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# SCHOOL MILK AND SCHOOL BREAKFAST PROGRAMS

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## HEARING BEFORE THE COMMITTEE ON AGRICULTURE AND FORESTRY UNITED STATES SENATE EIGHTY-NINTH CONGRESS

SECOND SESSION

ON

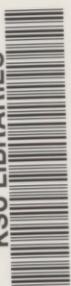
### S. 3467

A BILL TO AMEND THE NATIONAL SCHOOL LUNCH ACT,  
AS AMENDED, TO STRENGTHEN AND EXPAND  
FOOD SERVICE PROGRAMS FOR CHILDREN

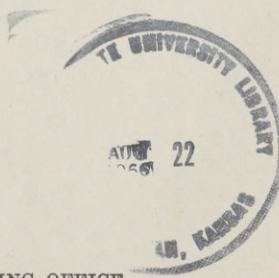
JUNE 21, 1966

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## SCHOOL MILK AND SCHOOL BREAKFAST PROGRAMS

TUESDAY, JUNE 21, 1966

U.S. SENATE,  
COMMITTEE ON AGRICULTURE AND FORESTRY,  
Washington, D.C.

The committee met, pursuant to notice, at 10:10 a.m., in room 324, Old Senate Office Building, Senator Allen J. Ellender (chairman) presiding.

Present: Senators Ellender (presiding), Holland, Talmadge, Montoya, Aiken, Young of North Dakota, and Boggs.

The CHAIRMAN. The committee will please come to order.

We are conducting hearings this morning on an amendment to the National School Lunch Act as contained in S. 3467.

I wish to say that this is an administration bill that was sent to me as chairman. I looked it over for some time. Before I introduced it I suggested certain changes which were made. I am very hopeful that the members of this committee will take note of the changes suggested by me.

I would like to say for the record that the bill before the committee today is different from the original Child Nutrition Act of 1966 that was forwarded to the committee. The original Child Nutrition Act would have completely superseded and revised the National School Lunch Act.

The present bill, S. 3467, makes no changes in the school lunch program or in the special milk program except that the latter would be made part of the School Lunch Act. This bill is in line with suggestions that I made to the Secretary of Agriculture. It would add provisions to the National School Lunch Act:

- (1) A 3-year extension of the special milk program.
- (2) A pilot breakfast program in schools drawing attendance from poor economic areas and in schools to which the children must travel long distances for fiscal years 1967, 1968, 1969;
- (3) A permanent program for nonfood assistance to schools drawing attendance from areas in which poor economic conditions exist; and
- (4) Extension of the school-feeding program to include pre-school programs operated as part of the school system.

I might add that while this bill requires that all new feeding programs take place in schools, the original Child Nutrition Act would have extended the feeding programs to places outside of school.

(S. 3467 and staff explanation are as follows:)

[S. 3467, 89th Cong., 2d sess.]

A BILL To amend the National School Lunch Act, as amended, to strengthen and expand food service programs for children.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National School Lunch Act, as amended, is amended—*

(A) By inserting in section 3 before the period at the end thereof the following phrase: "and other than sections 13 through 15."

(B) By inserting in section 6 after the word "Act" where it first occurs the following: "(other than sections 13 through 15)."

(C) By adding at the end of subsection (d) of section 12, the following new paragraph:

"(8) 'Nonprofit institution' means any public or private institution, except a school or other educational institution of higher learning, which provides for the care and training of children and no part of the net earnings of which inures to the benefit of any private shareholder or individual."

(D) By adding at the end of the Act the following new sections:

"SPECIAL MILK PROGRAM

"AUTHORIZATION

"SEC. 13. There is hereby authorized to be appropriated for the fiscal year beginning July 1, 1967, and each fiscal year thereafter during the period ending June 30, 1970, such sums as may be necessary, but not in excess of \$100,000,000 for any fiscal year, to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this section 'United States' means the fifty States and the District of Columbia.

"SCHOOL BREAKFAST PROGRAM

"AUTHORIZATION

"SEC. 14. (a) There is hereby authorized to be appropriated for each of the fiscal years ending June 30, 1967, 1968, and 1969 such sums as may be necessary to enable the Secretary to formulate and carry out a pilot program to assist States through grants-in-aid and other means, to initiate, maintain or expand nonprofit breakfast programs in schools drawing attendance from areas in which poor economic conditions exist and in schools to which a substantial proportion of the children enrolled must travel long distances.

"APPORTIONMENT TO STATES

"(b) Of the funds appropriated for the purposes of this section for any fiscal year, the Secretary shall reserve 3 per centum for apportionment to Guam, the Virgin Islands, Puerto Rico, and American Samoa. Such funds shall be apportioned among such States on the basis of the ratio of the number of children of ages five through seventeen in each such State to the number of all children of ages five through seventeen in all such States.

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

## "STATE DISBURSEMENT TO SCHOOLS

"(d) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency, to reimburse such schools for the cost of obtaining agricultural and other foods for consumption by needy children in a breakfast program and for the purpose of subsection (e). Such food costs may include, in addition to the purchase price, the cost of processing, distributing, transporting, storing, and handling. Disbursement to schools shall be made at such rates per meal or on such other basis as the Secretary shall prescribe. In selecting schools, the State educational agency shall, to the extent practicable, give first consideration to those schools drawing attendance from areas in which poor economic conditions exist.

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

## "NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

"(f) Breakfasts served by schools participating in the school breakfast program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such breakfasts shall be served without cost or at a reduced cost to children who are determined by local school authorities to be unable to pay the full cost of the breakfast. In making such determinations, such local authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay.

## "NONPROFIT PRIVATE SCHOOLS

"(g) If in any State the State educational agency is not permitted by law to disburse the funds paid to it under this section to nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State under subsections (b) and (c) of this section an amount based on the ratio of the number of children enrolled in nonprofit private schools within the State to the total number of children enrolled in all schools within the State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within such State for the same purposes and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

## "NONFOOD ASSISTANCE PROGRAM

## "AUTHORIZATION

"SEC. 15. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1968, and for each fiscal year thereafter such sums as may be necessary to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist with facilities other than land and buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain, and expand school food service programs.

## "APPORTIONMENTS TO STATES

"(b) The Secretary shall apportion the funds appropriated for the purposes of this section among the States during each fiscal year on the same basis as apportionments are made under section 4 of this Act for supplying agricultural and other foods, except that apportionment to American Samoa for any fiscal year shall be on the same basis as the apportionment to the other States. Payments to any State of funds apportioned for any fiscal year shall be made upon condition that one-fourth of the cost of any facilities financed under this subsection shall be borne by State or local funds.

## "STATE DISBURSEMENT TO SCHOOLS

"(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to assist schools, which draw attendance from areas in which poor economic conditions exist and which have no, or grossly inadequate, facilities, to conduct a school food service program, and to acquire such facilities. Disbursements to any school may be made, by advances or reimbursements, only after approval by the State educational agency of a request by the school for funds, accompanied by a detailed description of the facilities to be acquired and the plans for the use thereof in effectively meeting the nutritional needs of children in the school.

## "NONPROFIT PRIVATE SCHOOLS

"(d) If in any State the State educational agency is not permitted by law to disburse the funds paid to it under this section to nonprofit private schools in the State, the Secretary shall withhold from the funds apportioned to such State under subsection (b) an amount which bears the same ratio to such funds as the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary under section 9 of this Act served in the preceding fiscal year by all nonprofit private schools participating in the program under section 2 within the State, as determined by the Secretary, bears to the participation rate for the State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within such State for the same purposes and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

## "PAYMENTS TO STATES

"SEC. 16. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under section 13 through 17 of this Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

## "STATE ADMINISTRATIVE EXPENSES

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

## "SELECTION OF SCHOOLS

"SEC. 18. In the selection of schools and nonprofit institutions to receive Federal assistance under sections 13, 14, and 15 of this Act, the State agency shall adopt the methods and procedures necessary to assure coordination with and give, where the need is comparable, preference to programs carried on under the Elementary and Secondary Education Act of 1965 and the Economic Opportunity Act of 1964 in such schools or institutions.

## UTILIZATION OF FOODS

"SEC. 19. Each school and nonprofit institution participating under section 14 of this Act shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or foods donated by the Secretary. Foods available under section 416 of the Agricultural Act of 1949 (63 Stat. 1058), as amended, or purchased under section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, or section 709 of the Food and Agriculture Act of 1965 (79 Stat. 1212), may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, and to nonprofit institutions for utilization in their feeding programs under this Act, as well as to other schools carrying out nonprofit school lunch programs and other institutions authorized to receive such foods.

## "NONPROFIT PROGRAMS

"SEC. 20. The food and milk service programs in schools and nonprofit institutions receiving assistance under this Act shall be conducted on a nonprofit basis.

## "STATISTICAL DATA

"SEC. 21. Data on numbers of children of ages five through seventeen and on per capita income shall be made available by the Secretary of Commerce to the Secretary and, except where otherwise expressly stated in this Act, shall be the latest available.

## "REGULATIONS

"SEC. 22. The Secretary shall prescribe such regulations as he may deem necessary to carry out this Act.

## "PROHIBITIONS

"SEC. 23(a) In carrying out the provisions of section 13 of this Act, neither the Secretary nor the State shall impose any requirements with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any nonprofit institution.

"(b) The value of assistance to children under this Act shall not be considered to be income or resources for any purpose under any Federal or State laws including, but not limited to, laws relating to taxation, welfare, and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this Act.

"SEC. 24. The Secretary may extend the benefits of school feeding programs under this Act to include preschool programs operated as part of the school system."

## SENATE COMMITTEE ON AGRICULTURE AND FORESTRY

## STAFF EXPLANATION OF S. 3467

The bill would amend the National School Lunch Act by adding provisions for—

- (1) A special milk program for fiscal years 1968, 1969, and 1970;
- (2) A pilot breakfast program for needy children in schools drawing attendance from poor economic areas and in schools to which the children must travel long distances for fiscal years 1967, 1968, and 1969;
- (3) A permanent program for nonfood assistance to schools drawing attendance from areas in which poor economic conditions exist; and
- (4) General administration (sections 16 through 24), including provision for—

(A) use of up to 1½ percent of the funds appropriated for the various programs for program administrative expenses of State educational agencies;

(B) coordination with, and preference to, programs carried on under the Elementary and Secondary Education Act of 1965 and the Economic Opportunity Act of 1964;

(C) requiring the food and milk service programs to be conducted on a nonprofit basis;

(D) in the case of the milk program, prohibiting imposition of requirements dealing with teaching;

(E) providing that assistance under the Act not be deemed income and that State expenditures for child food programs not be reduced;

(F) authorizing the Secretary to extend school feeding programs under the Act to include pre-school programs operated as part of the school system.

## SECTION-BY-SECTION EXPLANATION

Section 1(A) keeps the appropriation authorization for the national school lunch program separate from those for the new programs.

Section 1(B) excludes funds appropriation for the new programs from section 6 of the National School Lunch Act, which provides that part of the funds may be

used for Department administrative expenses and part may be used for direct food purchases.

Section 1(C) defines "nonprofit institution" as an institution, other than a school, which provides for the care and training of children and no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Section 1(D) adds new sections 13 through 24 to the National School Lunch Act which provide as follows:

Section 13. Special Milk

Section 14. School Breakfast

Section 15. Nonfood Assistance

Section 16 through 24. General Provisions

New section 13, which provides for the special milk program is identical to section 2 of the Act of July 1, 1958, the current authority for the special milk program, except that the current authority runs only through June 30, 1967, while the new authority runs through fiscal 1970, and appropriations would be limited to not more than \$100 million per year. However, since the new authority would be part of the National School Lunch Act, the general provisions of that Act would be applicable.

Section 14 provides for a pilot school breakfast program for fiscal years 1967, 1968, and 1969.

Subsection (a) authorizes appropriations for such program in schools serving children from low-income areas and in schools drawing attendance from children who have to travel long distances.

Subsections (b) and (c) provide for apportionment to States. Three percent would be apportioned to Guam, the Virgin Islands, Puerto Rico, and American Samoa, on the basis of the number of children ages 5 through 17. From the balance the other States would each receive first, a basic grant of \$50,000 and, second, additional funds on the basis of need as indicated by the number of children in the State, ages 5 through 17, in families with income of less than \$2,000 plus children, ages 5 through 17, in families receiving assistance under the program for Aid to Families with Dependent Children.

Subsection (d) requires States to disburse funds to schools found eligible by the State educational agency at rates per meal that will be established by the Secretary. These funds are to be spent only for food for needy children. To the extent practicable, first consideration will be given to schools in areas of economic need.

Subsection (e) provides that in instances of severe need, the Secretary may authorize assistance up to 90 percent of the operating cost of a breakfast program, including the cost of obtaining, preparing and serving food.

Subsection (f) requires meals served under this section to meet nutritional requirements prescribed by the Secretary on the basis of tested nutritional research and to be served free or at reduced cost to those children found, by local school authorities, to be unable to pay the full cost. This is similar to the requirement contained in the existing National School Lunch Act.

Subsection (g) provides that the Department of Agriculture will administer the program in nonprofit private schools in those States whose educational agency is forbidden, by law, to disburse funds to other than public schools. This is similar to the method followed under the National School Lunch Act.

Section 15 provides for a permanent nonfood assistance program in schools drawing attendance from poor economic areas.

Subsection (a) authorizes appropriations to assist States in helping such schools acquire facilities, other than land and buildings, for the storage, preparation, transportation and serving of food.

Subsection (b) provides that funds shall be apportioned among the States on the same basis as school lunch funds under section 4. Payments to States are made on condition that one-fourth of the cost of any facilities financed shall be borne by State or local funds.

Subsection (c) permits the State educational agency to disburse funds to eligible schools by advance or by reimbursement only on request from the school, accompanied by a detailed description of the facilities to be acquired and plans for their use to improve the nutritional needs of the children in the school.

Subsection (d) requires the Department of Agriculture to administer the program in nonprofit private schools in those States where the State educational agency is not permitted, by law, to disburse funds to other than public schools.

Section 16 provides that the Secretary shall certify to the Secretary of Treasury payments to be made to any State under the new provisions and the Secretary of Treasury shall make the payment. This is the same procedure currently used under the national school lunch program.

Section 17 authorizes the Secretary to use up to 1½ percent of the total funds appropriated under the National School Lunch Act for advances to State educational agencies for administrative purposes. However, no such agency would receive more than 1 percent of the funds apportioned to it under the Act or \$7,500, whichever is greater.

