-
14 TIES.—

15 “(1) IN GENERAL.—A service institution (as de-
16 fined in paragraphs (6) or (7) of section 13(a)) lo-
17 cated in California—

18 “(A) may be reimbursed for up to 3 meals
19 and 2 supplements for any day for which serv-
20 ices are being offered at the institution; and

21 “(B) shall be reimbursed for costs con-
22 sistent with section 13(b)(1).

23 “(2) EXEMPTIONS.—A service institution that
24 receives assistance under this subsection shall com-

1 ply with all provisions of section 13 other than sub-
2 sections (b)(2) and (c)(1) of that section.

3 “(3) FUNDING.—From funds made available to
4 carry out section 13, the Secretary shall provide to
5 the State of California in fiscal year 2005 an
6 amount not to exceed \$1,000,000, to remain avail-
7 able until expended, for the additional reimburse-
8 ment costs for meals and supplements authorized by
9 this subsection.”.

10 **SEC. 127. FREE LUNCH AND BREAKFAST EXPANSION DEM-**
11 **ONSTRATION.**

12 (a) FINDINGS.—Congress finds that—

13 (1) Federal child nutrition programs (including
14 the school lunch and breakfast programs) are impor-
15 tant to the health and education of children of the
16 United States;

17 (2) reduced price school meals are offered, in
18 participating schools, to children with family income
19 between 130 percent of the poverty line and 185
20 percent of the poverty line;

21 (3) many families in the reduced price income
22 category are finding it difficult to pay the fee for re-
23 duced price school meals and, for some families, the
24 fee is a barrier to participation;

1 (4) the special supplemental nutrition program
2 for women, infants, and children (WIC) established
3 by section 17 of the Child Nutrition Act of 1966 (42
4 U.S.C. 1786) provides free benefits to all partici-
5 pants with family income below 185 percent of pov-
6 erty; and

7 (5) over 500 State and local school boards have
8 passed resolutions urging Congress to eliminate the
9 reduced price school meal program and to harmonize
10 the income standard of eligibility for the school
11 lunch and breakfast programs with the WIC pro-
12 gram.

13 (b) DEMONSTRATION.—Section 18 of the Richard B.
14 Russell National School Lunch Act (42 U.S.C. 1769) (as
15 amended by section 126) is amended by adding at the end
16 the following:

17 “(p) FREE LUNCH AND BREAKFAST EXPANSION
18 DEMONSTRATION.—

19 “(1) IN GENERAL.—Subject to the availability
20 of funds under paragraph (4), the Secretary shall
21 carry out a demonstration under which expanded
22 service of free lunches and breakfasts is provided at
23 schools participating in the school lunch program
24 under this Act or the school breakfast program
25 under section 4 of the Child Nutrition Act of 1966

1 (42 U.S.C. 1773) in all or part of 5 States selected
2 by the Secretary (of which at least 1 shall be a
3 largely rural State with a significant Native Amer-
4 ican population).

5 “(2) INCOME ELIGIBILITY.—The income guide-
6 lines for determining eligibility for free lunches or
7 breakfasts under this subsection shall be 185 per-
8 cent of the applicable family size income levels con-
9 tained in the nonfarm income poverty guidelines pre-
10 scribed by the Office of Management and Budget, as
11 adjusted annually in accordance with section
12 9(b)(1)(B).

13 “(3) EVALUATION.—

14 “(A) IN GENERAL.—Not later than 3 years
15 after the implementation of the demonstration
16 under this subsection, the Secretary shall con-
17 duct an evaluation of the demonstration to as-
18 sess the impact of the demonstration by com-
19 paring the school food authorities operating
20 under the demonstration to school food authori-
21 ties not operating under the demonstration.

22 “(B) IMPACT ASSESSMENT.—

23 “(i) CHILDREN.—The evaluation shall
24 assess the impact of the demonstration
25 separately on—

1 “(I) children in households with
2 incomes less than 130 percent of the
3 applicable family income levels con-
4 tained in the nonfarm poverty income
5 guidelines prescribed by the Office of
6 Management and Budget, as adjusted
7 annually in accordance with section
8 9(b)(1)(B); and

9 “(II) children in households with
10 incomes greater than 130 percent and
11 not greater than 185 percent of the
12 applicable family income levels con-
13 tained in the nonfarm poverty income
14 guidelines prescribed by the Office of
15 Management and Budget, as adjusted
16 annually in accordance with section
17 9(b)(1)(B).

18 “(ii) FACTORS.—The evaluation shall
19 assess the impact of the demonstration
20 on—

21 “(I) certification and participa-
22 tion rates in the school lunch and
23 breakfast programs;

24 “(II) rates of lunch- and break-
25 fast-skipping;

1 “(III) academic achievement; and
2 “(IV) other factors determined
3 by the Secretary.

4 “(C) COST ASSESSMENT.—The evaluation
5 shall assess the increased costs associated with
6 providing additional free, reduced price, or paid
7 meals in the school food authorities operating
8 under the demonstration.

9 “(D) REPORT.—On completion of the dem-
10 onstration and the evaluation, the Secretary
11 shall submit to the Committee on Education
12 and the Workforce of the House of Representa-
13 tives and the Committee on Agriculture, Nutri-
14 tion, and Forestry of the Senate a report de-
15 scribing the results of the evaluation of the
16 demonstration under this paragraph.

17 “(4) AUTHORIZATION OF APPROPRIATIONS.—
18 There are authorized to be appropriated such sums
19 as are necessary to carry out this subsection, to re-
20 main available until expended.”.

21 **SEC. 128. TRAINING, TECHNICAL ASSISTANCE, AND FOOD**
22 **SERVICE MANAGEMENT INSTITUTE.**

23 (a) IN GENERAL.—Section 21(a)(1) of the Richard
24 B. Russell National School Lunch Act (42 U.S.C. 1769b–

1 1(a)(1)) is amended by striking “activities and” and all
2 that follows and inserting “activities and provide—

3 “(A) technical assistance to improve the
4 skills of individuals employed in—

5 “(i) food service programs carried out
6 with assistance under this Act;

7 “(ii) school breakfast programs car-
8 ried out with assistance under section 4 of
9 the Child Nutrition Act of 1966 (42
10 U.S.C. 1773); and

11 “(iii) as appropriate, other federally
12 assisted feeding programs; and

13 “(B) assistance, on a competitive basis, to
14 State agencies for the purpose of aiding schools
15 and school food authorities with at least 50 per-
16 cent of enrolled children certified to receive free
17 or reduced price meals (and, if there are any re-
18 maining funds, other schools and school food
19 authorities) in meeting the cost of acquiring or
20 upgrading technology and information manage-
21 ment systems for use in food service programs
22 carried out under this Act and section 4 of the
23 Child Nutrition Act of 1966 (42 U.S.C. 1773),
24 if the school or school food authority submits to

1 the State agency an infrastructure development
2 plan that—

3 “(i) addresses the cost savings and
4 improvements in program integrity and op-
5 erations that would result from the use of
6 new or upgraded technology;

7 “(ii) ensures that there is not any
8 overt identification of any child by special
9 tokens or tickets, announced or published
10 list of names, or by any other means;

11 “(iii) provides for processing and
12 verifying applications for free and reduced
13 price school meals;

14 “(iv) integrates menu planning, pro-
15 duction, and serving data to monitor com-
16 pliance with section 9(f)(1); and

17 “(v) establishes compatibility with
18 statewide reporting systems;

19 “(C) assistance, on a competitive basis, to
20 State agencies with low proportions of schools
21 or students that—

22 “(i) participate in the school breakfast
23 program under section 4 of the Child Nu-
24 trition Act of 1966 (42 U.S.C. 1773); and

1 “(ii) demonstrate the greatest need,
2 for the purpose of aiding schools in meet-
3 ing costs associated with initiating or ex-
4 panding a school breakfast program under
5 section 4 of the Child Nutrition Act of
6 1966 (42 U.S.C. 1773), including outreach
7 and informational activities; and”.

8 (b) DUTIES OF FOOD SERVICE MANAGEMENT INSTI-
9 TUTE.—Section 21(c)(2)(B) of the Richard B. Russell Na-
10 tional School Lunch Act (42 U.S.C. 1769b–1(c)(2)(B)) is
11 amended—

12 (1) by striking clauses (vi) and (vii) and insert-
13 ing the following:

14 “(vi) safety, including food handling,
15 hazard analysis and critical control point
16 plan implementation, emergency readiness,
17 responding to a food recall, and food bio-
18 security training;”; and

19 (2) by redesignating clauses (viii) through (x)
20 as clauses (vii) through (ix), respectively.

21 (c) AUTHORIZATION OF APPROPRIATIONS.—

22 (1) TRAINING ACTIVITIES AND TECHNICAL AS-
23 SISTANCE.—Section 21(e)(1) of the Richard B. Rus-
24 sell National School Lunch Act (42 U.S.C. 1769b–

1 1(e)(1)) is amended by striking “2003” and insert-
2 ing “2008”.

3 (2) FOOD SERVICE MANAGEMENT INSTITUTE.—
4 Section 21(e)(2)(A) of the Richard B. Russell Na-
5 tional School Lunch Act (42 U.S.C. 1769b-
6 1(e)(2)(A) is amended in the first sentence by strik-
7 ing “\$147,000” and all that follows through “1999”
8 and inserting “\$3,000,000 for fiscal year 2004 and
9 \$4,000,000 for fiscal year 2005”.

10 **SEC. 129. ADMINISTRATIVE ERROR REDUCTION.**

11 (a) FEDERAL SUPPORT FOR TRAINING AND TECH-
12 NICAL ASSISTANCE.—Section 21 of the Richard B. Russell
13 National School Lunch Act (42 U.S.C. 1769b-1) is
14 amended by adding at the end the following:

15 “(f) ADMINISTRATIVE TRAINING AND TECHNICAL
16 ASSISTANCE MATERIALS.—In collaboration with State
17 educational agencies, school food authorities, and local
18 educational agencies of varying sizes, the Secretary shall
19 develop and distribute training and technical assistance
20 materials relating to the administration of school meal
21 programs that are representative of the best management
22 and administrative practices.

23 “(g) FEDERAL ADMINISTRATIVE SUPPORT.—

24 “(1) FUNDING.—

1 “(A) IN GENERAL.—Out of any funds in
2 the Treasury not otherwise appropriated, the
3 Secretary of the Treasury shall transfer to the
4 Secretary of Agriculture to carry out this sub-
5 section—

6 “(i) on October 1, 2004, and October
7 1, 2005, \$5,000,000; and

8 “(ii) on October 1, 2006, and October
9 1, 2007, \$3,000,000.

10 “(B) RECEIPT AND ACCEPTANCE.—The
11 Secretary shall be entitled to receive, shall ac-
12 cept, and shall use to carry out this subsection
13 the funds transferred under subparagraph (A),
14 without further appropriation.

15 “(C) AVAILABILITY OF FUNDS.—Funds
16 transferred under subparagraph (A) shall re-
17 main available until expended.

18 “(2) USE OF FUNDS.—The Secretary may use
19 funds provided under this subsection—

20 “(A) to provide training and technical as-
21 sistance and materials related to improving pro-
22 gram integrity and administrative accuracy in
23 school meals programs; and

24 “(B) to assist State educational agencies
25 in reviewing the administrative practices of

1 school food authorities, to the extent deter-
2 mined by the Secretary.”.

3 (b) SELECTED ADMINISTRATIVE REVIEWS.—Section
4 22(b) of the Richard B. Russell National School Lunch
5 Act (42 U.S.C. 1769c(b)) is amended by adding at the
6 end the following:

7 “(3) ADDITIONAL REVIEW REQUIREMENT FOR
8 SELECTED SCHOOL FOOD AUTHORITIES.—

9 “(A) DEFINITION OF SELECTED SCHOOL
10 FOOD AUTHORITY.—In this paragraph, the
11 term ‘selected school food authority’ means a
12 school food authority that has a demonstrated
13 high level of, or a high risk for, administrative
14 error, as determined by the Secretary.

15 “(B) ADDITIONAL ADMINISTRATIVE RE-
16 VIEW.—In addition to any review required by
17 subsection (a) or paragraph (1), each State
18 educational agency shall conduct an administra-
19 tive review of each selected school food author-
20 ity during the review cycle established under
21 subsection (a).

22 “(C) SCOPE OF REVIEW.—In carrying out
23 a review under subparagraph (B), a State edu-
24 cational agency shall only review the adminis-
25 trative processes of a selected school food au-

1 thority, including application, certification,
2 verification, meal counting, and meal claiming
3 procedures.

4 “(D) RESULTS OF REVIEW.—If the State
5 educational agency determines (on the basis of
6 a review conducted under subparagraph (B))
7 that a selected school food authority fails to
8 meet performance criteria established by the
9 Secretary, the State educational agency shall—

10 “(i) require the selected school food
11 authority to develop and carry out an ap-
12 proved plan of corrective action;

13 “(ii) except to the extent technical as-
14 sistance is provided directly by the Sec-
15 retary, provide technical assistance to as-
16 sist the selected school food authority in
17 carrying out the corrective action plan; and

18 “(iii) conduct a followup review of the
19 selected school food authority under stand-
20 ards established by the Secretary.

21 “(4) RETAINING FUNDS AFTER ADMINISTRA-
22 TIVE REVIEWS.—

23 “(A) IN GENERAL.—Subject to subpara-
24 graphs (B) and (C), if the school food authority
25 fails to meet administrative performance cri-

1 teria established by the Secretary in both an
2 initial review and a followup review under para-
3 graph (1) or (3) or subsection (a), the Sec-
4 retary may require the State educational agency
5 to retain funds that would otherwise be paid to
6 the school food authority for school meals pro-
7 grams under procedures prescribed by the Sec-
8 retary.

9 “(B) AMOUNT.—The amount of funds re-
10 tained under subparagraph (A) shall equal the
11 value of any overpayment made to the school
12 food authority as a result of an erroneous claim
13 during the time period described in subpara-
14 graph (C).

15 “(C) TIME PERIOD.—The period for deter-
16 mining the value of any overpayment under
17 subparagraph (B) shall be the period—

18 “(i) beginning on the date the erro-
19 neous claim was made; and

20 “(ii) ending on the earlier of the date
21 the erroneous claim is corrected or—

22 “(I) in the case of the first re-
23 view conducted by the State edu-
24 cational agency of the local edu-
25 cational agency under this section

1 after July 1, 2005, the date that is 60
2 days after the beginning of the period
3 under clause (i); or

4 “(II) in the case of any subse-
5 quent review conducted by the State
6 educational agency of the local edu-
7 cational agency under this section, the
8 date that is 90 days after the begin-
9 ning of the period under clause (i).

10 “(5) USE OF RETAINED FUNDS.—

11 “(A) IN GENERAL.—Subject to subpara-
12 graph (B), funds retained under paragraph (4)
13 shall—

14 “(i) be returned to the Secretary, and
15 may be used—

16 “(I) to provide training and tech-
17 nical assistance related to administra-
18 tive practices designed to improve pro-
19 gram integrity and administrative ac-
20 curacy in school meals programs to
21 State educational agencies and, to the
22 extent determined by the Secretary, to
23 school food authorities and local edu-
24 cational agencies;

1 “(II) to assist State educational
2 agencies in reviewing the administra-
3 tive practices of school food authori-
4 ties in carrying out school meals pro-
5 grams; and

6 “(III) to carry out section 21(f);
7 or

8 “(ii) be credited to the child nutrition
9 programs appropriation account.

10 “(B) STATE SHARE.—A State educational
11 agency may retain not more than 25 percent of
12 an amount recovered under paragraph (4), to
13 carry out school meals program integrity initia-
14 tives to assist school food authorities and local
15 educational agencies that have repeatedly failed,
16 as determined by the Secretary, to meet admin-
17 istrative performance criteria.

18 “(C) REQUIREMENT.—To be eligible to re-
19 tain funds under subparagraph (B), a State
20 educational agency shall—

21 “(i) submit to the Secretary a plan
22 describing how the State educational agen-
23 cy will use the funds to improve school
24 meals program integrity, including meas-
25 ures to give priority to school food authori-

1 ties from which funds were retained under
2 paragraph (4); and

3 “(ii) obtain the approval of the Sec-
4 retary for the plan.”.

5 (e) TRAINING AND TECHNICAL ASSISTANCE.—Sec-
6 tion 7 of the Child Nutrition Act of 1966 (42 U.S.C.
7 1776) is amended—

8 (1) in subsection (e)—

9 (A) by striking “(e) Each” and inserting
10 the following:

11 “(e) PLANS FOR USE OF ADMINISTRATIVE EXPENSE
12 FUNDS.—

13 “(1) IN GENERAL.—Each”; and

14 (B) by striking “After submitting” and all
15 that follows through “change in the plan.” and
16 inserting the following:

17 “(2) UPDATES AND INFORMATION MANAGE-
18 MENT SYSTEMS.—

19 “(A) IN GENERAL.—After submitting the
20 initial plan, a State shall be required to submit
21 to the Secretary for approval only a substantive
22 change in the plan.

23 “(B) PLAN CONTENTS.—Each State plan
24 shall, at a minimum, include a description of
25 how technology and information management

1 systems will be used to improve program integ-
2 rity by—

3 “(i) monitoring the nutrient content
4 of meals served;

5 “(ii) training schools and school food
6 authorities in how to use technology and
7 information management systems (includ-
8 ing verifying eligibility for free or reduced
9 price meals using program participation or
10 income data gathered by State or local
11 agencies); and

12 “(iii) using electronic data to establish
13 benchmarks to compare and monitor pro-
14 gram integrity, program participation, and
15 financial data.

16 “(3) TRAINING AND TECHNICAL ASSISTANCE.—
17 Each State shall submit to the Secretary for ap-
18 proval a plan describing the manner in which the
19 State intends to implement subsection (g) of section
20 7 of this Act and section 22(b)(3) of the Richard B.
21 Russell National School Lunch Act (as added by sec-
22 tion 125(b) of the Child Nutrition and WIC Reau-
23 thorization Act of 2004).”;

24 (2) by redesignating subsection (g) as sub-
25 section (j); and

1 (3) by inserting after subsection (f) the fol-
2 lowing:

3 “(g) STATE TRAINING.—

4 “(1) IN GENERAL.—At least annually, each
5 State shall provide training in administrative prac-
6 tices (including training in application, certification,
7 verification, meal counting, and meal claiming proce-
8 dures) to school food authority administrative per-
9 sonnel and other appropriate personnel, with empha-
10 sis on the requirements established by the Child Nu-
11 trition and WIC Reauthorization Act of 2004 and
12 the amendments made by that Act.

13 “(2) FEDERAL ROLE.—The Secretary shall—

14 “(A) provide training and technical assist-
15 ance to a State; or

16 “(B) at the option of the Secretary, di-
17 rectly provide training and technical assistance
18 described in paragraph (1).

19 “(3) REQUIRED PARTICIPATION.—In accord-
20 ance with procedures established by the Secretary,
21 each school food authority or local educational agen-
22 cy shall ensure that an individual conducting or
23 overseeing administrative procedures described in
24 paragraph (1) receives training at least annually,
25 unless determined otherwise by the Secretary.

1 “(h) FUNDING FOR TRAINING AND ADMINISTRATIVE
2 REVIEWS.—

3 “(1) FUNDING.—

4 “(A) IN GENERAL.—On October 1, 2004,
5 and on each October 1 thereafter, out of any
6 funds in the Treasury not otherwise appro-
7 priated, the Secretary of the Treasury shall
8 transfer to the Secretary of Agriculture to carry
9 out this subsection \$4,000,000, to remain avail-
10 able until expended.

11 “(B) RECEIPT AND ACCEPTANCE.—The
12 Secretary shall be entitled to receive, shall ac-
13 cept, and shall use to carry out this subsection
14 the funds transferred under subparagraph (A),
15 without further appropriation.

16 “(2) USE OF FUNDS.—

17 “(A) IN GENERAL.—Except as provided in
18 subparagraph (B), the Secretary shall use
19 funds provided under this subsection to assist
20 States in carrying out subsection (g) and ad-
21 ministrative reviews of selected school food au-
22 thorities and local educational agencies carried
23 out under section 22 of the Richard B. Russell
24 National School Lunch Act (42 U.S.C. 1769e).

1 “(B) EXCEPTION.—The Secretary may re-
2 tain a portion of the amount provided to cover
3 costs of activities carried out by the Secretary
4 in lieu of the State.