Section 18 provides that in the selection of schools and nonprofit institutions to receive Federal assistance under the special milk and other programs being added to the National School Lunch Act, the State agency shall adopt methods and procedures necessary to assure coordination with programs carried on under the Elementary and Secondary Education Act of 1965 and the Economic Opportunity Act of 1964 in such schools or institutions and, in cases of comparable need, give preference to these schools or institutions. The Elementary and Secondary Education Act of 1965 provides among other things for financial assistance to local educational agencies for the education of children of low-income areas. The purpose of the Economic Opportunity Act of 1964 is to eliminate poverty. Sections 611 and 612 of the latter Act now require other agencies, in the administration of related programs, to cooperate and assist in carrying out the purpose of the latter Act and to give preference to applications made in connection with community action programs under the latter Act.

Section 19 requires schools and nonprofit institutions participating in the breakfast program to use to the extent practicable foods designated by the Secretary as being in abundance, and to receive foods donated by the Department of Agriculture.

Section 20 requires all food and milk service programs receiving assistance under the Act to be operated on a nonprofit basis. This is similar to the requirement under the National School Lunch Act.

Section 21 provides that information on numbers of children, ages 5 through 17, and on per capita income shall be made available by the Secretary of Commerce and, unless otherwise specified, shall be the latest available.

Section 22 authorizes regulations.

Section 23 prohibits—

(a) the Secretary and the States from imposing any requirements with respect to teaching personnel, curriculum, or materials of instruction in carrying out the special milk or other programs added to the National School Lunch Act. A similar provision now applies to the national school lunch program.

(b) the value of assistance to children under the National School Lunch Act from being considered as income or resources for purposes of other programs.

(c) State and local expenditures for food programs for children from being reduced as a result of funds received under the National School Lunch Act.

Section 24 authorizes the Secretary to extend the benefits of school feeding programs under the Act to pre-school programs operated as part of the school system.

The CHAIRMAN. Now, Mr. Secretary, you have just heard me place in the record my conception of the bill before us. If it is not as I stated, I wish you would say so.

My understanding is that you have a prepared statement.

Secretary FREEMAN. Yes; I do have a short statement.

The CHAIRMAN. Do you mind being interrupted as you go on, or do you want to read the whole statement and then be subjected to questions?

Secretary FREEMAN. Either way, Mr. Chairman. I would be pleased to be interrupted if any questions arise.

The CHAIRMAN. OK. You may proceed.

#### STATEMENT OF HON. ORVILLE L. FREEMAN, SECRETARY OF AGRICULTURE

Secretary FREEMAN. Mr. Chairman, and members of the committee. I noted the statement you made, Mr. Chairman, and I think it accurately summarizes the provisions of S. 3467, and as such I will direct my testimony to the bill as introduced by the chairman.

The chairman very thoughtfully noted for the record that there were some provisions in the Child Nutrition Act as submitted by the administration, primarily those that would have involved child feeding programs of a special nature outside of the school system. These programs are not covered under S. 3467, and, as a result, my testimony will be directed to S. 3467, rather than to those which have been touched on before this committee earlier.

The CHAIRMAN. Mr. Secretary, at this point, I wonder if you could place in the record the programs under which the Government is giving assistance to the poor under various poverty programs?

If you do not have that information available, I think it would be well to later put it into the record at this point.

(The information is as follows:)

SUMMARY OF OTHER LEGISLATIVE AUTHORITIES UNDER WHICH LOCAL SCHOOL LUNCH PROGRAMS MAY RECEIVE SUPPLEMENTARY ASSISTANCE

1. The major legislation under which this type of activity is being conducted is the Elementary and Secondary Education Act of 1965. A number of food service programs are being conducted with funds provided under Title II—Financial Assistance to Local Educational Agencies for the Education of Children of Low-Income Families and under Title III—Supplementary Educational Centers and Services.

A survey of the food service proposals submitted by local educational authorities to the State educational agencies indicates that as much as \$16 million may have been earmarked in fiscal year 1966 for food service nationwide. No information is available yet on actual expenditures.

2. Title II of the Economic Opportunity Act has also been a source of funds for child food service. The Head Start Program, whether a summer or a year-round activity—whether administered by the school system or by a private agency—has funded food service for the children enrolled. This food service is entirely free of charge to the child.

Beyond this, under Title I of the Economic Opportunity Act, all of the food assistance programs for children have been made approved work stations for young people enrolled in the Neighborhood Youth Corps and for adults enrolled in the Work Experience Programs. These food assistance programs offer job and training opportunities while providing a general public service. OEO funds have eased the impact of labor costs in many localities.

There is no specific estimate available as to the total amount of money involved directly and indirectly in the OEO assistance to USDA's food programs.

RÉSUMÉ OF USDA'S FOOD ASSISTANCE PROGRAMS AS THEY AFFECT LOW-INCOME GROUPS

The U.S. Department of Agriculture administers a group of four related food assistance programs. They are the food stamp and commodity donation programs for low-income families and the school lunch and special milk programs for children.

THE FOOD STAMP PROGRAM

This program improves the diets of low-income households and expands the market for domestically produced foods by supplementing the food purchasing power of eligible low-income families.

Families exchange the money they would normally be expected to spend for food for coupons worth more. The U.S. Department of Agriculture pays for the difference between the amount each family pays and the total value of food coupons it receives.

The coupons are used to buy food in retail stores. Except for items labeled as imported, the coupons may be used to buy any food for human consumption. Retailers redeem the coupons at face value at their local banks or authorized wholesalers.

Families may participate if they live in an area that has the program, are found by local welfare officials to be in need of food assistance, are receiving some

form of welfare assistance or are unemployed, part-time employed, working for low wages, or living on limited pensions. If families are not receiving welfare assistance, eligibility is based on family size and income, and their level of liquid assets.

The Food Stamp Act of 1964 allows for gradual expansion of the program over the period of the next few years into areas of the country that want and need it. The State agency responsible for Federally-aided public assistance programs submits requests for the program to USDA's Consumer and Marketing Service on behalf of local political subdivisions that want to participate.

At the present time, 325 areas in 40 States, as well as the District of Columbia are participating in this program. An estimated 1.2 million people in these areas are benefiting. The budget request for fiscal year 1967, now pending before the Congress, provides for a 50-percent increase in this program from the \$100 million appropriated this fiscal year to \$150 million in fiscal year 1967.

#### THE COMMODITY DONATION PROGRAM

This program helps to improve the nutrition of school children and families in need of food assistance and to increase the market for domestically produced foods acquired under surplus removal and price support operations. Available foods may be donated to nonprofit school lunch programs, summer camps for children, needy Indians on reservations, charitable institutions serving needy persons, and State and local welfare agencies for distribution to low-income households.

All States have a donation program for one or more of the eligible outlets cited above. The U.S. Department of Agriculture pays for processing and packaging of foods and for transporting them in carload lots to receiving points chosen by the State. State and local governments pay all costs of intrastate transportation, storage, distribution and, in the case of low-income households, certification.

Any local government may participate in the needy family program. If a county or city can demonstrate that it cannot finance a donation program for its low-income families, the Office of Economic Opportunity will consider an application for assistance under the Community Action Program.

At the present time, over half the counties and more than 200 cities have a donation program for low-income families. In April, some 4.5 million people participated in the donation program.

If an area moves into the Food Stamp Program, the donation program for low-income families is suspended.

#### THE NATIONAL SCHOOL LUNCH PROGRAM

This program provides commodity and cash grants to State educational agencies to assist them in providing adequate school lunches. This helps safeguard the health and well-being of children and encourages the consumption of domestically produced foods.

Cash grants are distributed by the State agencies for food assistance to schools participating in the program. Part of the appropriation may be used by the Secretary of Agriculture for direct purchase of food to be donated to the States for distribution among participating schools.

Not less than 75 percent of the sum appropriated each fiscal year is allotted to States on the basis of their participation rate and their assistance need rate.

In accordance with the National School Lunch Act, State educational agencies enter into an agreement with the Secretary of Agriculture that sets forth their mutual responsibilities. The State agencies, in turn, enter into agreements with participating public and nonprofit private high schools and grade schools. Private schools contract directly with the Department of Agriculture in those States where the State educational agency may not, by law, administer the program in such schools.

To be eligible, schools must agree to: operate the lunch program on a nonprofit basis; serve meals that meet nutritional requirements established by the Secretary of Agriculture on the basis of tested research; provide lunches free or at reduced price to children who are unable to pay the full price.

This year, 18 million children in 71,000 schools will consume a record 3 billion lunches. Under the regular program, some 1.6 million of these children will have lunch served at reduced price or free. In addition, with the \$2 million appropriated by the Congress for special assistance to particularly needy schools, some 60 percent of 325,000 children attending 817 demonstration schools will benefit from a good lunch.

## THE SPECIAL MILK PROGRAM

This program provides assistance in the form of reimbursement payments to encourage the consumption of fluid whole milk by children in public and nonprofit private schools of high school grade and under, nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions that provide for the care and training of children.

In all States, the program is administered in public schools by the State educational agency. In some States this same agency may handle the program in private schools and child-care institutions, but in other States some other State government agency or the U.S. Department of Agriculture may administer the program.

Special provision has been made to reimburse up to the full cost of each half pint of milk served in schools that draw attendance from particularly needy areas. An estimated one million children are receiving free milk under the program this year in these and other schools.

The CHAIRMAN. As you recall, when I discussed the matter with you, it was my belief that we should keep the school lunch program intact and not take in any other programs that are now on the statute books that contemplate assistance outside of the schools.

Secretary FREEMAN. I certainly agree with the chairman's expression in that respect, that it is highly desirable that these programs be coordinated and related.

Senator AIKEN. To the poverty programs?

Secretary FREEMAN. Related with the ongoing programs, the school lunch programs and the school milk programs, as they now exist.

Senator AIKEN. You refer to the school lunch program and the school milk program in the same breath almost. Does this bill provide that preference shall be given to putting the school milk program under the poverty program and not the school lunch program?

Secretary FREEMAN. I do not think it does.

Senator AIKEN. Section 18 says that. How does section 18 of this bill come to say that?

Secretary FREEMAN. It is something that must have escaped me then.

Senator AIKEN. It says:

In the selection of schools and nonprofit institutions to receive Federal assistance under sections 13, 14, and 15 of this Act, the State agency shall adopt the methods and procedures necessary to assure coordination with and give, where the need is comparable, preference to programs carried on under the Elementary and Secondary Education Act of 1965 and the Economic Opportunity Act of 1964 in such schools or institutions.

Does not that almost give direction to put the school milk program under the poverty program, but also fixes \$2,000 as the poverty level rather than the \$3,000 which is the amount adopted for other programs by most of the States, particularly the stamp plan?

Secretary FREEMAN. That was not the intent. This is a general coordinating section. I think that this language could be improved, considering that there are currently some milk and school lunch programs that are carried forward under these two acts. We would envision and anticipate—

Senator AIKEN. I think that they could be coordinated.

Secretary FREEMAN. That these programs should be carried on under the overall umbrella of the current program.

Senator AIKEN. I would hate to see the programs that have worked wonderfully well discarded and have the substance of those programs

incorporated in another program which has not worked at all, as the record shows.

The CHAIRMAN. Mr. Secretary, you will recall that that was the burden of my argument to you.

Secretary FREEMAN. Yes, sir.

The CHAIRMAN. Here is a program that we have had on the books now for 20 years. It was worked well. I do not want to mix it in with the "Headstart" or "Head-on," or whatever you might call the programs in the poverty program. What we want to do is to try to maintain the school lunch program and to improve on it. That is what I would like to see.

Of course, if there is conflict in the furnishing of food to people outside of the schools by some other agency, well, that is one thing, but I think that we ought to keep this act intact. Of course, when we go over this, the committee as a whole, and with our counsel here, we want to be certain that the school milk program will stand on its own foundation free from any other programs that the Government now has on the statute books.

Secretary FREEMAN. I think that the language of section 18 can be improved.

Senator AIKEN. Yes, materially.

The CHAIRMAN. You might strike it out, because we do not want to have it connected with any of these outside programs.

Senator AIKEN. Certainly, the school lunch program has been a wonderful program. The school lunch program and the school milk program have been wonderful programs and should be coordinated programs. I go along with the breakfast program, where they meet up with a different aspect, but I do not want to put them under the poverty program. I cannot go along with that, until the poverty program has demonstrated its benefits and has made more progress than it has to date.

The CHAIRMAN. Mr. Secretary, there is another point, and I am sure that you are going to emphasize it as we go along. At the last meeting we had of this committee, I suggested that the special milk program, which was set on the statute books years ago more or less to assist the producers of milk, be written in connection with our school lunch program. I thought that is where it belonged, because it would mean better administration. That is why I suggested it be done. If you have any views different from that, I wish that you would state it as you go along with your statement.

Secretary FREEMAN. I think that is perfectly consistent with the purpose that the chairman outlined initially, and I think it is very logical and appropriate that the provision for the extension of the special milk program should be included as a part of the overall combination of school lunch and school milk programs.

Senator AIKEN. They coordinate very well.

Secretary FREEMAN. And are administered in common, and it will be a better program.

Senator AIKEN. The school lunch program established 20 years ago was a means of reducing the surplus, if my memory is correct.

Secretary FREEMAN. It was subsequently proven to be humanitarian and an important service program that resulted from the stimulus of economic necessity at a given time and place.

Senator AIKEN. And one of the best programs we have devised so far.

The CHAIRMAN. Which is that?

Senator AIKEN. The school lunch program.

The CHAIRMAN. Of course it is.

Senator AIKEN. I believe it was the present Vice President who got us to extend it to day camps a few years ago so the children of the poor areas could be helped. I thought that was worthwhile.

The CHAIRMAN. In that connection, Senator Aiken, I may say that when Vice President Humphrey was a member of this committee, of course, he did all that he could to assist the milk people of his State, and I do not blame him for that. This extra milk program, as I recall, was to assist the producers more than the consumers of this milk. It is all right to have Congress appropriate the money necessary to have this excellent program, but what I would like to see, and I want to reiterate this, is that it be more or less for the school-children, that it be operated in connection with the school lunch program.

You may proceed, Mr. Secretary.

Secretary FREEMAN. Thank you, Mr. Chairman.

I welcome this opportunity to testify in support of S. 3467, a bill to amend the National School Lunch Act to strengthen and expand the child nutrition programs in this country today.

These amendments comprise a vital part of the administration goal to continue the progress now being made in the national school lunch program and to make this program a more effective instrument in meeting the needs of millions of children in this country for better nutrition.