5 “(3) ALLOCATION.—The Secretary shall allo-
6 cate funds provided under this subsection to States
7 based on the number of local educational agencies
8 that have demonstrated a high level of, or a high
9 risk for, administrative error, as determined by the
10 Secretary, taking into account the requirements es-
11 tablished by the Child Nutrition and WIC Reauthor-
12 ization Act of 2004 and the amendments made by
13 that Act.

14 “(4) REALLOCATION.—The Secretary may re-
15 allocate, to carry out this section, any amounts made
16 available to carry out this subsection that are not
17 obligated or expended, as determined by the Sec-
18 retary.”.

19 **SEC. 130. COMPLIANCE AND ACCOUNTABILITY.**

20 Section 22(d) of the Richard B. Russell National
21 School Lunch Act (42 U.S.C. 1769c(d)) is amended by
22 striking “\$3,000,000 for each of the fiscal years 1994
23 through 2003” and inserting “\$6,000,000 for each of fis-
24 cal years 2004 through 2008”.

1 **SEC. 131. INFORMATION CLEARINGHOUSE.**

2 Section 26(d) of the Richard B. Russell National
3 School Lunch Act (42 U.S.C. 1769g(d)) is amended in
4 the first sentence by striking “and \$166,000 for each of
5 fiscal years 1999 through 2003” and inserting “\$166,000
6 for each of fiscal years 1999 through 2004, and \$250,000
7 for each of fiscal years 2005 through 2008”.

8 **SEC. 132. PROGRAM EVALUATION.**

9 The Richard B. Russell National School Lunch Act
10 (42 U.S.C. 1751 et seq.) is amended by adding at the end
11 the following:

12 **“SEC. 28. PROGRAM EVALUATION.**

13 “(a) PERFORMANCE ASSESSMENTS.—

14 “(1) IN GENERAL.—Subject to the availability
15 of funds made available under paragraph (3), the
16 Secretary, acting through the Administrator of the
17 Food and Nutrition Service, may conduct annual na-
18 tional performance assessments of the meal pro-
19 grams conducted under this Act and the Child Nu-
20 trition Act of 1966 (42 U.S.C. 1771 et seq.).

21 “(2) COMPONENTS.—In conducting an assess-
22 ment, the Secretary may assess—

23 “(A) the cost of producing meals and meal
24 supplements under the programs described in
25 paragraph (1); and

1 “(B) the nutrient profile of meals, and sta-
2 tus of menu planning practices, under the pro-
3 grams.

4 “(3) AUTHORIZATION OF APPROPRIATIONS.—
5 There is authorized to be appropriated to carry out
6 this subsection \$5,000,000 for fiscal year 2004 and
7 each subsequent fiscal year.

8 “(b) CERTIFICATION IMPROVEMENTS.—

9 “(1) IN GENERAL.—Subject to the availability
10 of funds made available under paragraph (5), the
11 Secretary, acting through the Administrator of the
12 Food and Nutrition Service, shall conduct a study of
13 the feasibility of improving the certification process
14 used for the school lunch program established under
15 this Act.

16 “(2) PILOT PROJECTS.—In carrying out this
17 subsection, the Secretary may conduct pilot projects
18 to improve the certification process used for the
19 school lunch program.

20 “(3) COMPONENTS.—In carrying out this sub-
21 section, the Secretary shall examine the use of—

22 “(A) other income reporting systems;

23 “(B) an integrated benefit eligibility deter-
24 mination process managed by a single agency;

1 “(C) income or program participation data
2 gathered by State or local agencies; and

3 “(D) other options determined by the Sec-
4 retary.

5 “(4) WAIVERS.—

6 “(A) IN GENERAL.—Subject to subpara-
7 graph (B), the Secretary may waive such provi-
8 sions of this Act and the Child Nutrition Act of
9 1966 (42 U.S.C. 1771 et seq.) as are necessary
10 to carry out this subsection.

11 “(B) PROVISIONS.—The protections of sec-
12 tion 9(b)(6) shall apply to any study or pilot
13 project carried out under this subsection.

14 “(5) AUTHORIZATION OF APPROPRIATIONS.—
15 There is authorized to be appropriated to carry out
16 this subsection such sums as are necessary.”.

17 **SEC. 133. GLEANING OF FRESH FRUITS AND VEGETABLES.**

18 The Richard B. Russell National School Lunch Act
19 (42 U.S.C. 1751 et seq.) (as amended by section 132) is
20 amended by adding at the end the following:

21 **“SEC. 29. GLEANING OF FRESH FRUITS AND VEGETABLES.**

22 “(a) IN GENERAL.—The Secretary shall make a
23 grant to a nongovernmental organization described in sub-
24 section (b) to establish and maintain a field gleaning oper-

1 ation in a State to encourage the consumption of fresh
2 fruits and vegetables.

3 “(b) NONGOVERNMENTAL ORGANIZATION.—The
4 nongovernmental organization referred to in subsection
5 (a) shall—

6 “(1) be selected by the Secretary; and

7 “(2) be a nonprofit organization that—

8 “(A) is an organization described in sec-
9 tion 501(c)(3) of the Internal Revenue Code of
10 1986 that is exempt from tax under section
11 501(a) of that Code;

12 “(B) is experienced in providing to needy
13 individuals fresh fruits and vegetables that
14 would otherwise go to waste;

15 “(C) is experienced in establishing and
16 maintaining a field gleaning network that co-
17 ordinates the efforts of volunteers, growers, and
18 distribution agencies to salvage food for needy
19 individuals in multiple States; and

20 “(D) agrees to provide to related organiza-
21 tions information regarding field gleaning oper-
22 ations.

23 “(c) FUNDING.—

24 “(1) IN GENERAL.—On October 1, 2004, and
25 on each October 1 thereafter through October 1,

1 2007, out of any funds in the Treasury not other-
 2 wise appropriated, the Secretary of the Treasury
 3 shall transfer to the Secretary of Agriculture to
 4 carry out this section \$100,000, of which not more
 5 than 25 percent of the amount made available from
 6 each transfer may be expended in the fiscal year fol-
 7 lowing the fiscal year of the transfer.

8 “(2) RECEIPT AND ACCEPTANCE.—The Sec-
 9 retary shall be entitled to receive, shall accept, and
 10 shall use to carry out this section the funds trans-
 11 ferred under paragraph (1), without further appro-
 12 priation.”.

13 **TITLE II—AMENDMENTS TO**
 14 **CHILD NUTRITION ACT OF 1966**

15 **SEC. 201. SEVERE NEED ASSISTANCE.**

16 Section 4 of the Child Nutrition Act of 1966 (42
 17 U.S.C. 1773) is amended by striking subsection (d) and
 18 inserting the following:

19 “(d) SEVERE NEED ASSISTANCE.—

20 “(1) IN GENERAL.—Each State educational
 21 agency shall provide additional assistance to schools
 22 in severe need, which shall include only those schools
 23 (having a breakfast program or desiring to initiate
 24 a breakfast program) in which—

1 “(A) during the most recent second pre-
 2 ceding school year for which lunches were
 3 served, 40 percent or more of the lunches
 4 served to students at the school were served
 5 free or at a reduced price; or

6 “(B) in the case of a school in which
 7 lunches were not served during the most recent
 8 second preceding school year, the Secretary oth-
 9 erwise determines that the requirements of sub-
 10 paragraph (A) would have been met.

11 “(2) ADDITIONAL ASSISTANCE.—A school, on
 12 the submission of appropriate documentation about
 13 the need circumstances in that school and the eligi-
 14 bility of the school for additional assistance, shall be
 15 entitled to receive the meal reimbursement rate spec-
 16 ified in subsection (b)(2).”.

17 **SEC. 202. STATE ADMINISTRATIVE EXPENSES.**

18 (a) MINIMUM STATE ADMINISTRATIVE EXPENSE
 19 GRANTS.—Section 7 of the Child Nutrition Act of 1966
 20 (42 U.S.C. 1776) is amended—

21 (1) by striking the section heading and all that
 22 follows through “(a)(1) Each” and inserting the fol-
 23 lowing:

24 **“SEC. 7. STATE ADMINISTRATIVE EXPENSES.**

25 “(a) AMOUNT AND ALLOCATION OF FUNDS.—

1 “(1) AMOUNT AVAILABLE.—

2 “(A) IN GENERAL.—Except as provided in
3 subparagraph (B), each”;

4 (2) in subsection (a)—

5 (A) in paragraph (1)—

6 (i) by inserting after the first sentence
7 the following:

8 “(B) MINIMUM AMOUNT.—In the case of
9 each of fiscal years 2005 through 2007, the
10 Secretary shall make available to each State for
11 their administrative costs not less than the ini-
12 tial allocation made to the State under this sub-
13 section for fiscal year 2004.”;

14 (ii) by striking “The Secretary” and
15 inserting the following:

16 “(C) ALLOCATION.—The Secretary”; and

17 (iii) by striking the last sentence; and

18 (B) in paragraph (2)—

19 (i) by striking “(2) The” and insert-
20 ing the following:

21 “(2) EXPENSE GRANTS.—

22 “(A) IN GENERAL.—Subject to subpara-
23 graph (B), the”;

24 (ii) in the second sentence—

1 (I) by striking “In no case” and
2 inserting the following:

3 “(B) MINIMUM AMOUNT.—

4 “(i) IN GENERAL.—In no case”;

5 (II) by striking “this subsection”
6 and inserting “this paragraph”; and

7 (III) by striking “\$100,000” and
8 inserting “\$200,000 (as adjusted
9 under clause (ii)”; and

10 (iii) by adding at the end the fol-
11 lowing:

12 “(ii) ADJUSTMENT.—On October 1,
13 2008, and each October 1 thereafter, the
14 minimum dollar amount for a fiscal year
15 specified in clause (i) shall be adjusted to
16 reflect the percentage change between—

17 “(I) the value of the index for
18 State and local government purchases,
19 as published by the Bureau of Eco-
20 nomic Analysis of the Department of
21 Commerce, for the 12-month period
22 ending June 30 of the second pre-
23 ceding fiscal year; and

1 “(II) the value of that index for
2 the 12-month period ending June 30
3 of the preceding fiscal year.”.

4 (b) TECHNOLOGY INFRASTRUCTURE IMPROVE-
5 MENT.—Section 7 of the Child Nutrition Act of 1966 (42
6 U.S.C. 1776) is amended by inserting after subsection (h)
7 (as added by section 129(e)(3)) the following:

8 “(i) TECHNOLOGY INFRASTRUCTURE IMPROVE-
9 MENT.—

10 “(1) IN GENERAL.—Each State shall submit to
11 the Secretary, for approval by the Secretary, an
12 amendment to the plan required by subsection (e)
13 that describes the manner in which funds provided
14 under this section will be used for technology and in-
15 formation management systems.

16 “(2) REQUIREMENTS.—The amendment shall,
17 at a minimum, describe the manner in which the
18 State will improve program integrity by—

19 “(A) monitoring the nutrient content of
20 meals served;

21 “(B) providing training to schools and
22 school food authorities on the use of technology
23 and information management systems for ac-
24 tivities such as—

25 “(i) menu planning;

1 “(ii) collection of point-of-sale data;

2 and

3 “(iii) the processing of applications

4 for free and reduced price meals; and

5 “(C) using electronic data to establish

6 benchmarks to compare and monitor program

7 integrity, program participation, and financial

8 data across schools and school food authorities.

9 “(3) TECHNOLOGY INFRASTRUCTURE

10 GRANTS.—

11 “(A) IN GENERAL.—Subject to the avail-

12 ability of appropriations to carry out this para-

13 graph, the Secretary shall, on a competitive

14 basis, provide funds to States to be used to pro-

15 vide grants to schools and school food authori-

16 ties to defray the cost of purchasing or upgrad-

17 ing technology and information management

18 systems for use in programs authorized by this

19 Act (other than section 17) and the Richard B.

20 Russell National School Lunch Act (42 U.S.C.

21 1751 et seq.).

22 “(B) INFRASTRUCTURE DEVELOPMENT

23 PLAN.—To be eligible to receive a grant under

24 this paragraph, a school or school food author-

25 ity shall submit to the State a plan to purchase

1 or upgrade technology and information manage-
2 ment systems that addresses potential cost sav-
3 ings and methods to improve program integrity,
4 including—

5 “(i) processing and verification of ap-
6 plications for free and reduced price meals;

7 “(ii) integration of menu planning,
8 production, and serving data to monitor
9 compliance with section 9(f)(1) of the
10 Richard B. Russell National School Lunch
11 Act (42 U.S.C. 1758(f)(1)); and

12 “(iii) compatibility with statewide re-
13 porting systems.

14 “(4) AUTHORIZATION OF APPROPRIATIONS.—
15 There are authorized to be appropriated to carry out
16 this subsection such sums as are necessary for each
17 of fiscal years 2005 through 2008, to remain avail-
18 able until expended.”.

19 (c) REAUTHORIZATION.—Subsection (j) of section 7
20 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) (as
21 redesignated by section 129(c)(2)) is amended by striking
22 “2003” and inserting “2008”.

23 **SEC. 203. WORLD FOOD PRIZE.**

24 Section 15 of the Child Nutrition Act of 1966 (42
25 U.S.C. 1784) is amended—

1 (1) by striking the section heading and “SEC.
2 15. For the purposes of this Act—” and inserting
3 the following:

4 **“SEC. 15. DEFINITIONS; MISCELLANEOUS PROVISIONS.**

5 “(a) DEFINITIONS.—In this Act:”;

6 (2) by adding at the end the following:

7 “(b) WORLD FOOD PRIZE.—

8 “(1) IN GENERAL.—Subject to the availability
9 of appropriations, the Secretary shall provide assist-
10 ance for activities of the World Food Prize Founda-
11 tion, including—

12 “(A) acquisition or improvement of prop-
13 erty to serve as headquarters for the World
14 Food Prize Foundation;

15 “(B) support of research and outreach for
16 improving the quality, quantity, and availability
17 of food throughout the world; and

18 “(C) promotion of educational opportuni-
19 ties available to students through the World
20 Food Prize Youth Institute.

21 “(2) AUTHORIZATION OF APPROPRIATIONS.—

22 There are authorized to be appropriated such sums
23 as are necessary to carry out this subsection.”.

1 **SEC. 204. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM**
2 **FOR WOMEN, INFANTS, AND CHILDREN.**

3 (a) DEFINITIONS.—

4 (1) NUTRITION EDUCATION.—Section 17(b) of
5 the Child Nutrition Act of 1966 (42 U.S.C. 1786(b))
6 is amended by striking paragraph (7) and inserting
7 the following:

8 “(7) NUTRITION EDUCATION.—The term ‘nutri-
9 tion education’ means individual and group sessions
10 and the provision of materials that are designed to
11 improve health status and achieve positive change in
12 dietary and physical activity habits, and that empha-
13 size the relationship between nutrition, physical ac-
14 tivity, and health, all in keeping with the personal
15 and cultural preferences of the individual.”.

16 (2) SUPPLEMENTAL FOODS.—Section 17(b)(14)
17 of the Child Nutrition Act of 1966 (42 U.S.C.
18 1786(b)(14)) is amended in the first sentence by in-
19 sserting after “children” the following: “and foods
20 that promote the health of the population served by
21 the program authorized by this section, as indicated
22 by relevant nutrition science, public health concerns,
23 and cultural eating patterns”.

24 (3) OTHER TERMS.—Section 17(b) of the Child
25 Nutrition Act of 1966 (42 U.S.C. 1786(b)) is
26 amended by adding at the end the following:

1 “(22) PRIMARY CONTRACT INFANT FORMULA.—

2 The term ‘primary contract infant formula’ means
3 the specific infant formula for which manufacturers
4 submit a bid to a State agency in response to a re-
5 bate solicitation under this section and for which a
6 contract is awarded by the State agency as a result
7 of that bid.

8 “(23) STATE ALLIANCE.—The term ‘State alli-
9 ance’ means 2 or more State agencies that join to-
10 gether for the purpose of procuring infant formula
11 under the program by soliciting competitive bids for
12 infant formula.”.

13 (b) ELIGIBILITY.—

14 (1) CERTIFICATION PERIOD.—Section 17(d)(3)
15 of the Child Nutrition Act of 1966 (42 U.S.C.
16 1786(d)(3)) is amended—

17 (A) by striking “(3)(A) Persons” and in-
18 serting the following:

19 “(3) CERTIFICATION.—

20 “(A) PROCEDURES.—

21 “(i) IN GENERAL.—Subject to clause

22 (ii), a person”; and

23 (B) by adding at the end the following:

24 “(ii) BREASTFEEDING WOMEN.—A

25 State may elect to certify a breastfeeding

1 woman for a period of 1 year postpartum
 2 or until a woman discontinues
 3 breastfeeding, whichever is earlier.”.

4 (2) PHYSICAL PRESENCE.—Section
 5 17(d)(3)(C)(ii) of the Child Nutrition Act of 1966
 6 (42 U.S.C. 1786(d)(3)(C)(ii)) is amended—

7 (A) in subclause (I)(bb), by striking “from
 8 a provider other than the local agency; or” and
 9 inserting a semicolon;

10 (B) in subclause (II), by striking the pe-
 11 riod at the end and inserting “; and”; and

12 (C) by adding at the end the following:

13 “(III) an infant under 8 weeks of
 14 age—

15 “(aa) who cannot be present
 16 at certification for a reason de-
 17 termined appropriate by the local
 18 agency; and

19 “(bb) for whom all necessary
 20 certification information is pro-
 21 vided.”.

22 (c) ADMINISTRATION.—

23 (1) PROCESSING VENDOR APPLICATIONS; PAR-
 24 TICIPANT ACCESS.—Section 17(f)(1)(C) of the Child

1 Nutrition Act of 1966 (42 U.S.C. 1786(f)(1)(C)) is
2 amended—

3 (A) in clause (i) by inserting “at any of
4 the authorized retail stores under the program”
5 after “the program”;

6 (B) by redesignating clauses (ii) through
7 (x) as clauses (iii) through (xi), respectively;
8 and

9 (C) by inserting after clause (i) the fol-
10 lowing:

11 “(ii) procedures for accepting and processing
12 vendor applications outside of the established time-
13 frames if the State agency determines there will be
14 inadequate access to the program, such as in a case
15 in which a previously authorized vendor sells a store
16 under circumstances that do not permit timely noti-
17 fication to the State agency of the change in owner-
18 ship;”.

19 (2) USE OF CLAIMS FROM LOCAL AGENCIES.—
20 Section 17(f)(21) of the Child Nutrition Act of 1966
21 (42 U.S.C. 1786(f)(21)) is amended—

22 (A) in the paragraph heading, by striking
23 “**vendors**” and inserting “**local agencies,**
24 **vendors,**”; and

1 (B) by striking “vendors” and inserting
2 “local agencies, vendors,”.

3 (3) INFANT FORMULA BENEFITS.—

4 (A) IN GENERAL.—Section 17(f) of the
5 Child Nutrition Act of 1966 (42 U.S.C.
6 1786(f)) is amended by adding at the end the
7 following:

8 “(25) INFANT FORMULA BENEFITS.—A State
9 agency may round up to the next whole can of infant
10 formula to allow all infants under the program to re-
11 ceive the full-authorized nutritional benefit specified
12 by regulation.”.

13 (B) APPLICABILITY.—The amendment
14 made by subparagraph (A) applies to infant
15 formula provided under a contract resulting
16 from a bid solicitation issued on or after Octo-
17 ber 1, 2004.

18 (4) NOTIFICATION OF VIOLATIONS.—Section
19 17(f) of the Child Nutrition Act of 1966 (42 U.S.C.
20 1786(f)) (as amended by paragraph (3)) is amended
21 by adding at the end the following:

22 “(26) NOTIFICATION OF VIOLATIONS.—If a
23 State agency finds that a vendor has committed a
24 violation that requires a pattern of occurrences in
25 order to impose a penalty or sanction, the State

1 agency shall notify the vendor of the initial violation
 2 in writing prior to documentation of another viola-
 3 tion, unless the State agency determines that noti-
 4 fying the vendor would compromise an investiga-
 5 tion.”.