I would like in this testimony to describe the child nutrition goals of this administration, to discuss the need that has given rise to them, and to clear up some misunderstandings and to correct some misinformation about them.

The administration seeks to provide every child, regardless of the wealth of his or her parents, with an opportunity for a full and adequate meal at school.

Specifically:

We want to double the number of children who now receive a free or reduced cost meal through the school lunch program.

Senator AIKEN. What percentage participate now?

Secretary FREEMAN. About 1 million out of 17 million.

Is that right, the number that participate and get free or reduced cost lunches?

**STATEMENT OF HOWARD P. DAVIS, DEPUTY ADMINISTRATOR  
FOR CONSUMER FOOD PROGRAMS, CONSUMER AND MARKETING  
SERVICE, U.S. DEPARTMENT OF AGRICULTURE**

Mr. DAVIS. About 1 million.

Senator AIKEN. Only 1 million?

Mr. DAVIS. Two million, about 10 percent of the total.

Senator AIKEN. How many participate in the lunch program?

Mr. DAVIS. About 50 percent of the schoolchildren participate in schools with the school lunch program.

Senator AIKEN. Yes; 50 percent of the total?

Mr. DAVIS. Yes, sir.

Senator AIKEN. That is different in different regions; is it not?

Mr. DAVIS. It varies considerably by States.

Senator AIKEN. By regions; yes.

Senator YOUNG. Which States have the least participation?

The CHAIRMAN. I wonder if you could put a list of the States in the record, if you have it there, that participate? That would be helpful for the record. That would be the best way to do it.

(The information is as follows:)

## NATIONAL SCHOOL LUNCH PROGRAM

Number of children and schools participating, fiscal year 1965<sup>1</sup>

State	Children in elementary and secondary schools			Elementary and secondary schools
	Total enrollment <sup>2</sup>	Number participating	Percent participation	Number participating
	(1)	(2)	(3)	(4)
<b>Northeast:</b>				
Connecticut.....	669,579	172,290	25.7	705
Delaware.....	123,759	41,573	33.6	152
District of Columbia.....	166,396	23,462	14.1	47
Maine.....	253,446	89,471	35.3	648
Maryland.....	872,372	255,330	29.3	980
Massachusetts.....	1,253,069	424,079	36.8	1,354
New Hampshire.....	160,270	52,204	32.6	324
New Jersey.....	1,551,245	252,672	16.2	1,077
New York.....	3,967,000	1,240,248	31.3	4,041
Pennsylvania.....	2,822,290	806,253	28.6	3,166
Rhode Island.....	203,401	36,317	17.9	181
Vermont.....	99,562	37,222	37.4	335
West Virginia.....	453,248	191,663	42.3	1,402
Area.....	12,595,637	3,622,784	28.8	14,412
<b>Southeast:</b>				
Alabama.....	850,639	431,777	50.8	1,493
Florida.....	1,271,360	643,659	50.6	1,627
Georgia.....	1,067,981	621,044	58.2	1,839
Kentucky.....	750,933	451,698	60.1	1,817
Mississippi.....	597,854	318,194	53.2	982
North Carolina.....	1,197,911	689,731	57.6	1,896
Puerto Rico.....	679,994	276,902	40.7	2,161
South Carolina.....	648,408	375,818	58.0	1,184
Tennessee.....	895,431	440,486	49.2	1,767
Virginia.....	1,024,455	467,909	45.7	1,646
Virgin Islands.....	12,269	8,250	67.2	31
Area.....	8,997,235	4,725,468	52.5	16,443
<b>Midwest:</b>				
Illinois.....	2,567,343	571,800	22.3	3,283
Indiana.....	1,228,180	463,678	37.8	1,809
Iowa.....	717,131	359,766	50.2	1,707
Michigan.....	2,253,620	512,658	22.7	2,228
Minnesota.....	955,922	455,369	47.6	1,673
Missouri.....	1,114,312	464,478	41.7	2,520
Nebraska.....	373,864	149,002	39.9	714
North Dakota.....	168,127	87,261	51.9	571
Ohio.....	2,610,024	772,528	29.6	2,582
South Dakota.....	187,345	64,467	34.4	349
Wisconsin.....	1,087,415	370,284	34.1	2,392
Area.....	13,268,283	4,272,291	32.2	19,828
<b>Southwest:</b>				
Arkansas.....	460,484	234,627	51.0	1,010
Colorado.....	519,128	195,878	37.7	970
Kansas.....	557,861	228,211	40.9	1,142
Louisiana.....	927,337	643,926	69.4	1,679
New Mexico.....	287,330	114,806	40.0	545
Oklahoma.....	621,300	235,446	37.9	1,576
Texas.....	2,614,277	800,870	30.6	3,334
Area.....	5,987,717	2,453,764	41.0	10,256

See footnotes at end of table, p. 14.

Number of children and schools participating, fiscal year 1965<sup>1</sup>—Continued

State	Children in elementary and secondary schools			Elementary and secondary schools
	Total enrollment <sup>2</sup>	Number participating	Percent participation	Number participating
	(1)	(2)	(3)	(4)
Western:				
Alaska.....	58,298	19,322	33.1	119
Arizona.....	397,295	149,493	37.6	500
California.....	4,531,400	882,503	19.5	4,025
Guam.....	21,124	6,199	29.3	29
Hawaii.....	188,033	126,155	67.1	215
Idaho.....	181,505	81,521	44.9	509
Montana.....	185,643	56,853	30.6	489
Nevada.....	103,804	17,222	16.6	107
Oregon.....	475,871	184,543	38.8	988
Samoa, American.....	8,047	4,010	49.8	23
Utah.....	288,731	132,487	45.9	476
Washington.....	776,174	258,117	33.3	1,440
Wyoming.....	91,926	31,906	34.7	273
Area.....	7,307,851	1,950,331	26.7	9,193
Grand total.....	48,151,723	17,023,638	35.4	70,132

<sup>1</sup> Data for December 1964 and represent the average number of children participating in the program for that month. The number of schools and children may have been higher in some States during other months but December was the peak month of participation nationally.

<sup>2</sup> Source: Latest data available from the Office of Education. Enrollment data for public schools are for fall 1964. Private school enrollment is for 1961-62.

Secretary FREEMAN. To respond to the initial question, there are about 2 million of the 17 million who receive free or reduced price lunches, and they include milk.

Senator AIKEN. The States now have authority to determine what group of children shall pay for their milk, according to their economic status?

Secretary FREEMAN. The States do have the authority. As a matter of fact, more than that, they are, in effect, requested, at least the standard is set down, that they should make a provision for reduced price or for free lunches for the children who cannot afford it. However, the States do not do that across the board, and they miss many who should have reduced price or free lunches. They do this, because, they say, the resources are not adequate to provide free lunches for everyone, and, therefore, they feel they serve the greater good by using limited resources to reach a greater number of children, some of whom, otherwise, would not be reached if they used the resources for free lunches for those who cannot afford to pay anything.

So, one of the main thrusts of our whole effort here is to try and supplement the States and have a special program with a special requirement that those children will be reached who, otherwise, are now being missed.

Senator AIKEN. But they can require the participants in the school lunch programs to pay 60, 80, even 100 percent of the full cost?

Secretary FREEMAN. That is correct.

Senator AIKEN. And the Department and the Secretary impresses on them that they should require those who are perfectly able to pay to pay?

Secretary FREEMAN. That is correct.

Senator AIKEN. So that the money available can be used for those who cannot pay or cannot pay much?

Secretary FREEMAN. That is right.

Senator TALMADGE. What percentage of the cost is borne by the State in this school program?

Secretary FREEMAN. The States bear how much of that?

Mr. DAVIS. About 12 cents of the 50-cent meal.

Secretary FREEMAN. 12 cents would be to the States, about that.

Senator TALMADGE. Is that in services, or in money, or both?

Mr. DAVIS. In both.

Secretary FREEMAN. Both.

The CHAIRMAN. The Chair would suggest that we place in the record at this point the table showing the comparison of the free or reduced luncheon with the total lunches served by States and area for 1964-65.

(The table is as follows:)

NATIONAL SCHOOL LUNCH PROGRAM

*Comparison of free or reduced-price lunches with total lunches serviced, by State and area, 1964-65*

State	Total lunches served <sup>1</sup>	Free or reduced-price lunches	
		Number	Percent of total
	(1)	(2)	(3)
<b>Northeast:</b>			
Connecticut.....	29,348,831	697,744	2.4
Delaware.....	7,192,173	140,916	2.0
District of Columbia.....	4,186,518	1,710,453	40.9
Maine.....	14,637,454	1,329,743	9.1
Maryland.....	44,742,205	1,559,998	3.5
Massachusetts.....	72,885,619	3,636,312	5.0
New Hampshire.....	8,615,215	543,440	6.3
New Jersey.....	43,796,839	2,190,097	5.0
New York.....	210,711,502	55,892,635	26.5
Pennsylvania.....	137,676,776	10,492,671	7.6
Rhode Island.....	6,011,894	75,473	1.3
Vermont.....	5,035,513	416,017	8.3
West Virginia.....	31,608,541	4,954,081	15.7
Area, total.....	616,449,080	83,639,580	13.6
<b>Southeast:</b>			
Alabama.....	72,807,405	5,509,901	7.6
Florida.....	114,110,593	10,128,110	8.9
Georgia.....	109,136,579	9,113,229	8.4
Kentucky.....	77,276,278	10,570,097	13.7
Mississippi.....	53,034,314	4,537,013	8.6
North Carolina.....	122,045,768	7,821,067	6.4
Puerto Rico.....	48,722,263	48,426,190	99.4
South Carolina.....	64,520,502	7,042,552	10.9
Tennessee.....	75,107,292	10,030,497	13.4
Virginia.....	82,956,631	4,800,521	5.8
Virgin Islands.....	1,388,632	1,388,632	100.0
Area, total.....	821,106,257	119,367,809	14.5
<b>Midwest:</b>			
Illinois.....	101,715,484	3,118,096	3.1
Indiana.....	76,355,231	2,274,988	3.0
Iowa.....	60,941,841	1,881,757	3.1
Michigan.....	83,880,115	4,036,305	4.8
Minnesota.....	73,867,050	2,582,346	3.5
Missouri.....	77,916,381	3,552,936	4.6
Nebraska.....	23,653,378	1,494,899	6.3
North Dakota.....	14,491,633	804,530	5.6
Ohio.....	134,673,541	7,447,347	5.5
South Dakota.....	10,980,827	1,205,198	11.0
Wisconsin.....	62,041,690	2,797,918	4.5
Area, total.....	720,517,090	31,196,320	4.3

See footnote at end of table, p. 16.

Comparison of free or reduced-price lunches with total lunches served, by State and area, 1964-65—Continued

State	Total lunches served <sup>1</sup>	Free or reduced-price lunches	
		Number	Percent of total
	(1)	(2)	(3)
<b>Southwest:</b>			
Arkansas.....	38,934,642	3,356,274	8.6
Colorado.....	32,766,462	1,630,276	5.0
Kansas.....	38,454,077	842,905	2.2
Louisiana.....	110,189,027	12,312,178	11.2
New Mexico.....	19,663,931	3,390,000	17.2
Oklahoma.....	39,362,057	4,024,167	10.2
Texas.....	133,630,857	9,491,515	7.1
Area, total.....	413,001,053	35,047,315	8.5
<b>Western:</b>			
Alaska.....	3,281,131	1,058,299	32.3
Arizona.....	25,657,540	3,246,256	12.7
California.....	139,904,271	5,738,148	4.1
Guam.....	1,214,215	118,360	9.7
Hawaii.....	22,241,851	870,318	3.9
Idaho.....	13,291,520	325,613	2.4
Montana.....	9,653,082	952,752	9.9
Nevada.....	2,901,057	198,557	6.8
Oregon.....	31,007,047	628,583	2.0
Samoa, American.....	549,322	388,045	70.6
Utah.....	22,863,185	1,340,275	5.9
Washington.....	43,394,027	1,596,211	3.7
Wyoming.....	5,228,956	130,407	2.5
Area, total.....	321,187,204	16,588,624	5.2
Total.....	2,892,260,684	285,839,648	9.9

<sup>1</sup> Does not include 214,337 type C lunches served in Guam. No type C lunches are served free or reduced.

Secretary FREEMAN. Also, specifically:

We want to insure that a child who arrives at school with an empty stomach does not have to wait until lunch before he or she gets anything to eat.

We want to extend the administrative machinery that has worked so well for the national school lunch program to the new activities and provide administrative funds to the states to make this possible.

These goals have one very simple objective. A generation of experience in the school lunch program has demonstrated convincingly that the learning process functions best when a child has enough to eat.

Good nutrition is basic to a healthy, alert child, and to a healthy, alert, and inquisitive mind.

I know I do not need to convince you or the American people of this fact. The record of the school lunch program over the past generation speaks amply in this regard.

This year in some 71,000 schools across the Nation more than 18 million children will be consuming a record 3 billion lunches. This program represents the largest single group feeding effort anywhere in the world. It supports a business with an annual volume of some \$1.5 billion. Significantly, the largest portion of this cost is provided at State and local levels, including payments from the children who receive the food. Federal support, which in dollars and donated food from surplus stocks amounts to about \$325 million a year is largely a catalyst to encourage the States to establish the program and the schools to participate in it.

Over the years, the program growth has been steady and sound at an annual rate of 6 to 8 percent. We have been pleased by this growth. But we also are concerned that malnutrition still curtails the learning capacity of too many children today.

Shortly after I came to the Department, I asked that a survey be made of the child nutrition efforts we were carrying out. I wanted to know just where we stood, how successfully was the Nation, blessed with an abundant agriculture, meeting the needs of its children. Were we, for example, reaching children most in need of improved nutrition?

The results were jarring, to put it mildly. We found a gap which was steadily growing, and would continue to grow unless additional steps would be taken to meet it.

We found there were 9 million children in schools with no food service.

One million of these are children of poverty and should have a free or reduced price meal, if it were available.

Beyond this, we found another half million needy children in schools equipped with lunch facilities who should also have free or reduced price meals, but who could not because local resources were inadequate.

The schools without facilities are, for the most part, those in downtown urban areas or in isolated rural areas. A great many of these schools draw attendance from children of low-income families. These schools and these children need help.

In addition to the need for low-cost lunches, a new problem has developed in recent years which adds greatly to the nutrition gap among young people. Too many of our children arrive at school without a proper breakfast. Many children in rural areas travel long distances by bus while in urban areas a child's parents often have to leave for work an hour or more before the child leaves for school. Neither situation is conducive to a good start for the day as far as the child is concerned.