6 (d) REAUTHORIZATION OF WIC PROGRAM.—Section
 7 17(g) of the Child Nutrition Act of 1966 (42 U.S.C.
 8 1786(g)) is amended by striking “(g)(1)” and all that fol-
 9 lows through “As authorized” in paragraph (1) and insert-
 10 ing the following:

11 “(g) AUTHORIZATION OF APPROPRIATIONS.—

12 “(1) IN GENERAL.—

13 “(A) AUTHORIZATION.—There are author-
 14 ized to be appropriated to carry out this section
 15 such sums as are necessary for each of fiscal
 16 years 2004 through 2008.

17 “(B) ADVANCE APPROPRIATIONS; AVAIL-
 18 ABILITY.—As authorized”.

19 (e) NUTRITION SERVICES AND ADMINISTRATION
 20 FUNDS; COMPETITIVE BIDDING; RETAILERS.—

21 (1) IN GENERAL.—Section 17(h)(2)(A) of the
 22 Child Nutrition Act of 1966 (42 U.S.C.
 23 1786(h)(2)(A)) is amended by striking “For each of
 24 the fiscal years 1995 through 2003, the” and insert-
 25 ing “The”.

1 (2) HEALTHY PEOPLE 2010 INITIATIVE.—Sec-
2 tion 17(h)(4) of the Child Nutrition Act of 1966 (42
3 U.S.C. 1786(h)(4)) is amended—

4 (A) in subparagraph (D), by striking “;
5 and” and inserting a semicolon;

6 (B) in subparagraph (E), by striking the
7 period at the end and inserting “; and”; and

8 (C) by adding at the end the following:

9 “(F) partner with communities, State and
10 local agencies, employers, health care profes-
11 sionals, and other entities in the private sector
12 to build a supportive breastfeeding environment
13 for women participating in the program under
14 this section to support the breastfeeding goals
15 of the Healthy People 2010 initiative.”.

16 (3) SIZE OF STATE ALLIANCES.—Section
17 17(h)(8)(A) of the Child Nutrition Act of 1966 (42
18 U.S.C. 1786(h)(8)(A)) is amended by adding at the
19 end the following:

20 “(iv) SIZE OF STATE ALLIANCES.—

21 “(I) IN GENERAL.—Except as
22 provided in subclauses (II) through
23 (IV), no State alliance may exist
24 among States if the total number of
25 infants served by States participating

1 in the alliance as of October 1, 2003,
2 or such subsequent date determined
3 by the Secretary for which data is
4 available, would exceed 100,000.

5 “(II) ADDITION OF INFANT PAR-
6 TICIPANTS.—In the case of a State al-
7 liance that exists on the date of enact-
8 ment of this clause, the alliance may
9 continue and may expand to serve
10 more than 100,000 infants but, except
11 as provided in subclause (III), may
12 not expand to include any additional
13 State agency.

14 “(III) ADDITION OF SMALL
15 STATE AGENCIES AND INDIAN STATE
16 AGENCIES.—Any State alliance may
17 expand to include any State agency
18 that served less than 5,000 infant
19 participants as of October 1, 2003, or
20 such subsequent date determined by
21 the Secretary for which data is avail-
22 able, or any Indian State agency, if
23 the State agency requests to join the
24 State alliance.

1 “(IV) SECRETARIAL WAIVER.—

2 The Secretary may waive the require-
3 ments of this clause not earlier than
4 30 days after submitting to the Com-
5 mittee on Education and the Work-
6 force of the House of Representatives
7 and the Committee on Agriculture,
8 Nutrition, and Forestry of the Senate
9 a written report that describes the
10 cost-containment and competitive ben-
11 efits of the proposed waiver.”.

12 (4) PRIMARY CONTRACT INFANT FORMULA.—

13 (A) IN GENERAL.—Section 17(h)(8)(A) of
14 the Child Nutrition Act of 1966 (42 U.S.C.
15 1786(8)(A)) (as amended by paragraph (3)) is
16 amended—

17 (i) in clause (ii)(I), by striking “con-
18 tract brand of” and inserting “primary
19 contract”;

20 (ii) in clause (iii), by inserting “for a
21 primary contract infant formula” after
22 “lowest net price”; and

23 (iii) by adding the following at the
24 end:

1 “(v) FIRST CHOICE OF ISSUANCE.—
2 The State agency shall use the primary
3 contract infant formula as the first choice
4 of issuance (by formula type), with all
5 other infant formulas issued as an alter-
6 native to the primary contract infant for-
7 mula.”.

8 (B) APPLICABILITY.—The amendment
9 made by subparagraph (A)(iii) applies to a con-
10 tract resulting from a bid solicitation issued on
11 or after October 1, 2004.

12 (5) REBATE INVOICES.—Section 17(h)(8)(A) of
13 the Child Nutrition Act of 1966 (42 U.S.C.
14 1786(h)(8)(A)) (as amended by paragraph
15 (4)(A)(iii)) is amended by adding the following at
16 the end:

17 “(vi) REBATE INVOICES.—Each State
18 agency shall have a system to ensure that
19 infant formula rebate invoices, under com-
20 petitive bidding, provide a reasonable esti-
21 mate or an actual count of the number of
22 units sold to participants in the program
23 under this section.”.

24 (6) UNCOUPLING MILK AND SOY BIDS.—

1 (A) IN GENERAL.—Section 17(h)(8)(A) of
2 the Child Nutrition Act of 1966 (42 U.S.C.
3 1786(h)(8)(A)) (as amended by paragraph (5))
4 is amended by adding at the end the following:

5 “(vii) SEPARATE SOLICITATIONS.—In
6 soliciting bids for infant formula under a
7 competitive bidding system, any State
8 agency, or State alliance, that served under
9 the program a monthly average of more
10 than 100,000 infants during the preceding
11 12-month period shall solicit bids from in-
12 fant formula manufacturers under proce-
13 dures that require that bids for rebates or
14 discounts are solicited for milk-based and
15 soy-based infant formula separately.”.

16 (B) APPLICABILITY.—The amendment
17 made by this paragraph applies to a bid solici-
18 tation issued on or after October 1, 2004.

19 (7) CENT-FOR-CENT ADJUSTMENTS.—

20 (A) IN GENERAL.—Section 17(h)(8)(A) of
21 the Child Nutrition Act of 1966 (42 U.S.C.
22 1786(h)(8)(A)) (as amended by paragraph
23 (6)(A)) is amended by adding at the end the
24 following:

1 “(viii) CENT-FOR-CENT ADJUST-
2 MENTS.—A bid solicitation for infant for-
3 mula under the program shall require the
4 manufacturer to adjust for price changes
5 subsequent to the opening of the bidding
6 process in a manner that requires—

7 “(I) a cent-for-cent increase in
8 the rebate amounts if there is an in-
9 crease in the lowest national wholesale
10 price for a full truckload of the par-
11 ticular infant formula; and

12 “(II) a cent-for-cent decrease in
13 the rebate amounts if there is a de-
14 crease in the lowest national wholesale
15 price for a full truckload of the par-
16 ticular infant formula.”.

17 (B) CONFORMING AMENDMENT.—Section
18 17(h)(8)(A)(ii) of the Child Nutrition Act of
19 1966 (42 U.S.C. 1786(h)(8)(A)(ii)) is amended
20 by striking “rise” and inserting “change”.

21 (C) APPLICABILITY.—The amendments
22 made by this paragraph apply to a bid solicita-
23 tion issued on or after October 1, 2004.

24 (8) LIST OF INFANT FORMULA WHOLESALERS,
25 DISTRIBUTORS, RETAILERS, AND MANUFACTUR-

1 ERS.—Section 17(h)(8)(A) of the Child Nutrition
 2 Act of 1966 (42 U.S.C. 1786(h)(8)(A)) (as amended
 3 by paragraph (7)) is amended by adding at the end
 4 the following:

5 “(ix) LIST OF INFANT FORMULA
 6 WHOLESALEERS, DISTRIBUTORS, RETAIL-
 7 ERS, AND MANUFACTURERS.—The State
 8 agency shall maintain a list of—

9 “(I) infant formula wholesalers,
 10 distributors, and retailers licensed in
 11 the State in accordance with State
 12 law (including regulations); and

13 “(II) infant formula manufactur-
 14 ers registered with the Food and
 15 Drug Administration that provide in-
 16 fant formula.

17 “(x) PURCHASE REQUIREMENT.—A
 18 vendor authorized to participate in the pro-
 19 gram under this section shall only pur-
 20 chase infant formula from the list de-
 21 scribed in clause (ix).”.

22 (9) FUNDS FOR INFRASTRUCTURE, MANAGE-
 23 MENT INFORMATION SYSTEMS, AND SPECIAL NUTRI-
 24 TION EDUCATION.—Section 17(h) of the Child Nu-
 25 trition Act of 1966 (42 U.S.C. 1786(h)) is amended

1 by striking paragraph (10) and inserting the fol-
2 lowing:

3 “(10) FUNDS FOR INFRASTRUCTURE, MANAGE-
4 MENT INFORMATION SYSTEMS, AND SPECIAL NUTRI-
5 TION EDUCATION.—

6 “(A) IN GENERAL.—For each of fiscal
7 years 2006 through 2008, the Secretary shall
8 use for the purposes specified in subparagraph
9 (B), \$64,000,000 or the amount of nutrition
10 services and administration funds and supple-
11 mental food funds for the prior fiscal year that
12 have not been obligated, whichever is less.

13 “(B) PURPOSES.—Of the amount made
14 available under subparagraph (A) for a fiscal
15 year, not more than—

16 “(i) \$14,000,000 shall be used for—

17 “(I) infrastructure for the pro-
18 gram under this section;

19 “(II) special projects to promote
20 breastfeeding, including projects to
21 assess the effectiveness of particular
22 breastfeeding promotion strategies;
23 and

1 “(III) special State projects of
2 regional or national significance to
3 improve the services of the program;

4 “(ii) \$30,000,000 shall be used to es-
5 tablish, improve, or administer manage-
6 ment information systems for the program,
7 including changes necessary to meet new
8 legislative or regulatory requirements of
9 the program; and

10 “(iii) \$20,000,000 shall be used for
11 special nutrition education such as breast
12 feeding peer counselors and other related
13 activities.

14 “(C) PROPORTIONAL DISTRIBUTION.—In a
15 case in which less than \$64,000,000 is available
16 to carry out this paragraph, the Secretary shall
17 make a proportional distribution of funds allo-
18 cated under subparagraph (B).”.