Let me quote from a recent publication, "Education: An Answer to Poverty," issued by the Office of Education and the Office of Economic Opportunity:

Scientific studies have shown conclusively that the process of learning virtually ends when a human being becomes uncomfortably hungry. When a child appears at school in the morning having had little or no breakfast, he might just as well have stayed at home. The teacher's effort is wasted. The curriculum, the long hours of professional preparation, the value of textbooks and teaching aids are lost upon him. Similarly, a child without lunch loses most of the value of a school afternoon. A hungry child not only injures himself, but his discomfort may subtly disturb the teaching of a whole class.

The brief review of the youth nutritional gap describes some of the problems which confront us, and which should be of concern to all Americans. In recent years we have attempted to meet the nutrition gap within existing legislation, with varying degrees of success.

During the 1961-62 school year, we recommended and the Congress provided for a special commodity assistance program for needy schools. We developed what might be called a school lunch CARE package containing the essentials for a lunch. This was shipped to participating schools. It was a less than adequate solution.

In the winter of 1962-63, through the vigorous cooperation of the Kentucky State school lunch staff and local officials, we tried another approach to getting a lunch program started in isolated one- and two-room schools in the Appalachian area of eastern Kentucky.

In the course of several months we were able to start a lunch program in 380 schools with an enrollment of about 11,000 children. In most of these schools, space for food storage, preparation, and service was virtually nonexistent. Sanitation facilities were no better. But the job was done, using two-burner hotplates, second-hand refrigerators and asking the children to bring a plate and utensils from home.

The State School Lunch Director diverted extra Federal school lunch money to these schools as well as extra donated commodities to provide a type A lunch. As you can well imagine, this whole program required an enormous effort and cooperation among all those involved, and the results in terms of improved health, attendance, and attention among participating children made the effort more than worthwhile.

We have explored, too, and made a special study of the problem of getting the lunch program to downtown urban schools where there are no food service facilities and no place to put them. There are several ways of coping with this need, such as centralized kitchen operations to service satellite school lunch programs. The few test projects which have been carried out indicate that central kitchen facilities can be very effective in these situations.

The greatest success we have achieved thus far in the effort to show that the child nutrition gap can be closed was initiated this school year with a \$2 million appropriation the Congress made for this fiscal year.

The appropriation under section 11 of the National School Lunch Act—which authorizes additional funds to help provide low-priced lunches—gave us a chance to show what could be done with a little money and a lot of determination.

We have developed 817 demonstration projects throughout the country—at least 1 in every State, District of Columbia and Puerto Rico—to enable schools in low-income districts to reduce the price of lunches by as much as 10 to 15 cents, to as low as 10 to 15 cents per meal in many areas, and provide many free meals.

Most of these demonstration schools have lunch facilities, but were unable to provide free or reduced-price lunches to all the children who could not pay the regular price. Some 60 percent of the 325,000 children attending these schools are now participating in the lunch program—an increase of 60 percent over participation before section 11 special assistance was available.

Statistics alone do not tell the full story of the success of this program. You only begin to see this when you read the reports which tell of the decrease in absenteeism or the drop in the time lost when a child, weakened by hunger, became dizzy or sick from stomach cramps and had to leave the classroom. There are notes of unmistakable joy in the words of teachers and school nurses when they tell of the increase in growth and weight of the children.

These are not isolated results. They run as a common thread through the reports and letters from demonstration projects in each area. In this respect, the project here in the District's Shaw Junior High School is typical.

When the demonstration program began in January, the price of the school lunch was reduced from 30 cents to 20 cents, and the number of lunches served doubled from about 300 a day to over 600. For most children, the lunch provides almost half of their daily nutrition needs. For some, the school lunch is often the only good meal the children get all day.

The school nurse reports that the change in students, particularly the needy students, has been remarkable. Complaints of stomach cramps have dropped, and the attention span of students has increased.

These results demonstrate clearly that the child nutrition gap can be closed, and that the States and the local schools are both willing and able to attack this problem vigorously and effectively, if they have help.

That is why I am here today, to ask the Congress to provide the assistance which the local schools and the States are ready to apply to insure that children throughout this country will have the opportunity for a full meal.

This will require both appropriations and new authority.

The measures which this committee is considering today will authorize some of the new steps which must be taken if the child nutrition gap is to be closed.

S. 3467 will authorize:

1. A pilot breakfast program for schools in low-income districts for a period covering the next 3 fiscal years. These breakfast programs will be similar to a number of special projects which have been conducted in the current school year with generally favorable results.

2. A permanent program to assist low-income school districts to acquire school food service equipment where they are not now available.

3. A special milk program for the next 4 fiscal years which would continue in effect the present special milk program. I would suggest for your consideration that the 4-year limitation be removed so the program may be made permanent and that the \$100 million limitation on authorizations be eliminated. We see no basis for limiting the duration of the program. In addition, there are no appropriation limitations under the other proposed amendments.

4. The use of Federal funds to help State agencies to defray administrative costs of the new programs.

The CHAIRMAN. On that point, Mr. Secretary, will you tell us what the yardstick would be used, in regard to the use of these administrative funds which come from the Federal Government?

Secretary FREEMAN. Well, we would make these funds available to all the States who proceeded to carry forward the program which is outlined here, to expand and strengthen their programs. This would involve considerable, by way of administrative work and more personnel and action to get out in the areas where there have not been programs and where there is not currently leadership, and to provide some of it to get them started. It is our best judgment that in the absence of some kind of assistance—and the assistance contemplated here is only a maximum of \$7,500; therefore, quite modest, but in the absence of this, this program would be slow in starting in many of the States.

The CHAIRMAN. Well, the States, as I understand it, pay the whole amount now, do they not?

Secretary FREEMAN. Yes, they do.

The CHAIRMAN. The administrative expense.

Secretary FREEMAN. Yes.

The CHAIRMAN. And here you are permitting the use of Federal funds for that. My fear is that this amount may be increased and we would find ourselves with the Government carrying more of this administrative cost than we contemplated. It would seem to me that this school lunch program has been well handled because of the fact that you had full cooperation at the local level—the fathers and the mothers and the local people supported it and made it a success. I would certainly think that we should have certain yardsticks so as not to interfere with the present method of having the local people contribute whatever is necessary to operate these programs. If administrative costs are to be used in areas where the local community cannot afford it, that is one exception, but I would certainly dislike to see the present system changed in any manner, because, I repeat, the fact that the local people interest themselves in this and make a go of it has, in my opinion, spelled its success.

Secretary FREEMAN. I think that the chairman's remarks are very valid. We do not contemplate that there would be any changes. I think the relationship between the State and the Federal Government in this program would continue as is. This merely provides some additional resources which we believe will be well used and are important in reaching our objectives.

As a matter of fact, Mr. Chairman, a good bit of the recent legislation has provided for a sharing of the administrative costs. The Elementary and Secondary Education Act is an example.

The CHAIRMAN. And do not mix it in with the school lunch program. I understand that we have laws on the statute books now that will be handled by the Department of Health, Education, and Welfare, with some administrative funds that are going to be furnished, and I cannot see any reason why we should go into it. I wish you would be more specific in that respect and give us such yardsticks as you think it would be wise to place in the bill so that our programs will not be disturbed.

Secretary FREEMAN. We would not have any objection, Mr. Chairman, to a statement in the bill that the current administrative relationship and the responsibility as it has worked out in the past would continue. This provision would merely provide some administrative funds which the States would then have available and which, presumably, would be matched by equivalent funds for administrative purposes, so that the program could get under way.

The CHAIRMAN. What program are you talking about? This one, or the one administered by the Department of Health, Education, and Welfare for the elementary schools?

Secretary FREEMAN. This program that is being administered through the Department of Agriculture, the school lunch program, and not the program of the Department of Health, Education, and Welfare, or not the program of the Office of Economic Opportunity, or their food related programs. This relates directly to the administration of the school lunch program, with special emphasis on the amendments which would involve an expansion of that program. And they are set down in the chairman's bill.

The CHAIRMAN. In respect to the nonfood provision, have you any specific recommendations to make as to what yardsticks you are going to use in order to make a community amenable to whatever funds we provide for that purpose?

Secretary FREEMAN. Well, there is spelled out—the purpose is spelled out in some detail here in the bill, and it would be the money which would be distributed, based upon the school living up to the standards that would be the product of the regulations which would flow from this bill, assuming that it would pass.

The CHAIRMAN. Well, that would not in any manner affect those communities where we now have programs in which they have been capable of providing their own funds for nonfood equipment.

Secretary FREEMAN. No. This is, I think, pretty well set out as follows, in the language as it is now before the committee:

There is hereby authorized to be appropriated for the fiscal year ending June 30, 1968, and for each fiscal year thereafter such sums as may be necessary to enable the Secretary to formulate and carry out a program to assist the states through grants-in-aid and other means, to supply schools drawing attendance from areas in which poor economic conditions exist with facilities, other than land and buildings, for the storage, preparation, transportation, and serving food to enable such schools to establish, maintain, and expand school food service programs.

The CHAIRMAN. That is what I wanted to bring out. I was familiar with the language, of course, in the bill, but I wanted to be certain that we provided some kind of yardstick whereby it is only those areas where the communities are unable to provide the facilities that the Government would come in and give assistance under that section of the bill.

Senator BOGGS. Are we talking about section 17?

Secretary FREEMAN. Section 15, right now, on page 6.

Senator BOGGS. Section 17 covers this, does it not?

Secretary FREEMAN. I think that you are right, Senator Boggs. Section 17 provides additional administrative funds would be used for implementing these sections of this bill, and I think what Senator Ellender is asking about is whether the funds to be made available to provide special facilities where there are apparently nonexistent would be used where needed and not be used in the areas where the school districts themselves had and could provide the facilities.

Senator BOGGS. I understand that, but I misunderstood the chairman. I thought he was talking about the administrative costs.

The CHAIRMAN. I was talking about the nonfood requirements, and that appears on page 7, beginning, in fact, under 15(c), which reads:

Funds apportioned and paid to any state for the purpose of this section shall be disbursed by the state educational agency to assist schools, which draw attendance from areas in which poor economic conditions exist and which have no, or grossly inadequate, facilities, to conduct a school or food service program, and to acquire such facilities.

In other words, I was in hopes that we could have testimony to indicate that wherever a community is able to do itself, that the Federal Government would not step in and do it, because we would have a lot of feet dragging if we start a program where the Government is going to begin to put in moneys to provide equipment. Of course, that would also apply to the administrative end. This program has been successful, I repeat, because of the fact that the local people took

such an interest in it and did a lot of work to assist the children, and we do not want to get away from that principle.

Secretary FREEMAN. Mr. Chairman, we are not without experience in this respect. The current programs under the appropriation of \$2 million have directed themselves to the school districts that cannot afford and have not made this school lunch available, and this has worked, we feel, satisfactorily. It has not resulted in any inhibition of the initiative or responsibility by the school districts who are able and who have gone forward under the basic program, and I would want to show that if this section can be strengthened in that regard, we have no objection to administrative regulations to carry forward section 15(c) which would be developed to make certain that these funds were used for the purpose the chairman indicates and not used in any way to inhibit the program which is now working effectively in other districts.

The CHAIRMAN. I wonder if you or Mr. Davis could tell us whether or not there are some districts which have the capability, but a lack of interest exists. In a case like that, are we going to step in and provide funds for this program that is set up?

Secretary FREEMAN. I will let Mr. Davis comment on that, from an operating standpoint, because he has been operating it for a good many years.

It would be my judgment that the language is such that the intent of Congress would be very clear that if this were passed that poor economic conditions and inability to meet the needs would be a clear policy that we would seek to carry out.

Do you want to comment on that, Mr. Davis?

Mr. DAVIS. As the Secretary has said, the States are experienced in determining these needs of the schools under section 11 of the present act. And in drafting our administrative regulations to carry out this section, it would be our intent to follow somewhat the same criteria as stated in section 11 of the present School Lunch Act. In other words, to determine that this school was really in need by the relative economic level of the district in which it is, by the indication of the need for free meals, by the amount that experience has shown that the children could afford to pay, by many of these same criteria. And I think, again as the Secretary has pointed out, that the legislation itself would very definitely limit us to a school that had not, or could not, provide adequate facilities to serve a lunch, and I am sure that we would certainly take into account the fact that no program existed, not just because of a lack of interest in the local community, but because they did not have the funds or tax base to have the program.

The CHAIRMAN. Under other laws the Department of Health, Education, and Welfare can come in and provide food, and I presume facilities for the children in certain areas that you have just described. Have you run across any situations where the Department of Health, Education, and Welfare, under existing law, has taken over and attempted to feed people in communities such as the ones you have just described?

Mr. DAVIS. Yes; sir, there have been numerous instances across the country, particularly in this first year under the new Education Act, when the local school districts have not had enough time to develop some academic programs, they have used this money to augment the school lunch programs locally.

The CHAIRMAN. You mean the programs that you started?

Mr. DAVIS. Yes, sir.

The CHAIRMAN. Why was it necessary for them to come in and augment it?

Mr. DAVIS. Under our current school lunch fund, the States have not found it possible to supply all of the free meals that should have been supplied, and in some instances have not been able to provide the equipment and facilities adequate to serve a lunch. I think what the Secretary has said, and what you have said, indicates that in the long run it would be sounder to finance this sort of operation under the National School Lunch Act, rather than being augmented through another program.

The CHAIRMAN. That is what I fear.

Mr. DAVIS. I am certain that it is.

The CHAIRMAN. That is what I fear, and that is why I would like to see the whole program administered under one head and not have competition among some of the Departments of the Government. In other words, here you have been providing food, and, as I understand it, some areas have been supplemented by the Department of Health, Education, and Welfare.

Mr. DAVIS. Yes, sir.

Senator YOUNG. Mr. Chairman, I think that this raises a very important question. If under the Federal Aid to Education Act a school can buy facilities, why should we, under the school lunch program, provide the same thing. The school district may be hard up for several reasons. They may have overbuilt. They have spent money for buildings rather than for school lunch programs. Another school district may have adequate money because they have not put up the buildings that they should have.

I think a program such as providing facilities would better come under the Federal Aid to Education Act.

The CHAIRMAN. Would you mind commenting on what Senator Young has said?

Secretary FREEMAN. I quite agree that the program ought to be in one place, as when it is administered in one place it is not, in a sense, the kind of competition as has been mentioned, why, you would then develop and apply standards and take into consideration local differences in a way that is not possible when it is spread all over among a lot of governmental agencies.

Senator MONTOYA. As I understand section 15(c), together with criteria discussed a few minutes ago, a school district must (1) lack the financial capability to provide the facilities and (2) the school children of a particular school must be from homes or areas within the school district in which poor economic conditions exist.

In many municipal areas a school district may be rich in total bonding potential and in school revenues, but at the same time have some poor school buildings and facilities, within the school district, for the use of children from economically depressed families. The criteria as previously stated would not cover such economically deprived children because both conditions cannot be met.

Where is a line of demarcation in the administration of the particular criteria which has been covered in the discussion this morning?

Secretary FREEMAN. No. 1, section 15 applies to the provision of assistance to provide facilities for school programs, equipment, et

cetera, as a part of an overall plan in the areas which cannot afford to do so.

The question of children—

Senator MONTROYA. What do you mean by "the areas which cannot afford to do so"? An area can be a part within a rich school district or an area can be a school district itself.

Secretary FREEMAN. Well, I think that this could very well be, but if a school district does not have the facilities for a school lunch program, and if it does have a tax base which would support such, and if the adjoining schools or districts have such facilities, why, in that instance, we would give it a very low priority to that situation, because of the failure to act responsibility by that school district.

Senator MONTROYA. Mr. Secretary, every school district in this Nation has established priorities for its revenues. Most of the priorities are for additional school buildings or an increase in teacher salaries. You will encounter this in almost every school district throughout the Nation. How are you going to determine that they should be granted funds for school lunch facilities?

Secretary FREEMAN. I think that I would say that if you have the situation that you have hypothecated where a school district was building a new school or was increasing the teachers' salaries and had made no provision for school lunch programs, why, they would have a very low priority in terms of any additional funds.

Senator MONTROYA. In other words, you will try to exercise good judgment in determining whether or not these funds for facilities are justified?

Secretary FREEMAN. As a practical matter, the amount of funds that will be made available under this are so modest, in terms of the demand, that I do not think that there will be much of a practical problem. There are all kinds of areas where we know, in some cities and in many of the isolated rural areas, that there simply are not school lunch programs available, and where there is available not the tax base, and nothing will happen unless there is some assistance, and these are going to be the first priority.

In other areas, by the time we get to others, we will be out of money; and we will find that these problems are less than you think they are.

Senator MONTROYA. Another thing that you desire through this legislation is to provide the service equipment and to seek authorizations to so provide such service equipment in the district where it is needed. In view of the fact that you are expanding the program, so that most children who cannot pay will be included as free entrants into the program, that is increasing the administrative load; is that correct?

Secretary FREEMAN. Yes. There are two phases to this. We are trying to reach children who will not get a school lunch otherwise, and to do that (a) you have to have facilities to have a lunch.

Senator MONTROYA. And you have got to have the administration.

Secretary FREEMAN. And then (b), you have got to have some food and (c), in order to get (a) and (b), you have to have some administration. That is right.

Senator MONTROYA. Is that the main reason for asking for the authorization for this additional service equipment?

Secretary FREEMAN. Yes.

Senator MONTROYA. And the additional administration costs?

Secretary FREEMAN. Yes.

Senator MONTOKA. Thank you.

The CHAIRMAN. Mr. Davis has stated, just now, Mr. Secretary, that in some areas under existing law, the Department of Health, Education, and Welfare came in and supplemented what you were doing. How did that happen? Did they take the matter up with you in advance and find out why you were not furnishing the food, or just exactly how did it barge in—in other words?

Secretary FREEMAN. They just proceeded to carry forward the program and to utilize the funds available, and we not having the funds or authority to act in these instances and the needs not being met, why, they just proceeded to work with the local school people to handle the needs.

The CHAIRMAN. You have under the present law the authority to provide nonfood help in areas where it is needed?

Secretary FREEMAN. We did not have adequate resources to meet the needs, and that is the reason we are here, Mr. Chairman, in trying to get those resources so that the needs can be met.

The CHAIRMAN. It may be that the Congress did not provide the funds for you, but you do have the authority, as I remember, under the School Act, to do that very thing.

Secretary FREEMAN. Yes; under section 11. That is correct.

The CHAIRMAN. But you did not do it?

Secretary FREEMAN. No, sir; we did it to the extent of the funds that we had to do it, as I have tried to point out, but we did not have adequate resources to meet the need, so while the need was unmet they moved in.

The CHAIRMAN. Did they consult you before coming in?

Secretary FREEMAN. I have had no consultations. In some instances, let's say, why, there were consultations; in other, why, they just went ahead on their own.

Is that not about right?

Mr. DAVIS. Yes, sir.

The CHAIRMAN. To what extent did they take over the school lunch program?

Secretary FREEMAN. They did not take over the school lunch program at all.

The CHAIRMAN. They are doing the same thing you are doing in a measure or that you contemplate doing under this bill.

Secretary FREEMAN. That is correct.

The CHAIRMAN. And it seems to me that a little conflict there may develop.

Secretary FREEMAN. Well, a conflict could develop, but I think it is our best judgment that as the educational programs provide teaching equipment, providing for teachers and other things, which is the primary direction of the Education Act—as it gets moving, the resources will be needed for that, and there will no longer be the funds available from the sources to meet the needs to the extent that they have helped meet them.

The CHAIRMAN. I do not agree with you there. These programs are going to continue. They will get money to continue them.

Senator YOUNG. One of the most difficult problems I have is to find out for the people back home just what agencies of the Government will provide assistance of one type or another, such as where they can go if they want facilities for a school lunch or other program.

They can now go to at least two places—maybe they can go to other places, too. We find this in every agency of the Government. There are programs for almost anything people want and they can find a part of it in several agencies of the Government. That is why I think it would be a whole lot better if you could confine activities such as providing facilities for this whole lunch program in one agency of the Government and not have it scattered around in two or three or four or more places.

The CHAIRMAN. I wonder, Mr. Secretary, if we could not provide in this bill—since the Department has been in this field for so long—that any funds that are provided by the Congress through other laws, and administered through other laws, be administered through the Department of Agriculture? What would be wrong with that?

Secretary FREEMAN. I have no objection to that.

The CHAIRMAN. That they be administered through the Department of Agriculture.

Secretary FREEMAN. I have no objection to that.

The CHAIRMAN. I think that where there is duplication it, will mean that a lot of the funds are being wasted in administration, and I believe that it might well be for us to give thought to that, so that any programs under existing laws that contemplate anything approaching the school lunch program be under the same umbrella. I wish that you would expand on that, if you will, and give us an indication how you would like to proceed. Give us some language that we might put into this bill. This lunch program has been on the statute books at least 20 years, and has worked well, and my fear is that if other agencies of the Government barge in, you are going to have confusion and duplication and quite an expensive program that may not be as effective as what we have here now.

Senator MONTROYA. Would it be in order to ask the staff to prepare a résumé of the Department of Health, Education, and Welfare provisions which deal with this particular subject, and that that study be included in this part of the record?

The CHAIRMAN. I would suggest that we get it from the Secretary. I guess he is familiar with it. I guess, Mr. Davis, you are familiar with all of it. You come in head-on contact with them in some of these programs.

Mr. DAVIS. We could supply the language in the current legislation for education and OEO, under which this money has been made available.

The CHAIRMAN. I wonder if you could follow the suggestion by Senator Montoya as to all of the programs that may deal with the school luncheons being connected with the schools providing food, of providing nonfood assistance, that such legislation references be given at this point in the record?

Senator MONTROYA. Including the categorization of the funding.

The CHAIRMAN. And how much money is being spent in each category.

Senator YOUNG. I think that other programs are in it, too.

For example, in my hometown, just a little town, the school district was given a grant of \$26,000. They hired some teachers but they used part of this money to buy equipment. They could have bought the equipment for the school lunch program, I assume, under that program.

Secretary FREEMAN. It is difficult to get solid figures on this, because the Office of Education tells us that the project plans from the individual school districts do not show the amounts spent for individual project items, but from the preliminary data that we have been able to get we would make an estimate of as much as \$16 million in education funds being spent this year to assist the schools in feeding needy children.

Senator TALMADGE. That is for equipment only?

Secretary FREEMAN. For equipment, but also to help buy food to feed them.

The CHAIRMAN. I wonder if we could get that in the record, a breakdown of that, and who is furnishing what, outside of the Department of Agriculture, in the school lunch program?

(The information is on p. 8.)

Senator TALMADGE. Do you know how much OEO has provided in that area?

Secretary FREEMAN. The best information we have, with the exception of "Headstart" programs for the preschool children, is there have been very few OEO projects involved in the school feeding programs—mostly done under the Education Act.

The CHAIRMAN. That is out of school, is it not?

Secretary FREEMAN. The "Headstart", it is preschool.

Senator TALMADGE. They have, in fact, three different agencies involved in this field.

Secretary FREEMAN. Yes, sir.

I might say, to follow the chairman's last remark, we will be happy to prepare and submit language that would specify that school feeding programs should be coordinated with the basic school lunch program.

The CHAIRMAN. In the schools?

Secretary FREEMAN. In the schools that have been carried on, as you have pointed out, successfully for many years.

The CHAIRMAN. Very well.

Senator HOLLAND. What is the essential difference between the school milk program that you have incorporated into this new bill, S. 3467, and that which is now pending?

Secretary FREEMAN. There is no difference, Senator Holland, from the current law which is presently on the books and which runs out this year, with the exception that this bill would provide for a limit of time, and it would provide for a maximum of \$100 million a year. The bill which has been introduced, as I recall, provided for not less than \$110 million, and as it was reported out of the subcommittee I think that was changed to not more than \$110 million. But S. 3467 provides not more than \$100 million, and the recommendation made in my testimony was to leave that to the Appropriations Committee which is what the current law does without specifying it in the authorization as such.

Senator HOLLAND. Is there any section in this proposed new part of your bill that refers to special milk programs that confines the appropriation to the general revenue funds, as is now found in the present bill?

Secretary FREEMAN. No, sir.

Senator HOLLAND. What was the reason for leaving that out?

Secretary FREEMAN. We thought that, again, is something that is properly a question for the Appropriations Committee to determine

rather than to place it in the general legislation. As to whether it should be funded out of section 32 funds or funded out of general revenue funds is a matter upon which there has been some differences of opinion from time to time, and we just thought that perhaps it would be more proper if it were determined in the Appropriations Committee.

Senator HOLLAND. So far as this committee is concerned, there has not been any great difference of opinion that the bill, as it now exists on the statute books, makes it clear that it is a social welfare program and that it would be financed out of the general revenue funds, rather than section 32 funds.

Is there any objection to having that same provision in this bill?

Secretary FREEMAN. Senator Holland, I do not think that is the legislative history of this, if I may say so. I think that the bill originated not as a welfare bill at all but as a disposal program for excess milk, and as such—

Senator HOLLAND. Do you know whether there is any such wording in that bill at this time?

Secretary FREEMAN. I beg your pardon? Do you mean the initial basic legislation?

Senator HOLLAND. Yes.

Secretary FREEMAN. I know of no such wording, one way or another, in the basic law. But the legislative history of it is quite clear, that it was a surplus disposal provision, and as such it would seem that its financing would have to be limited to a particular source.

Senator HOLLAND. What is the provision of the present bill on this subject?

The CHAIRMAN. As I recall it, Mr. Secretary—

Senator HOLLAND. The present legislation includes these words:

Amounts expended hereunder and under the authority contained in the last sentence of Section 201(c) of the Agriculture Act of 1949, as amended, shall not be considered as amounts expended for the purpose of carrying out the price-support program.

You have no such words as that in the present legislation which you are suggesting, do you?

Secretary FREEMAN. No, sir.

Senator HOLLAND. Do you have any objection to having such wording included?

Secretary FREEMAN. Yes, sir.

Senator HOLLAND. You want it to be where you can use section 32 funds for this milk program; is that it?

Secretary FREEMAN. Yes, sir.

Senator HOLLAND. If that is the purpose, I am completely against it, because I think that we should have section 32 funds available for the purposes intended, which are for various needs envisioned in years in which there would be a surplus in beef, that they would be up to \$100 million for use of section 32 funds, and if there were a surplus in pork, calling for the use of a similar amount, or a surplus in poultry calling for the use of a similar amount, or a surplus in vegetables calling for various subsidies which might be that amount and more, and you get away from the primary purpose of the section 32 funds that are usually for something that is a price-supported commodity. You realize, of course, that section 32 funds are supposed to be dedicated for non-price-supported commodities.

Secretary FREEMAN. Yes, sir. And I heartily support that objective. Senator Holland, I would be the first to object if I thought those funds and their availability were threatened. However, each year, even in the year in which we spent \$200 million for beef, we still turned back a substantial amount of section 32 funds. I honestly cannot envisage a situation where we would not turn back those funds. And the amounts that have been recommended by the administration in this connection for the school milk program has been recommended with the fact in mind that there should always be adequate funds under section 32, and there always have been adequate funds under section 32. And, therefore, while I completely agree with your objective, sir, in this instance I feel this is a restriction on our fiscal freedom, which I do not think is justified by the facts.

Mr. CHAIRMAN. Mr. Secretary, if the Senator from Florida will permit, I do not see anything in the authorization of the pending measure that even refers to section 32 funds.

Secretary FREEMAN. No, sir.

The CHAIRMAN. Section 13 states:

There is hereby authorized to be appropriated for the fiscal year beginning July 1, 1967, and each fiscal year thereafter during the period ending June 30, 1970, such sums as may be necessary, but not in excess of \$100 million for any fiscal year, to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children.

I do not see any reference there to section 32 funds. I do not see where your authority is for saying by leaving it to Congress that they can dip into section 32 funds. We cannot do it, as I understand, except by special authority.

Senator HOLLAND. We have had this language in the earlier bill that has been construed as requiring the appropriation to come out of the general revenue funds, and that is what I would like to see continued in the school milk program.

The CHAIRMAN. That is in this bill now. I do not see where the Secretary got what he stated—I mean, where in this bill the language justifies it.

Senator HOLLAND. He has just stated, as I understand it, that he expects to dip into section 32 funds.

The CHAIRMAN. It cannot be.

Senator HOLLAND. As a sponsor of the bill, you are stating now that could not be the case?

The CHAIRMAN. No—exactly, it could not be.

Senator HOLLAND. Mr. Secretary, I am going to ask you this question.

Secretary FREEMAN. I seem to be getting boxed in.

Senator HOLLAND. I will ask you to state what your impression is on that, and where you get that impression?

Secretary FREEMAN. I am a little bit at a loss now.

I gather that the question before us is whether there is some language which is the basic law to which you have just referred that is going to be changed by the proposal S. 3467 currently before this committee.