19 (10) VENDOR COST CONTAINMENT.—Section
20 17(h) of the Child Nutrition Act of 1966 (42 U.S.C.
21 1786(h) is amended by striking paragraph (11) and
22 inserting the following:

23 “(11) VENDOR COST CONTAINMENT.—

24 “(A) PEER GROUPS.—The State agency of
25 a State shall—

1 “(i) establish a vendor peer group sys-
2 tem; and

3 “(ii) in accordance with subpara-
4 graphs (B) and (C), establish competitive
5 price criteria and allowable reimbursement
6 levels for each vendor peer group.

7 “(B) COMPETITIVE PRICING.—

8 “(i) IN GENERAL.—The State agency
9 shall establish competitive price criteria for
10 the selection of vendors for participation in
11 the program that—

12 “(I) ensure that the retail prices
13 charged by vendor applicants for the
14 program are competitive with the
15 prices charged by other vendors; and

16 “(II) consider—

17 “(aa) the shelf prices of the
18 vendor for all buyers; or

19 “(bb) the prices that the
20 vendor bid for supplemental
21 foods, which shall not exceed the
22 shelf prices of the vendor for all
23 buyers.

24 “(ii) PARTICIPANT ACCESS.—The
25 State agency shall ensure that the competi-

1 tive price criteria do not result in inad-
2 equate program participant access by geo-
3 graphic area.

4 “(iii) SUBSEQUENT PRICE IN-
5 CREASES.—The State agency shall estab-
6 lish procedures to ensure that a retail store
7 selected for participation in the program
8 does not, subsequent to selection, increase
9 prices to levels that would otherwise make
10 the store ineligible for participation in the
11 program.

12 “(C) ALLOWABLE REIMBURSEMENT LEV-
13 ELS.—

14 “(i) IN GENERAL.—The State agency
15 shall establish allowable reimbursement
16 levels for supplemental foods for each ven-
17 dor peer group that ensure—

18 “(I) that payments to vendors in
19 the vendor peer group reflect competi-
20 tive retail prices; and

21 “(II) that the State agency does
22 not reimburse a vendor for supple-
23 mental foods at a level that would
24 otherwise make the vendor ineligible
25 for authorization.

1 “(ii) PRICE FLUCTUATIONS.—The al-
2 lowable reimbursement levels may include
3 a factor to reflect fluctuations in wholesale
4 prices.

5 “(iii) PARTICIPANT ACCESS.—The
6 State agency shall ensure that the allow-
7 able reimbursement levels do not result in
8 inadequate program participant access in a
9 geographic area.

10 “(D) EXEMPTIONS.—The State agency
11 may exempt from competitive price criteria and
12 allowable reimbursement levels established
13 under this paragraph—

14 “(i) pharmacy vendors that supply
15 only exempt infant formula or medical
16 foods that are eligible under the program;
17 and

18 “(ii) vendors—

19 “(I)(aa) for which more than 50
20 percent of the annual revenue of the
21 vendor from the sale of food items
22 consists of revenue from the sale of
23 supplemental foods that are obtained
24 with food instruments; or

1 “(bb) who are new applicants
2 under criteria established by the Sec-
3 retary; and

4 “(II) that are nonprofit.

5 “(E) COST CONTAINMENT.—The State
6 agency shall demonstrate to the Secretary, and
7 the Secretary shall certify, that—

8 “(i) the competitive price criteria and
9 allowable reimbursement levels established
10 under this paragraph for vendors described
11 in subparagraph (D)(ii)(I) do not result in
12 higher food costs than if program partici-
13 pants redeemed supplemental food vouch-
14 ers at vendors other than vendors de-
15 scribed in subparagraph (D)(ii)(I); and

16 “(ii) vendor peer groups established
17 under subparagraph (A)(i) distinguish be-
18 tween vendors described in subparagraph
19 (D)(ii)(I) and other vendors.

20 “(F) IMPLEMENTATION.—A State agency
21 shall comply with this paragraph not later than
22 18 months after the date of enactment of this
23 paragraph.”.

24 (11) IMPOSITION OF COSTS ON RETAIL
25 STORES.—Section 17(h) of the Child Nutrition Act

1 of 1966 (42 U.S.C. 1786(h)) is amended by striking
2 paragraph (12) and inserting the following:

3 “(12) IMPOSITION OF COSTS ON RETAIL
4 STORES.—The Secretary may not impose, or allow a
5 State agency to impose, the costs of any equipment,
6 system, or processing required for electronic benefit
7 transfers on any retail store authorized to transact
8 food instruments, as a condition for authorization or
9 participation in the program.”.

10 (12) UNIVERSAL PRODUCT CODES DATABASE.—
11 Section 17(h) of the Child Nutrition Act of 1966 (42
12 U.S.C. 1786(h)) (as amended by paragraph (11)) is
13 amended by adding at the end the following:

14 “(13) UNIVERSAL PRODUCT CODES DATA-
15 BASE.—The Secretary shall—

16 “(A) establish a national universal product
17 code database for use by all State agencies in
18 carrying out the program; and

19 “(B) make available from appropriated
20 funds such sums as are required for hosting,
21 hardware and software configuration, and sup-
22 port of the database.”.

23 (13) INCENTIVE ITEMS.—Section 17(h) of the
24 Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) (as

1 amended by paragraph (12)) is amended by adding
2 at the end the following:

3 “(14) INCENTIVE ITEMS.—A State agency shall
4 not authorize or make payments to a vendor de-
5 scribed in paragraph (11)(D)(ii)(I) that provides in-
6 centive items or other free merchandise to program
7 participants unless the vendor provides to the State
8 agency proof that the vendor obtained the incentive
9 items or merchandise at no cost.”.

10 (f) SPEND FORWARD AUTHORITY.—Section
11 17(i)(3)(A)(ii)(I) of the Child Nutrition Act of 1966 (42
12 U.S.C. 1786(i)(3)(A)(ii)(I)) is amended by striking “1
13 percent” and inserting “3 percent”.

14 (g) MIGRANT AND COMMUNITY HEALTH CENTERS
15 INITIATIVE.—Section 17(j) of the Child Nutrition Act of
16 1966 (42 U.S.C. 1786(j)) is amended—

17 (1) by striking paragraph (4); and

18 (2) by redesignating paragraph (5) as para-
19 graph (4).

20 (h) FARMERS’ MARKET NUTRITION PROGRAM.—

21 (1) ROADSIDE STANDS.—Section 17(m)(1) of
22 the Child Nutrition Act of 1966 (42 U.S.C.
23 1786(m)(1)) is amended by inserting “and (at the
24 option of a State) roadside stands” after “farmers’
25 markets”.

1 (2) MATCHING FUNDS.—Section 17(m)(3) of
2 the Child Nutrition Act of 1966 (42 U.S.C.
3 1786(m)(3)) is amended by striking “total” both
4 places it appears and inserting “administrative”.

5 (3) BENEFIT VALUE.—Section 17(m)(5)(C)(ii)
6 of the Child Nutrition Act of 1966 (42 U.S.C.
7 1786(m)(5)(C)(ii)) is amended by striking “\$20”
8 and inserting “\$30”.

9 (4) REAUTHORIZATION.—Section 17(m)(9)(A)
10 of the Child Nutrition Act of 1966 (42 U.S.C.
11 1786(m)(9)(A)) is amended by striking clause (i)
12 and inserting the following:

13 “(i) AUTHORIZATION OF APPROPRIA-
14 TIONS.—There are authorized to be appro-
15 priated to carry out this subsection such
16 sums as are necessary for each of fiscal
17 years 2004 through 2008.”.

18 (i) DEMONSTRATION PROJECT RELATING TO USE OF
19 WIC PROGRAM FOR IDENTIFICATION AND ENROLLMENT
20 OF CHILDREN IN CERTAIN HEALTH PROGRAMS.—

21 (1) IN GENERAL.—Section 17 of the Child Nu-
22 trition Act of 1966 (42 U.S.C. 1786) is amended by
23 striking subsection (r).

24 (2) CONFORMING AMENDMENT.—Section 12 of
25 the Richard B. Russell National School Lunch Act

1 (42 U.S.C. 1760) is amended by striking subsection
2 (p).

3 (j) DEMONSTRATION PROJECT RELATING TO OFFER-
4 ING FRESH, FROZEN, OR CANNED FRUITS AND VEGETA-
5 BLES TO WIC PARTICIPANTS.—Section 17 of the Child
6 Nutrition Act of 1966 (42 U.S.C. 1786) (as amended by
7 subsection (i)) is amended by adding at the end the fol-
8 lowing:

9 “(r) DEMONSTRATION PROJECT RELATING TO OF-
10 FERING FRESH, FROZEN, OR CANNED FRUITS AND VEGE-
11 TABLES TO WIC PARTICIPANTS.—

12 “(1) IN GENERAL.—Subject to the availability
13 of appropriations to carry out this subsection, the
14 Secretary shall award grants for demonstration
15 projects involving not more than 5 local agencies to
16 not more than 5 State agencies to evaluate the feasi-
17 bility and acceptance of offering fresh, frozen, or
18 canned fruits and vegetables to participants in the
19 program established under this section.

20 “(2) LOCAL SITES.—In making grants under
21 this subsection, the Secretary shall ensure that State
22 agencies select sites determined to be geographically
23 and culturally representative of local and Indian
24 agencies.

1 “(3) **ADDITIONAL FOOD.**—The provision of
2 fruits and vegetables to program participants under
3 this subsection shall be in addition to the food pack-
4 age offered to the participants under other provi-
5 sions of this section and not in lieu of any food item
6 in the food package.

7 “(4) **REPORT.**—Not later than 1 year after
8 funds are first made available to carry out this sub-
9 section, the Secretary shall submit to the Committee
10 on Education and the Workforce of the House of
11 Representatives and the Committee on Agriculture,
12 Nutrition, and Forestry of the Senate a report that
13 describes the results of carrying out this subsection.

14 “(5) **AUTHORIZATION OF APPROPRIATIONS.**—
15 There are authorized to be appropriated such sums
16 as are necessary to carry out this subsection.

17 “(6) **TERMINATION OF AUTHORITY.**—The au-
18 thority provided by this subsection (other than para-
19 graph (4)) terminates September 30, 2005.”.

20 **SEC. 205. TEAM NUTRITION NETWORK.**

21 (a) **TEAM NUTRITION NETWORK.**—Section 19 of the
22 Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended
23 to read as follows:

1 **“SEC. 19. TEAM NUTRITION NETWORK.**

2 “(a) PURPOSES.—The purposes of the team nutrition
3 network are—

4 “(1) to promote the nutritional health of school
5 children of the United States through nutrition edu-
6 cation and the use of team nutrition messages and
7 materials developed by the Secretary, and to encour-
8 age physical activity and other activities that sup-
9 port healthy lifestyles for children, based on the
10 most recent Dietary Guidelines for Americans pub-
11 lished under section 301 of the National Nutrition
12 Monitoring and Related Research Act of 1990 (7
13 U.S.C. 5341);

14 “(2) to provide assistance to States for the de-
15 velopment of nutrition education and active living
16 programs in schools and facilities that participate in
17 child nutrition programs through the use of team
18 nutrition messages and materials developed by the
19 Secretary;

20 “(3) to provide training and technical assist-
21 ance to States, school and community nutrition pro-
22 grams, and child nutrition food service professionals;
23 and

24 “(4) to coordinate and collaborate with other
25 nutrition education and active living programs that
26 share similar goals and purposes.

1 “(b) DEFINITION OF TEAM NUTRITION NETWORK.—

2 In this section, the term ‘team nutrition network’ means

3 a multidisciplinary program to promote healthy eating to

4 children based on scientifically valid information and

5 sound educational, social, and marketing principles.

6 “(c) GRANTS.—

7 “(1) IN GENERAL.—Subject to the availability

8 of funds for use in carrying out this section, in addi-

9 tion to any other funds made available to the Sec-

10 retary for team nutrition purposes, the Secretary

11 may make grants to State agencies for each fiscal

12 year, in accordance with this section, to establish

13 team nutrition networks to promote nutrition edu-

14 cation through—

15 “(A) the use of team nutrition network

16 messages and materials developed by the Sec-

17 retary; and

18 “(B) the promotion of active lifestyles as

19 part of food service programs under this Act

20 and the Richard B. Russell National School

21 Lunch Act (42 U.S.C. 1751 et seq.).

22 “(2) FORM.—A portion of the grants provided

23 under this subsection may be in the form of competi-

24 tive grants.

1 “(3) FUNDS FROM NONGOVERNMENTAL
2 SOURCES.—In carrying out this subsection, the Sec-
3 retary may accept cash contributions from non-
4 governmental organizations made expressly to fur-
5 ther the purposes of this section, to be managed by
6 the Food and Nutrition Service, for use by the Sec-
7 retary and the States in carrying out this section.

8 “(d) ALLOCATION.—Subject to the availability of
9 funds for use in carrying out this section, the total amount
10 of funds made available for a fiscal year for grants under
11 this section shall equal not more than the sum of—

12 “(1) the product obtained by multiplying $\frac{1}{2}$
13 cent by the number of lunches reimbursed through
14 food service programs under the Richard B. Russell
15 National School Lunch Act (42 U.S.C. 1751 et seq.)
16 during the second preceding fiscal year in schools,
17 institutions, and service institutions that participate
18 in the food service programs; and

19 “(2) the total value of funds received by the
20 Secretary in support of this section from nongovern-
21 mental sources.

22 “(e) REQUIREMENTS FOR STATE PARTICIPATION.—
23 To be eligible to receive a grant under this section, a State
24 agency shall submit to the Secretary a plan that—

1 “(1) is subject to approval by the Secretary;
2 and

3 “(2) is submitted at such time and in such
4 manner, and that contains such information, as the
5 Secretary may require, including—

6 “(A) a description of the goals and pri-
7 mary healthy eating and physical activity mes-
8 sages of the proposed team nutrition network;

9 “(B) an analysis of the means by which
10 the State agency will use and disseminate the
11 team nutrition messages and materials devel-
12 oped by the Secretary;

13 “(C) an explanation of the ways in which
14 the State agency will use the funds from the
15 grant to promote healthy eating and physical
16 activity and fitness in schools throughout the
17 State;

18 “(D) a description of the ways in which
19 team nutrition network messages and materials
20 developed by the Secretary will be used to co-
21 ordinate nutrition and physical activities at the
22 State level with other health promotion and
23 education activities;

24 “(E) an annual summary of the team nu-
25 trition network activities;

1 “(F) a description of the ways in which the
2 total school environment will support healthy
3 eating and physical activity; and

4 “(G) a description of how all communica-
5 tions to parents and legal guardians of students
6 who are members of a household receiving or
7 applying for assistance under the program shall
8 be in an understandable and uniform format
9 and, to the extent practicable, in a language
10 that parents and legal guardians can under-
11 stand.

12 “(f) STATE COORDINATOR.—Each State that receives
13 a grant under this section shall appoint a team nutrition
14 network coordinator who shall—

15 “(1) administer and coordinate the team nutri-
16 tion network within and across schools, school food
17 authorities, and other child nutrition program pro-
18 viders in the State; and

19 “(2) coordinate activities of the Secretary, act-
20 ing through the Food and Nutrition Service, and
21 State agencies responsible for other children’s
22 health, education, and wellness programs to imple-
23 ment a comprehensive, coordinated team nutrition
24 network program.

1 “(g) AUTHORIZED ACTIVITIES.—A State agency that
2 receives a grant under this section may use funds from
3 the grant—

4 “(1)(A) to collect, analyze, and disseminate
5 data regarding the extent to which children and
6 youths in the State are overweight, physically inac-
7 tive, or otherwise suffering from nutrition-related de-
8 ficiencies or disease conditions; and

9 “(B) to identify the programs and services
10 available to meet those needs;

11 “(2) to implement model elementary and sec-
12 ondary education curricula using team nutrition net-
13 work messages and materials developed by the Sec-
14 retary to create a comprehensive, coordinated nutri-
15 tion and physical fitness awareness and obesity pre-
16 vention program;

17 “(3) to implement pilot projects in schools to
18 promote physical activity and to enhance the nutri-
19 tional status of students;

20 “(4) to improve access to local foods through
21 farm-to-cafeteria activities that may include the ac-
22 quisition of food and the provision of training and
23 education;

24 “(5) to implement State guidelines in health
25 (including nutrition education and physical edu-

1 cation guidelines) and to emphasize regular physical
2 activity during school hours;

3 “(6) to establish healthy eating and lifestyle
4 policies in schools; and

5 “(7) to provide training and technical assist-
6 ance to teachers and school food service profes-
7 sionals consistent with the purposes of this section.

8 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
9 are authorized to be appropriated such sums as are nec-
10 essary to carry out this section.”.

11 (b) CONFORMING AMENDMENT.—Section
12 21(c)(2)(E) of the Richard B. Russell National School
13 Lunch Act (42 U.S.C. 1769b–1(c)(2)(E)) is amended by
14 striking “, including” and all that follows through “1966”.

15 **SEC. 206. REVIEW OF BEST PRACTICES IN THE BREAKFAST**
16 **PROGRAM.**

17 (a) REVIEW.—

18 (1) IN GENERAL.—Subject to the availability of
19 funds under subsection (c), the Secretary of Agri-
20 culture shall enter into an agreement with a re-
21 search organization to collect and disseminate a re-
22 view of best practices to assist school food authori-
23 ties in addressing existing impediments at the State
24 and local level that hinder the growth of the school

1 breakfast program under section 4 of the Child Nu-
2 trition Act of 1966 (42 U.S.C. 1773).

3 (2) RECOMMENDATIONS.—The review shall de-
4 scribe model breakfast programs and offer rec-
5 ommendations for schools to overcome obstacles, in-
6 cluding—

7 (A) the length of the school day;

8 (B) bus schedules; and

9 (C) potential increases in costs at the
10 State and local level.

11 (b) DISSEMINATION.—Not later than 1 year after the
12 date of enactment of this Act, the Secretary shall—

13 (1) make the review required under subsection
14 (a) available to school food authorities via the Inter-
15 net, including recommendations to improve partici-
16 pation in the school breakfast program; and

17 (2) transmit to Committee on Education and
18 the Workforce of the House of Representatives and
19 the Committee on Agriculture, Nutrition, and For-
20 estry of the Senate a copy of the review.

21 (c) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated such sums as are nec-
23 essary to carry out this section.

1 **TITLE III—COMMODITY**
2 **DISTRIBUTION PROGRAMS**

3 **SEC. 301. COMMODITY DISTRIBUTION PROGRAMS.**

4 Section 15 of the Commodity Distribution Reform
5 Act and WIC Amendments of 1987 (7 U.S.C. 612c note;
6 Public Law 100–237) is amended by striking subsection
7 (e).

8 **TITLE IV—MISCELLANEOUS**

9 **SEC. 401. FOOD EMPLOYMENT EMPOWERMENT AND DEVEL-**
10 **OPMENT PROGRAM.**

11 (a) DEFINITIONS.—In this section:

12 (1) ELIGIBLE ENTITY.—The term “eligible enti-
13 ty” means an entity that meets the requirements of
14 subsections (c) and (g).

15 (2) SECRETARY.—The term “Secretary” means
16 the Secretary of Agriculture.

17 (3) VULNERABLE SUBPOPULATION.—

18 (A) IN GENERAL.—The term “vulnerable
19 subpopulation” means low-income individuals,
20 unemployed individuals, and other subpopula-
21 tions identified by the Secretary as being likely
22 to experience special risks from hunger or a
23 special need for job training.

24 (B) INCLUSIONS.—The term “vulnerable
25 subpopulation” includes—

1 (i) addicts (as defined in section 102
2 of the Controlled Substances Act (21
3 U.S.C. 802));

4 (ii) at-risk youths (as defined in sec-
5 tion 1432 of the Elementary and Sec-
6 ondary Education Act of 1965 (20 U.S.C.
7 6472));

8 (iii) individuals that are basic skills
9 deficient (as defined in section 101 of the
10 Workforce Investment Act of 1998 (29
11 U.S.C. 2801));

12 (iv) homeless individuals (as defined
13 in section 17(b) of the Child Nutrition Act
14 of 1966 (42 U.S.C. 1786(b));

15 (v) homeless youths (as defined in sec-
16 tion 387 of the Runaway and Homeless
17 Youth Act (42 U.S.C. 5732a));

18 (vi) individuals with disabilities (as
19 defined in section 3 of the Americans with
20 Disabilities Act of 1990 (42 U.S.C.
21 12102));

22 (vii) low-income individuals (as de-
23 fined in section 101 of the Workforce In-
24 vestment Act of 1998 (29 U.S.C. 2801));
25 and

1 (viii) older individuals (as defined in
2 section 102 of the Older Americans Act of
3 1965 (42 U.S.C. 3002)).