I would conclude that it is not going to be changed. There is nothing in this bill that would change, and, therefore, the language would still stand as in the basic law. I think that is the chairman's point.

The CHAIRMAN. All of this would come from the Treasury and not from any earmarked funds. As you know, some are earmarked to be used for certain purposes designated by the Congress, and here it is specifically stated that the authorization will come from the general funds.

Secretary FREEMAN. This is in the basic law as Senator Holland has made clear has not been so interpreted, and the current budget proposals would finance part of the school milk program from section 32 funds and that usually is before the Appropriations Committee. I do not think that it is before this committee, Senator Holland, because I think that language stands, and I do not think that S. 3467 will change it.

The CHAIRMAN. Now, Mr. Secretary—Are you through, Senator Holland?

I think that when you were here the other day, you discussed the pilot program?

Secretary FREEMAN. Yes, sir.

The CHAIRMAN. And that (1) \$1 million would be appropriated as additional to the Department for administrative expenses, and (2) \$6 million per year for the pilot breakfast program for the schools within poor economic areas and those who must travel long distances, which would be for fiscal years 1967, 1968, 1969, and (3) \$12 million for a permanent program for nonfood assistance to schools drawing attendance from areas in which poor economic conditions existed, and (4) \$3.7 million for general administration, including provisions for use of up to 1½ percent of the funds appropriated for the various programs for administrative expenses of State and agencies.

You recollect this?

Secretary FREEMAN. Yes.

The CHAIRMAN. I did not hear you mention it in your statement.

Secretary FREEMAN. It will be. I have not quite finished my testimony.

The CHAIRMAN. All right. I am sorry. Proceed, please.

Secretary FREEMAN. Going now to page 9.

5. Extension of the school-feeding program to preschool activities which are operated as part of the school system

New authority to provide low-priced lunches will not be required, for section 11 of the present act is adequate for this purpose. However, if we are to reach the 1.5 million youngsters who can benefit from this program, new appropriations will be needed.

Senator HOLLAND. Would that be new appropriations from general revenues or from section 32 funds?

Secretary FREEMAN. In this case, in this paragraph, I did not have in mind any reference to either. Under this provision, we would be seeking appropriations regardless of whether they came from the general revenues or section 32 funds.

Senator HOLLAND. And this is a welfare section, of course.

Secretary FREEMAN. Yes, sir.

Senator HOLLAND. And how would you figure it comes under section 32 when it is for welfare purposes, not an agricultural purpose?

Secretary FREEMAN. I would say, Senator Holland, that if we have adequate funds in section 32 to meet all possible contingencies that then we may very well wish to use additional funds available for this purpose and not restrict ourselves to just the general revenue funds at all times.

Senator HOLLAND. Well, again, I will just say that we are dealing with a welfare purpose, a social service purpose, and I understand that section 11 does just do that. My understanding is that that would have to come out of the general revenues. It is not dealing with surplus disposal programs or price-support programs at all. It has nothing to do with that. Please proceed.

Secretary FREEMAN. Thank you.

President Johnson, who shares our deep concern for the nutritional needs of America's youth, has authorized me to say that he intends to request a special \$50 million child nutrition supplemental appropriation which will include a substantial portion to finance a low-priced lunch program in schools serving needy areas.

The supplemental request also would cover appropriations for the breakfast program, the lunch equipment program, and the lunches for child activity programs.

Might I add at this point, that being the case it would appear that the question of section 32 is largely academic and given the provision of the basic law which now stands, it would appear to me that that issue was not necessarily before us in connection with this special school lunch program.

Senator HOLLAND. In other words, it is your understanding that this supplemental \$50 million appropriation will come out of the general revenues?

Secretary FREEMAN. Yes, sir.

Senator HOLLAND. And not out of the section 32 funds?

Secretary FREEMAN. Yes, sir.

The CHAIRMAN. You gave us a figure of \$22.7 million before. Now, it is \$50 million.

Secretary FREEMAN. I think the figure that I gave you—I want to be sure that I get the record straight on that—was that there would be for the special assistance \$19.3 million, and then for the breakfast program \$6 million. We have now deleted the other group feeding. I stand corrected—that is \$8 million. For reasons we discussed earlier, \$12 million for equipment; \$1 million for administrative expenses. It will be \$42 million as initially submitted, because the \$8 million for other group feeding is not now before us. So, may I please correct the record and say \$42 million? I have not changed the figures here.

The CHAIRMAN. You specifically stated before that the figures were as I have indicated to you. You are now saying that you left something out?

Secretary FREEMAN. No, sir. I think that the confusion is because the \$19 million figure would be a supplemental appropriation running to section 11, for which there is no legislation now before this committee, because it is not now necessary. It might very well be that the other items were stated before, because section 11 is not in this bill, and, therefore, that was not put into that question. But the total package would include the additional funds to the extent of \$19.3 million for actually feeding the needy children under section 11.

The CHAIRMAN. You say that the supplemental request also would cover appropriations for the breakfast program, the lunch equipment program, and the lunches for child activity programs?

Secretary FREEMAN. Yes, sir.

The CHAIRMAN. What is that?

Secretary FREEMAN. The lunches would be made available under section 11. The resources to reach the 1.5 million children that currently we are not reaching with free or reduced-cost lunches.

The CHAIRMAN. But in school?

Secretary FREEMAN. But in school; yes, sir.

The CHAIRMAN. What do you mean by "child activity programs"?

Secretary FREEMAN. I do not use that wording. We had other group-feeding programs, and that now is not before the committee.

Senator HOLLAND. You do use that.

The CHAIRMAN. You do it here on page 10.

Senator HOLLAND. On page 10 of your statement.

The CHAIRMAN. You use it on page 10 of your statement.

Secretary FREEMAN. May I delete that, because by this "child activity program" is what I had on this other called group-feeding program.

Senator TALMADGE. Is that not the day-camp proposition?

Secretary FREEMAN. That is the day-camp proposition.

The CHAIRMAN. That is why we struck this out.

Secretary FREEMAN. I struck it out in a number of other places.

The CHAIRMAN. In other words, as I understand what we are talking about here is to provide funds to be spent strictly in school.

Secretary FREEMAN. That is correct.

The CHAIRMAN. And not outside activities.

Secretary FREEMAN. That is correct.

The CHAIRMAN. We will see to it that is tightened up some.

Secretary FREEMAN. May I show it on the record? Again, I apologize for the fact that in going through this testimony, I tried to get it out at the last moment, because it did not come to my attention until this morning.

The CHAIRMAN. I am not blaming you, because this is your original statement that you contemplated making when all of these other activities were to be incorporated in the law.

Secretary FREEMAN. I thought that it was being deleted, and I have discovered that it was not. Returning to my statement—

With this new authority and the funds adequate to finance them, this country can take a giant step toward closing the child-nutrition gap before it grows even more serious.

I believe the school lunch program has demonstrated our willingness to invest in the future of our Nation by insuring that food will be no barrier to the learning process.

Our success in this effort is convincing evidence that we should go the rest of the way—that we should insure that the lack of income will be no barrier to the less fortunate children for whom education is the one chance they have to escape the poverty of their childhood.

The CHAIRMAN. What you might do is to go back over your statement again and make such corrections as you desire, to indicate that the school lunch program that we are now considering would be for in-school programs and not out-school programs.

Secretary FREEMAN. Yes, sir, we will do that.

The CHAIRMAN. I wonder if we could have you provide for the record the approximate amount that is used in your regular school lunch program to purchase milk and dairy products?

Secretary FREEMAN. Yes, sir.

(The information is as follows:)

*Estimated cost of fluid milk and dairy products consumed in schools<sup>1</sup>*

	Million
I. Cost of fluid milk consumed in national school lunch program.....	\$180.8
II. Cost of dairy products distributed to schools.....	73.4
Total.....	254.2

<sup>1</sup> Cost of fluid milk purchased by schools is based on average cost of 6 cents per  $\frac{1}{2}$  pint. Cost of dairy products is based on total cost to the Federal Government.

The CHAIRMAN. And as I understand it, the additional program that we are adding is just a renewing of the present special milk program?

Secretary FREEMAN. Yes, sir.

The CHAIRMAN. With little or no difference?

Secretary FREEMAN. No difference.

The CHAIRMAN. From what the law now is.

Secretary FREEMAN. No difference. As I said earlier S. 3467 has some differences by having a terminal date and by a limit on appropriations. Otherwise, it is the same as the basic law.

The CHAIRMAN. All right.

The CHAIRMAN. Are there any further questions?

Senator TALMADGE. I have just one or two questions.

Mr. Secretary, what are we spending now on the school milk program?

Secretary FREEMAN. \$100 million will be spent in this fiscal year.

Senator TALMADGE. And this bill envisions spending the same amount?

Secretary FREEMAN. Yes, sir.

Senator TALMADGE. So that there is no change?

Secretary FREEMAN. No change in that.

Senator TALMADGE. What are we now spending on the school lunch program?

Secretary FREEMAN. We are spending a total of about \$325 million.

Senator TALMADGE. \$325 million. And what does this bill provide?

Secretary FREEMAN. It does not provide any amount in that connection.

Senator TALMADGE. No ceiling in the bill?

Secretary FREEMAN. No ceiling in the overall school lunch program.

Senator TALMADGE. In other words, the authorization would be open-ended, to be determined by the Appropriations Committees?

Secretary FREEMAN. Yes, sir.

Senator TALMADGE. What change is made in the existing law by this bill, S. 3467? As I understand it, you want to start a pilot program for breakfast feeding, in addition to lunches?

Secretary FREEMAN. That is correct.

Senator TALMADGE. What in the way of cost do you envision for that program?

Secretary FREEMAN. \$6 million.

Senator TALMADGE. \$6 million a year, and that is a new sum that is not now being provided?

Secretary FREEMAN. That is correct.

Senator TALMADGE. You also want in the new bill to provide some funds for equipment. Is that not correct?

Secretary FREEMAN. Correct.

Senator TALMADGE. That is not now provided under the existing law?

Secretary FREEMAN. No, sir.

The CHAIRMAN. There is authority for it.

Senator TALMADGE. Authority for it, but no expenditures; is that correct?

The CHAIRMAN. No appropriations.

Senator TALMADGE. No appropriations.

What do you intend spending on equipment?

Secretary FREEMAN. \$12 million.

Senator TALMADGE. \$12 million. What other changes are there in the new bill over and above existing law?

Secretary FREEMAN. A provision for authorization for some funds for State administration purposes, matching funds for State administrative purposes, and a provision for authorizing some additional funds for our own administration of this expanded program.

Senator TALMADGE. How much is involved there?

Secretary FREEMAN. \$3.7 million for State administration assistance, and \$1 million to provide administrative resources to the Department itself.

Senator TALMADGE. That covers all of the new authority in the new bill?

Secretary FREEMAN. Yes, sir.

Senator TALMADGE. Thank you.

Senator MONTOYA. With respect to the administrative expenses on a matching basis with the States, is it your intention that the State will put up an equal amount? Or what is the ratio of matching?

Secretary FREEMAN. The bill does not specify the ratio of matching. And, very frankly, we have not made a final decision on that. What is the current thinking on that, Mr. Davis?

Mr. DAVIS. This money would be in addition to what the States are already spending.

Secretary FREEMAN. The question was: The matching provision will be how much, 25-75, 50-50?

Mr. DAVIS. Since the States are putting in considerable administrative moneys, we had not contemplated a specific matching requirement, rather that this money be used in addition to what they are already spending for the total administration of the school lunch and special milk programs.

The CHAIRMAN. Is that because of the expanded program?

Mr. DAVIS. Yes.

The CHAIRMAN. That is, primarily to areas in school districts that are too poor to provide facilities, to provide school lunch programs, in addition to the facilities in the schools, and you are going to furnish administrative costs?

Mr. DAVIS. This provision for administrative costs is for State administration only. This would not run down to the local school district.

The CHAIRMAN. I do not quite get that.

Secretary FREEMAN. It would provide this amount of money to a maximum of \$7,500 to supplement the administrative money that the State currently has appropriated itself.

The CHAIRMAN. Why is that necessary?

That is what I tried to get from you a while ago. I thought that this sum was necessary, because of the new programs.

Secretary FREEMAN. Yes, sir. The whole idea is that the States who do have considerable administrative burdens to carry now would respond more quickly and carry this program forward more promptly if some additional funds were made available for administrative purposes.

The CHAIRMAN. Do I understand that under no condition will these funds be used in areas where the State is already providing for facilities and for food and cooperating 100 percent?

Secretary FREEMAN. That is correct. This would be in addition, and not in replacement of.

Senator MONTOYA. You mentioned \$7,500. Is that the sum to which the States will be entitled under this provision?

Secretary FREEMAN. That is the maximum; yes.

Senator MONTOYA. So that \$7,500 is for the 50 States?

Secretary FREEMAN. \$7,500 per State maximum amount.

Senator MONTOYA. Yes; \$7,500 for the 50 States. Is that the minimum or the maximum?

Secretary FREEMAN. I stand corrected. I misread this myself. There is a formula here in the bill, as you will recall, and that formula would apply to the maximum appropriation here of \$3.7 million, and the \$7,500 figure would be the minimum figure. Because of the States, otherwise, would have fallen down below that figure.

Senator MONTOYA. Are the additional administrative funds required by virtue of the breakfast and free lunch programs?

Secretary FREEMAN. It would be required because of the expensive actions that would be required of the State to establish programs to develop the necessary leadership, to provide the equipment facilities, to establish new programs in these areas, to set up pilot breakfast programs. It will represent a very significant increase in their administrative responsibilities.

Senator MONTOYA. What do you encompass or contemplate in the breakfast program? Is it just milk?

Secretary FREEMAN. No.

Senator MONTOYA. Is it a full breakfast?

Secretary FREEMAN. It is a full breakfast program for the child.

Senator MONTOYA. Then, would I assume that where the breakfast program is in operation, the school district would have to provide additional facilities?

Secretary FREEMAN. They would have to cover the program.

Senator MONTOYA. Is there any provision in the bill for helping those school districts to meet the additional administrative expense?

Secretary FREEMAN. In this instance, the amount to be made available out of the \$6 million would indirectly provide that kind of assistance through help in buying the food proper.

Senator MONTOYA. The administrative expenses at the local level?

Secretary FREEMAN. In that sense, it is, yes.

Senator MONTOYA. Thank you.

The CHAIRMAN. Are there any further questions?

If not, we thank you very much, Mr. Secretary.

Secretary FREEMAN. Thank you, Mr. Chairman.