4 (b) PROGRAM.—The Secretary shall establish a food
5 employment empowerment and development program
6 under which the Secretary shall make grants to eligible
7 entities to encourage the effective use of community re-
8 sources to combat hunger and the root causes of hunger
9 by creating opportunity through food recovery, job train-
10 ing, and community service.

11 (c) ELIGIBLE ENTITIES.—Subject to subsection (g),
12 to be eligible to receive a grant under this section, an enti-
13 ty shall be a public agency, or private nonprofit institu-
14 tion, that conducts 2 or more of the following activities
15 as an integral part of the normal operation of the entity:

16 (1) Recovery of donated food from area res-
17 taurants, caterers, hotels, cafeterias, or other food
18 service businesses for the purpose of converting res-
19 cued food and other donated and purchased foods
20 into balanced meals for vulnerable subpopulations.

21 (2) Distribution of meals to—

22 (A) nonprofit organizations described in
23 section 501(c)(3) of the Internal Revenue Code
24 of 1986;

1 (B) entities that feed vulnerable sub-
2 populations; and

3 (C) other agencies considered appropriate
4 by the Secretary.

5 (3) Training of unemployed and underemployed
6 adults for careers in the food service industry.

7 (4) Engaging people through community service
8 and leadership training in developing resource-con-
9 scious community solutions.

10 (5) Carrying out of a welfare-to-work job train-
11 ing program in combination with—

12 (A) production of school meals, such as
13 school meals served under the Richard B. Rus-
14 sell National School Lunch Act (42 U.S.C.
15 1751 et seq.) or the Child Nutrition Act of
16 1966 (42 U.S.C. 1771 et seq.); or

17 (B) support for after-school programs,
18 such as programs conducted by community
19 learning centers (as defined in section 4201(b)
20 of the Elementary and Secondary Education
21 Act of 1965 (20 U.S.C. 7171(b))).

22 (d) USES.—An eligible entity may use a grant award-
23 ed under this section for—

24 (1) capital investments related to the operation
25 of the eligible entity;

1 (2) support services for clients (including staff)
2 of the eligible entity and individuals enrolled in job
3 training programs;

4 (3) purchase of equipment and supplies related
5 to the operation of the eligible entity or that improve
6 or directly affect service delivery;

7 (4) building and kitchen renovations that im-
8 prove or directly affect service delivery;

9 (5) educational material and services;

10 (6) administrative costs, in accordance with
11 guidelines established by the Secretary; and

12 (7) additional activities determined appropriate
13 by the Secretary.

14 (e) PREFERENCES.—In awarding grants under this
15 section, the Secretary shall give preference to eligible enti-
16 ties that perform any of the following activities:

17 (1) Carrying out food recovery programs that
18 are integrated with—

19 (A) culinary worker training programs,
20 such as programs conducted by a food service
21 management institute under section 21 of the
22 Richard B. Russell National School Lunch Act
23 (42 U.S.C. 1769b–1);

24 (B) school education programs; or

1 (C) programs of service-learning (as de-
2 fined in section 101 of the National and Com-
3 munity Service Act of 1990 (42 U.S.C.
4 12511)).

5 (2) Carrying out programs that engage in out-
6 reach and make use of local community services ef-
7 forts.

8 (3) Providing meals to individuals in need.

9 (4) Providing job skills training, life skills train-
10 ing, and case management support to hard-to-serve
11 populations, including—

12 (A) homeless individuals;

13 (B) individuals recovering from substance
14 abuse;

15 (C) individuals with a history of incarcer-
16 ation or probation;

17 (D) at-risk youth;

18 (E) mothers leaving welfare; and

19 (F) adults without a secondary school di-
20 ploma or its recognized equivalent.

21 (5) Maximizing the use of existing school, com-
22 munity, or private food service facilities and re-
23 sources.

1 (6) Providing community service leadership
2 training for students at institutions of higher edu-
3 cation and other schools.

4 (f) ELIGIBILITY FOR JOB TRAINING.—To be eligible
5 to receive job training assistance from an eligible entity
6 using a grant made available under this section, an indi-
7 vidual shall be—

8 (1) a low-income individual; and

9 (2) an individual who is a member of a vulner-
10 able subpopulation, other than an at-risk youth or a
11 homeless youth.

12 (g) ELIGIBILITY FOR MEALS.— In addition to the re-
13 quirements of subsection (c), to be eligible to serve meals
14 using a grant made available under this section, an eligible
15 entity shall—

16 (1) provide vulnerable subpopulations with
17 meals and complementary basic support services
18 (such as case management, education, housing, or
19 similar services, as determined necessary by the Sec-
20 retary);

21 (2) demonstrate to the Secretary that the use
22 of the grant to serve meals increases the capacity of
23 the eligible entity to provide services to clients of the
24 eligible entity; and

1 (3) comply with food handling and community
2 service requirements of a community kitchen.

3 (h) PERFORMANCE INDICATORS.—The Secretary
4 shall establish, for each year of the program, performance
5 indicators, and expected levels of performance, for meals,
6 job training, and community service for eligible entities to
7 continue to receive and use grants under this section.

8 (i) TECHNICAL ASSISTANCE.—

9 (1) IN GENERAL.—The Secretary shall provide
10 technical assistance to eligible entities that receive
11 grants under this section to assist the eligible enti-
12 ties in carrying out programs under this section
13 using the grants.

14 (2) FORM.—Technical assistance for a program
15 provided under this subsection includes—

16 (A) maintenance of a website, newsletters,
17 email communications, and other tools to pro-
18 mote shared communications, expertise, and
19 best practices;

20 (B) hosting of an annual meeting or other
21 forums to provide education and outreach to all
22 programs participants;

23 (C) collection of data for each program to
24 ensure that the performance indicators and pur-
25 poses of the program are met or exceeded;

1 (D) intervention (if necessary) to assist an
2 eligible entity to carry out the program in a
3 manner that meets or exceeds the performance
4 indicators and purposes of the program;

5 (E) consultation and assistance to an eligi-
6 ble entity to assist the eligible entity in pro-
7 viding the best services practicable to the com-
8 munity served by the eligible entity, including
9 consultation and assistance related to—

- 10 (i) strategic plans;
- 11 (ii) board development;
- 12 (iii) fund development;
- 13 (iv) mission development; and
- 14 (v) other activities considered appro-
15 priate by the Secretary;

16 (F) assistance considered appropriate by
17 the Secretary regarding—

- 18 (i) the status of program participants;
- 19 (ii) the demographic characteristics of
20 program participants that affect program
21 services;
- 22 (iii) any new idea that could be inte-
23 grated into the program; and
- 24 (iv) the review of grant proposals; and

1 (G) any other forms of technical assistance
2 the Secretary considers appropriate.

3 (j) RELATIONSHIP TO OTHER LAW.—An action
4 taken by an eligible entity using a grant provided under
5 this section shall be covered by the Bill Emerson Good
6 Samaritan Food Donation Act (42 U.S.C. 1791).

7 (k) MAXIMUM AMOUNT OF GRANT.—The amount of
8 grants provided to an eligible entity for a fiscal year under
9 this section shall not exceed \$200,000.

10 (l) AUTHORIZATION OF APPROPRIATIONS.—

11 (1) IN GENERAL.—There are authorized to be
12 appropriated to carry out this section \$20,000,000
13 for each of fiscal years 2005 through 2008.

14 (2) TECHNICAL ASSISTANCE.—Of the amount
15 of funds that are made available for a fiscal year
16 under paragraph (1), the Secretary shall use to pro-
17 vide technical assistance under subsection (i) not
18 more than the greater of—

19 (A) 5 percent of the amount of funds that
20 are made available for the fiscal year under
21 paragraph (1); or

22 (B) \$1,000,000.

1 **TITLE V—IMPLEMENTATION**

2 **SEC. 501. GUIDANCE AND REGULATIONS.**

3 (a) **GUIDANCE.**—As soon as practicable after the date
4 of enactment of this Act, the Secretary of Agriculture shall
5 issue guidance to implement the amendments made by sec-
6 tions 102, 103, 104, 105, 106, 107, 110, 115, 117(c),
7 117(g), 118, 129(b), 129(c), 201, 204(a)(3), 204(b),
8 204(c)(4), 204(e)(3), 204(e)(4), 204(e)(5), 204(e)(6),
9 204(e)(7), 204(e)(10), and 204(h)(1).

10 (b) **REGULATIONS.**—Not later than 2 years after the
11 date of enactment of this Act, the Secretary shall promul-
12 gate final regulations to implement the amendments de-
13 scribed in subsection (a).

14 **SEC. 502. EFFECTIVE DATES.**

15 (a) **IN GENERAL.**—Except as provided in subsection
16 (b), this Act and the amendments made by this Act take
17 effect on the date of enactment of this Act.

18 (b) **SPECIAL EFFECTIVE DATES.**—

19 (1) **JULY 1, 2004.**—The amendments made by
20 sections 106, 107, 129(c), and 201 take effect on
21 July 1, 2004.

22 (2) **OCTOBER 1, 2004.**—The amendments made
23 by sections 117(c), 117(g), 202(a), 204(a), 204(b),
24 204(c)(1), 204(c)(4), 204(e)(4), 204(e)(5),
25 204(e)(6), 204(e)(7), 204(e)(8), 204(e)(9),

1 204(e)(10), 204(e)(13), 204(f), 204(h)(1), and
2 204(h)(2) take effect on October 1, 2004.

3 (3) JANUARY 1, 2005.—The amendments made
4 by sections 115(e)(1) and 115(e)(3) take effect on
5 January 1, 2005.

6 (4) JULY 1, 2005.—The amendments made by
7 sections 104, 105, 110, and 129(b) take effect on
8 July 1, 2005.

Calendar No. 580

108TH CONGRESS
2^D SESSION

S. 2507

[Report No. 108-279]

A BILL

To amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to reauthorize child nutrition programs, and for other purposes.

JUNE 7, 2004

Read twice and placed on the calendar