The CHAIRMAN. We will next hear from Mr. Patrick Healy, assistant secretary of the National Milk Producers Federation.

### STATEMENT OF PATRICK B. HEALY, ASSISTANT SECRETARY, NATIONAL MILK PRODUCERS FEDERATION

Mr. HEALY. Mr. Chairman and members of the committee, I would like to file my statement for the record and to make some very brief comments.

The CHAIRMAN. Very well, your whole statement will be put into the record at this point.

(The prepared statement of Mr. Healy follows:)

Mr. Chairman, members of the Committee, I am Patrick B. Healy, assistant secretary of the National Milk Producers Federation, with offices at 30 F Street, N.W., Washington, D.C.

The Federation represents cooperatives whose membership is made up of dairy farmers over the Nation. The Federation, therefore, speaks for milk producers.

We appreciate this opportunity to express the views of the Nation's dairy farmers with reference to S. 3467, a bill to amend the National School Lunch Act, as amended, to strengthen and expand food service programs for children.

In its essence this bill would amend the National School Lunch Act by adding provisions which would:

(1) bring the Special Milk Program for Children under the School Lunch Act and provide authorization for its operation through 1970;

(2) provide for a pilot breakfast program for needy children; and

(3) provide for certain non-food assistance to schools in areas in which poor economic conditions exist.

The National Milk Producers Federation appeared before the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices of this Senate Committee on Agriculture and Forestry on May 12, 1966, in full support of S. 2921, a bill to provide a Special Milk Program for Children. At that time we stated that:

"The objective of this program, as set forth by Congress, now is being realized. The stated purpose was to encourage children in schools and other nonprofit institutions to consume more milk to improve their diets, as well as helping dairy farmers by providing a market for fluid milk.

"Continuation of the program also means that the acquisition of dairy products by the Commodity Credit Corporation is directly decreased, so that the costs for purchasing and storing dairy products under the price support program are reduced.

"This program has expanded each year since 1954 when the first school in the Nation to come under the program—a school in Lodi, Wisconsin—served milk to its 530 pupils. Since that time the number of schools and child-care centers participating has grown rapidly. In 1955, the program reimbursed 41,094 institutions for 449.8 million half-pints of milk. Participation increased to 92,005 outlets in 1965 and the use of nearly 3 billion half-pints of milk.

"Certainly, this program which grew so quickly has received overall public acceptance. It will continue to grow if the Congress will provide the needed funds and make the program permanent.

"When a program works as well as this, it should be continued. We do not need a new program. Years of successful operation have already proven the worth of this one.

"Over the years the Special Milk Program for Children has grown at the rate of approximately 5 percent per year. This is due to increased school enrollment and added participation. If the present growth rate continues, more funds will be required each year. This bill provides authorization to meet such future needs.

"Sufficient funds are not available under the present program to reimburse the schools now taking part. The rate of payment to schools was cut to 95 percent in 1965, and was cut again to 90 percent in February of this year as a result of the impounding by the Bureau of the Budget of \$3 million which Congress had appropriated. These cuts have resulted in either a higher cost of milk to children,

or to fewer children drinking milk, or both. The health and welfare of the children taking part in the program are too important to be sacrificed.

"By making this law permanent as provided in S. 2921, schools can plan their programs for this year and for succeeding years. Now is the time to make this program permanent, as this modest investment in the health of our children should not be provided by a temporary program nor should it be limited for lack of funds.

"While this program is primarily a nutritional program, it also has helped raise the income of the dairy farmer by encouraging the consumption of fluid milk thereby bringing about a balance between supply and demand. The income of dairy farmers is too low, and as a result many are selling their herds and diverting their farm resources to other alternatives, or taking jobs in industry.

"By improving the market for milk through enactment of S. 2921, we are making an investment in a strong dairy industry, which will be needed if this country is to supply the increasing needs of the American consumer in coming years.

"Milk production has been dropping at an alarming rate, in April it was 3.8 percent below April of a year ago; in March down 4.6 percent; in February down 5.8 percent; and in January down 5.3 percent. The decline in the number of dairy cows points to an industry decision to leave dairying. As of January 1 of this year, there were 6 percent fewer dairy cows on U.S. farms, the smallest total since 1900, and of equal importance, 6.8 percent fewer heifers, the replacement stock. Any bill which will help reverse this trend is of benefit to the entire Nation.

"During fiscal 1965, children drank nearly 3 billion half-pints of milk under the program. This amounts to 1.6 billion pounds of milk, about 3 percent of the total nonfarm consumption in this country. This milk represents the balancing factor which provided for badly needed increased farm income during the fall and winter months of 1965-66. It would be necessary for Commodity Credit Corporation to purchase this milk in the form of manufactured dairy products, if the program were impaired, with the government paying for the dairy products, as well as the storage bill. Surely, the Children's Special Milk Act provides a wiser course to follow.

"Another important provision of S. 2921 is that the bill authorizes the Secretary of Agriculture to re-allocate funds when it appears that a participating state would not be able to fully use the funds allocated to it, thereby providing for maximum utilization of available funds and encouraging optimum participation by children.

"Many children of destitute families receive milk they otherwise could not afford because of this program. More will benefit in the future if this bill is passed. Prices for dairy products will be stabilized because of a continued market for the milk used by the children. The farmer, who has been forced to accept low prices in the past, will be sure of this market for fluid milk.

"To continue this program, which already has received such wide acceptance, and to provide for adequate financing, we support S. 2921. In authorizing the funds for the fiscal year ending June 30, 1967, and thereafter, this bill will insure that all nonprofit school and nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children can continue to provide for them the nutritional benefits available under the program."

The National Milk Producers Federation sincerely appreciates the interest of this Committee and its chairman in this further study of the Special Milk Program for Children, and it appreciates the efforts of this Committee which are evidenced by this study to provide the best possible legislative authority for this program. It is our judgment, however, that the program can best be administered and provide the most good for the greatest number of children if it remains separate from the National School Lunch Act. While there are a great number of institutions which provide both food under the School Lunch Act and milk under the Special Milk Program for Children, there are many which have adopted only one or the other of these programs. If the Special Milk Program is made a part of the School Lunch Act, in all probability there will be an effort on the part of the administrators of this program to require schools and other institutions to use both programs if they want either; and then of course, there will be in all probability an effort made to combine the programs. In our judgment this eventuality would serve to limit the consumption of milk and other foods which in turn would reduce the level of child nutrition in this country. We, therefore, continue in support of the legislation now pending before this Committee which would provide continuing authority for the Special Milk Program for Children as a separate program under separate Congressional authority and funded separately.

In essence, what we are recommending is a continuation of a program which has enjoyed tremendous success as it is now instituted. We, of course, believe that there must be a continuing increase in authority for funds sufficient to meet the growing demands, such as was provided for in S. 2921.

The National Milk Producers Federation has great concern for the poverty stricken people in the United States and it, without reservation, will support sound and effective measures which will provide needed assistance for this group of our people. In this regard it may be that the judgment of this Committee will result in provisions for exploration of pilot feeding programs in destitute areas and provisions for grants in aid which will allow schools located in economically depressed areas to take advantage of the School Lunch Program and the Special Milk Program for Children as they are now operated without impairing funds appropriated for the purchase of food under either of these programs.

May we again express our appreciation to this Committee for its concern over these programs which provide so vital a part in the development of a national sound nutrition program for children.

Mr. HEALY. I am Patrick B. Healy, Assistant Secretary of the National Milk Producers Federation with offices at 30 F Street NW., Washington, D.C.

The Federation represents cooperatives whose membership is made up of dairy farmers over the Nation. The Federation speaks for milk producers, and, therefore, the views of the Federation represents the only true consensus of dairy farmers' thinking available.

We appreciate this opportunity to express the views of the Nation's dairy farmers with reference to S. 3467, a bill to amend the National School Lunch Act, as amended, to strengthen and expand food service programs for children.

In its essence this bill would amend the National School Lunch Act by adding provisions which would:

(1) bring the special milk program for children under the School Lunch Act and provides authorization for its operation through 1970;

(2) provide for a pilot breakfast program for needy children; and

(3) provide for certain nonfood assistance to schools in areas in which poor economic conditions exist.

On May 12, 1966, the National Milk Producers Federation appeared before the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices of this Senate Committee on Agriculture and Forestry. At that time we appeared in full support of S. 2921, which was a bill to make permanent and authorize appropriations for a special milk program for children. At that time, we testified regarding the remarkable growth of the special milk program, and this growth, in our judgment, is attributable to the way the program is established in legislation, to the way in which it has been administered, and to its acceptance by those who participate as well as by those who supply it.

The National Milk Producers Federation appreciates the interest of this committee in its further consideration of the special milk program. It is our judgment, however, that the program can provide the most good for the greatest number of people if it remains a separate program and is properly funded.

The CHAIRMAN. Just a minute, now. Who administers it now?

Mr. HEALY. It is administered by the Department of Agriculture.

The CHAIRMAN. There is no change under this; it would be the same thing.

Mr. HEALY. Under separate legislative authority.

The CHAIRMAN. I say that it would be administered by the same people.

Mr. HEALY. It would be administered by the same people; yes, sir, but we are fearful that the closer we bring the school milk program and school programs of other kinds together, the more certain we are that they eventually will be combined, and, then, there will be less milk and less other foods made available to children, such a thing, of course, would result in detriment to the two programs which have operated in a most highly successful way and have been among the most well-accepted programs that have come out of the Congress.

The rate of growth in both the school lunch program and the school milk program certainly speaks well for the way they have been operated in the past dozen years, during which time both of them have been on the books. And anything, any action, which this Congress or which the administration would take which would disturb the balance that has been created through careful assessment of these programs would be wrong.

The CHAIRMAN. Mr. Healy, you understand very well that the special milk program was for the producer, rather than a program to assist the children?

Mr. HEALY. Yes, sir. In its inception, it was.

The CHAIRMAN. And it was done in order to get rid of enormous surpluses.

Mr. HEALY. Yes, sir.

The CHAIRMAN. And now we want to make it permanent. Of course, I am not quarreling about that, but since the program has been administered by the Department of Agriculture and since it is going to be administered by the same Department, I thought that you would be for that 100 percent, because that is where the milk will go, that is, for the school milk program.

Mr. HEALY. Well, Mr. Chairman, for the past 12 years we have had both programs, and the Congress has been able to look at the appropriations for the school lunch program and to look at the appropriations for the school milk program and decide how it wants the money spent and how the program can best be operated but if we put these programs together, eventually they will be funded together, and we will have a lot more money in one package, and then some of the money that was originally used to promote the consumption of milk in the schools and among the schoolchildren will drift over to some other purpose under the Lunch Act.

The CHAIRMAN. Your authorization would be the same, it would be a special one for milk. I cannot agree with you that it will be a separate appropriation. If you combine it, I would agree with you, but in the bill that is now before you, the bill that Senator Holland considered is almost verbatim to this, except for a few limitations I have suggested, and, of course, that matter will have to be submitted to the committee as a whole, particularly in connection with

the bill by Senator Holland which was considered in the subcommittee, and that is what we hope to do when we come to write the bill.

Mr. HEALY. You see, Mr. Chairman, I believe that both you and Senator Aiken put your finger on this earlier today. I refer to section 18 of the bill which reads:

In the selection of schools and nonprofit institutions to receive Federal assistance under sections 13, 14, and 15 of this Act, the state agency shall adopt the methods and procedures necessary to assure coordination with and give, where the need is comparable, preference to programs carried on under the Elementary and Secondary Education Act of 1965 and the Economic Opportunity Act of 1964 in such schools or institutions.

I grant this committee has taken note of this language, and I hope, of course, that you will delete such language if this bill is passed.

The CHAIRMAN. To delete it?

Mr. HEALY. Yes, sir. However, I think that every time we put programs together there is an opportunity for this type of thing to develop. When we set the milk program off by itself, you can watch it, we can watch it, the school systems can watch it and keep it for what it was intended to do. This is why we hope that this committee will report S. 2921.

The CHAIRMAN. I have been watching your milk programs quite closely. You know that I contended in the past, on other programs, that price supports have not been affected at all. We have not changed that. You are getting a lot of benefits out of the regular school lunch program by providing milk there, and over and on top of that you have the special \$100 million-plus, and I think that you are very well taken care of.

Mr. HEALY. We realize that. We realize also that these school-children are very well treated, because we cannot think of anything better to give them than milk.

The CHAIRMAN. When this program was first put on the statute books, what you had in mind was to get rid of the surplus that you had, and it was the producers that it helped, and, now, it has worked so well that you want to make it permanent. Whether you have a surplus or not, you want the Government to spend \$100 million; is that true?

Mr. HEALY. Let me explain about this surplus, Mr. Chairman. If we did not have the special milk program at this time and the milk in the school lunch program, the Commodity Credit Corporation would be buying 3 billion pounds of milk a year right today.

The CHAIRMAN. We might change the law then.

Mr. HEALY. We would certainly hope not.

The CHAIRMAN. Of course, you would. You have got a pretty strong organization. You have a lot of power around here. I think that this committee ought to help out the milk producers the best it can, but, personally, I am just opposed to some of these programs that were put in for a certain purpose. Now, you are going to make it permanent, and it is over and above the price support that you are getting.

Mr. HEALY. Yes.

The CHAIRMAN. It is over and above the amount that is spent on the school lunch program. That is why I did not expect any opposition from the milk people to be put in on this in connection with the school lunch program, because, as I understand it, your purpose is to make this work and to give assistance to the schoolchildren of this Nation.

Mr. HEALY. Yes, sir.

The CHAIRMAN. I think, since this is going to be administered by the same people, that you should not object to it.

Mr. HEALY. First, let me say that the milk producers of this Nation are constantly aware of the programs which have been developed in this committee in their behalf, and they feel that they have a sound basic program in this legislation, one which works, perhaps, better than the program of any other commodity group in this country.

The CHAIRMAN. It has been very helpful. Last year or so, it was some \$800 million-odd altogether. And this year it will be around one-half of that much. We have the figures. We will place them in the record at this point.

Mr. HEALY. I am sure that you do have them.

The CHAIRMAN. It was \$829 million in 1964. We will put this table in the record at this point.

(The table is as follows:)

DEPARTMENT OF AGRICULTURE,  
Washington, D.C., February 17, 1966.

Mr. HENRY J. CASSO,  
*Economist, Senate Agricultural Committee,*  
*Washington, D.C.*

DEAR MR. CASSO: In response to your telephone request to Mr. Roy W. Lennartson, there is transmitted herewith a table showing the net realized losses and funds used for activities directly involving dairy products. Actual figures are provided for the years 1964 and 1965 but only estimates can be furnished at this juncture for fiscal 1966.

As you requested the table has been structured similar to that provided for the record covering the hearings before the Senate Subcommittee on Appropriations of the 1966 Budget.

We appreciate the opportunity of responding to your request.

Sincerely yours,

GEORGE L. MEHREN, *Assistant Secretary.*

Net realized losses and funds used for activities directly involving dairy products,  
fiscal years 1964-65 and 1966 (estimate)

[Millions of dollars]

	Fiscal years		
	Actual		Estimate
	1964	1965	1966
<b>AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE (COMMODITY CREDIT CORPORATION)</b>			
Price-support program, net realized losses:			
Payments to Veterans' Administration and armed services under section 202 of the Agricultural Act of 1949, as amended, for fluid milk used in excess of normal require- ments and donations of other dairy products:			
Butter.....	17.4	13.8	16.5
Cheese.....	1.3	1.3	.8
Milk, fluid.....	26.5	26.2	-----
Total.....	45.2	41.3	17.3
Donations from CCC inventories under sec. 416 of the Agricultural Act of 1949, as amended:			
Domestic:			
Butter.....	108.3	23.9	46.8
Cheese.....	50.4	18.5	2.9
Milk, dried.....	29.3	20.5	10.4
Total.....	188.0	62.9	60.1
Foreign:			
Butter.....	25.0	.2	-----
Butter oil.....	98.8	15.6	1.2
Cheese.....	1.9	-----	-----
Ghee.....	5.6	1.2	-----
Milk, dried.....	100.9	62.8	69.6
Total.....	232.2	79.8	70.8
Other price-support losses:			
Butter.....	49.5	9.6	10.8
Butter oil.....	1.9	.6	.6
Cheese.....	3.8	1.4	.5
Ghee.....	.1	-----	-----
Milk, dried.....	41.9	20.6	20.3
Total.....	97.2	32.2	32.2
Total, price-support program.....	562.6	216.2	180.4
Commodity export program, net realized losses:			
Milk, dried.....	29.7	19.8	4.5
Butter and butter products.....	6.9	24.9	5.7
Total.....	36.6	44.7	10.2
Public Law 480:			
Title I: 1			
Milk, condensed.....	12.6	15.5	12.0
Milk, dried.....	7.5	4.3	6.8
Milk, evaporated.....	3.0	.3	.3
Butter and butter products.....	.9	4.3	6.2
Cheese.....	.1	1.0	.4
Total.....	24.1	25.4	25.7
Title II:			
Milk, dried.....	8.9	5.0	8.0
Butter and butter products.....	11.9	2.4	-----
Cheese.....	.5	-----	-----
Total.....	21.3	4.6	8.0
Title IV: 1			
Butter and butter products.....	1.4	1.4	1.9
Milk, condensed.....	.7	-----	-----
Milk, evaporated.....	.2	-----	-----
Total.....	2.3	1.4	1.9
Total, Public Law 480.....	47.7	31.4	35.6

See footnotes at end of table, p. 43.

Net realized losses and funds used for activities directly involving dairy products  
fiscal years 1964-65 and 1966 (estimate)—Continued

[Millions of dollars]

	Fiscal years		
	Actual		Estimate
	1964	1965	1966
CONSUMER AND MARKETING SERVICE			
Special milk program for children.....	97.1	86.6	89.0
Removal of surplus agricultural commodities (sec. 32):			
Butter.....	52.8	12.3	50.0
Cheese.....	23.9	12.7	5.0
Milk, dried.....	8.3		20.0
Total.....	85.0	25.0	75.0
Total.....	829.0	403.9	390.2

<sup>1</sup> Amounts shown represent gross cost; do not reflect recoveries from sales of foreign currencies under Title I and collections under Title IV.

<sup>2</sup> Denotes negative item which results from adjustment of prior activity.

Mr. HEALY. I have some figures here, Senator, which show that in—

The CHAIRMAN. This includes everything.

Mr. HEALY. I would like at this point to put some figures into the record.

The CHAIRMAN. Anything that you want to put in to counteract this, if you have them, we would like to have them.

Mr. HEALY. Because I think the price-support program cost something in the neighborhood of \$250 million last year. That is about \$100 million on special milk. I would like to put them in at this point, if I may.

The CHAIRMAN. Yes, you may.

Mr. HEALY. Because the \$800-some million that you mentioned there is considerably beyond my recollection of what it was for the year.

The CHAIRMAN. It is all in detail here. You might look into it. If there is anything wrong with these figures, you might correct them. There is this letter from the Department of Agriculture itself.

Mr. HEALY. Yes, sir.

The CHAIRMAN. It was not worked up by the committee.

Mr. HEALY. All right.

The CHAIRMAN. This is in three columns, 1964, 1965, and the estimate for 1966. That would include all of the milk programs.

Mr. HEALY. I appreciate the opportunity to put these in, because I think that we have a little bit different view on this thing. These are considerably apart from the numbers which were developed by the committee last year at about this time.

(The information is as follows:)

NATIONAL MILK PRODUCERS FEDERATION,  
Washington, D.C., June 23, 1966.

HON. ALLEN J. ELLENDER,  
Chairman, Senate Committee on Agriculture and Forestry,  
Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: During the testimony which I presented to your Committee on June 21, you introduced into the record a tabulation submitted

by the Department of Agriculture listing the costs for all of the dairy programs administered by the program for three years.

The tabulation indicated that for the fiscal year ending June 30, 1964, \$829 million were spent; for the fiscal year ending June 30, 1965, the costs had been reduced to \$403.9 million; and that the estimate for fiscal year ending June 30, 1966, indicated that the costs would be \$390.2 million.

A review of these costs indicates that for the past three fiscal years the Commodity Credit Corporation has sustained ever decreasing costs. More current estimates for the 1966 fiscal year from the Department of Agriculture indicate that the realized loss and cost estimate has been reduced to \$257.9 million.

When one considers that these costs are a total of price support operations, military milk programs, the payment-in-kind export programs, section 32 expenditures, the special milk program, and P.L. 480, it is remarkable that so much has been done for so many programs at this cost.

Sincerely,

PATRICK B. HEALY, *Assistant Secretary.*

The CHAIRMAN. Is there anything else?

Mr. HEALY. Yes, sir, I have a few more remarks.

I think it is very important, Senator, that you understand that this basic legislation which we have, much of which emanated from this committee, has done a remarkable job in maintaining farm income and in holding surpluses to a minimum.

The milk crop, which is the biggest crop in the country, has never had more than 7.5 percent surplus, and I think that it is a marvelous thing. I think also that many of these programs, the school lunch program and the school milk program, are a basic part of our milk programs, and when we start to tamper with them and to join them with this and that and use them to promote the Economic Opportunity Act, and so on, then we must be very careful. And the way we remain careful is to keep them apart, so that we can constantly look at them and you can constantly look at them.

The CHAIRMAN. That will be done, I can assure you, because the appropriation method is no different except with a few limitations than what is incorporated in this new bill. There is no difference at all. It is separate.

Mr. HEALY. It is separate.

The CHAIRMAN. And the appropriations will be separate.

Mr. HEALY. It is, of course, my thesis is that it should remain so.

I was very, very happy to hear the Secretary of Agriculture, on page 9 of his testimony, depart from the attitude that has been expressed here before by the administration regarding this program. You know, they sent a budget request up here for about 20 percent of what had been used in the program before, and now he is asking that even the \$100 million limitation on the authorization for the appropriation which is contained in this bill be eliminated; that funds can and should be provided. In other words, in keeping with the growth rate of the program—and it is a very happy occasion for me to come before this committee and to be able to endorse wholeheartedly what the Secretary has said.

The CHAIRMAN. You can blame me with the limitation, because I had it put in there.

Mr. HEALY. You had it put in there?

The CHAIRMAN. That is right. I simply put it in there so that the committee could give it thought.

Mr. HEALY. Yes, sir.

The CHAIRMAN. And I presume that when we meet in executive session that we will mark up the bill which, I hope, will be to the satisfaction of all of you people.

Mr. HEALY. You know, in S. 2921, about which we testified before, we asked for \$110 million for the next fiscal year, and \$115 million for the following fiscal year, and \$120 million thereafter.

The CHAIRMAN. Every year thereafter, \$120 million?

Mr. HEALY. Yes, sir. A minimum of \$120 million.

The National Milk Producers Federation has great concern for the poverty-stricken people in the United States and, without reservation, will support sound and effective measures which will provide needed assistance for this group of our people. In this regard, it may be that the judgment of this committee will result in provisions for exploration of pilot feeding programs in destitute areas and provisions for grants-in-aid which will allow schools located in economically depressed areas to take advantage of the school lunch program and the special milk program for children as they are now operated without impairing funds appropriated for the purchase of food under either of these programs.

Mr. Chairman, may we again express our appreciation to you and to this committee for your concern over these programs which provide so vital a part in the development of a national sound nutrition program for children.

The CHAIRMAN. Thank you.

We will next hear from Mr. Gordon W. Gunderson, chairman of the legislative committee of the American School Food Service Association.

**STATEMENT OF GORDON W. GUNDERSON, CHAIRMAN, LEGISLATIVE COMMITTEE, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, MADISON, WIS.**

Mr. GUNDERSON. Mr. Chairman and members of the committee, I am here today representing the more than 48,000 members of the American School Food Service Association which includes the directors of the State agencies responsible for the administration of the school lunch and special milk programs throughout the Nation. We are grateful to you for granting us an opportunity to express our views concerning S. 3467.

The American School Food Service Association reaffirms its support of the intents and purposes of the national school lunch program and the special milk program. We wish to again commend the Congress for initiating these programs and supporting them over their many years of growth and development. The national school lunch program has reached its 20th anniversary, and the special milk program has attained its position of prominence after having demonstrated its excellence over 12 years of unprecedented growth.

We are deeply appreciative of the interest of the Congress in expanding these basic programs by means of amending the National School Lunch Act as proposed in S. 3467 to even more fully meet the nutritional needs of our Nation's children. The grants-in-aid to assist States in starting breakfast programs and for nonfood assistance for acquisition of facilities to establish, maintain, and expand food service programs in schools drawing attendance from areas in which

poor economic conditions exist will bring about improved nutrition for untold thousands of children whose dietary needs are not now being met.

The addition of a new section 13 provides for the extension of the special milk program beyond the expiration date of existing legislative authority, June 30, 1967. The enactment of such legislation now will assure uninterrupted operation of this excellent program and will enable school administrators, parents, and industries affected to plan accordingly.

The American School Food Service Association is deeply concerned, however, over the ceiling of \$100 million which this amendment would place upon the annual appropriation for this program beginning with fiscal year 1968. In operating the program for the current fiscal year under the same limitation, it has been necessary to reduce reimbursement to schools by 10 percent of the amount claimed at established rates. In other words, an appropriation of \$100 million has proven inadequate to meet program demands at its current level by 10 percent. It is our sincere belief that a continuation of such ceiling year after year would tend to "phase out" the program entirely by 1970. We believe this is a program which cannot be stabilized at a given level; it must have an opportunity for growth, or it will die. This is equally true of the school lunch program. In our testimony earlier before Appropriations Committees of both Houses, we have attempted to emphasize the importance of adequate funding of both programs to provide for normal growth. Therefore, we believe that a continuing decline in rate of reimbursement brought about by a fixed ceiling on the annual appropriation for the special milk program would ultimately result in its termination.

We respectfully recommend, Mr. Chairman, that the annual appropriation not be limited in this legislation but that the needs of the program be determined, and proper appropriation be provided by the Congress each ensuing fiscal year.

Inasmuch as the other proposed amendments in this bill provide for apportionment of funds to the States, it is our recommendation that a similar provision be included in section 13 with respect to the funds appropriated for the special milk program.

We further recommend that such apportionment be based upon fund utilization by the respective States during the preceding fiscal year. This is currently the basis for apportionment.

The urgent need for augmenting State staffs is almost universal. The proposed amendment of the act to utilize a small portion of the appropriation to help State educational agencies meet expenses in administration of the programs will be of significant help in strengthening each State's school food service staff in order that additional technical assistance may be given to schools in starting the new programs and in meeting the many diverse challenges of school food services.

Although we understand the intents and purposes of the new section 18, we respectfully recommend the addition of a provision which would prohibit the duplication of assistance to such programs from Federal sources in utilizing funds appropriated under the provisions of this act, as amended. I think that has been fairly well covered.

In summary, Mr. Chairman, the American School Food Service Association wishes to affirm its full support of the provisions of this

legislation. We have recommended minor changes which we believe to be to the best interest of the programs, and are confident they will receive due consideration in your deliberations over the proposed legislation.

Again, I want to thank you for granting us an opportunity to be heard.

I might add, Mr. Chairman, a brief comment in addition to the formal statement.

I was very much pleased over your concern in the bringing of feeding programs in schools by various agencies under one umbrella for the purpose of administration of these programs in the States. This is of tremendous importance, and it would be a tremendous addition to this legislation, because it is confusing, it is difficult. There is an opportunity for duplicating assistance, confusion in administration, for other feeding programs to tend to take over, and if something could be done in this area, we would be very pleased.

The CHAIRMAN. We will do our best, insofar as I am concerned. Since the school lunch program has been ably administered under the Department of Agriculture, I would like to see it stay there—all of it to be under the Department of Agriculture.

Mr. GUNDERSON. There is a tendency, I know in my own State, under title I of the Education Act and the Economic Opportunity Act, for there not being a provision as to the quality of the meals served. The funds are given out, but there are not specific criteria as to what the meals should contain. So, you have here a program probably in one or two schools in a city serving one type of lunch and a program in the remaining schools in the city that are governed by specific requirements as to the meal content. This, certainly, is not a desirable situation.

The CHAIRMAN. This means a lot of duplication if you have two or three agencies handling the same program.

Mr. GUNDERSON. And the administration of it. We become shut out, more or less.

The CHAIRMAN. And then you will have them vying among themselves for the funds.

Mr. GUNDERSON. That is correct.

The CHAIRMAN. Exactly. We will see what we can do to doctor it up some.

Mr. GUNDERSON. Thank you very much.

The CHAIRMAN. Thank you very much.

This concludes the hearings on the bill. I am very hopeful that the committee can meet sometime soon to mark up not only this bill but the food-for-freedom bill. We will try to do that early next week if possible.

The committee will stand in adjournment, subject to the call of the Chair.

(Whereupon, at 12:05 p.m., an adjournment was taken, subject to the call of the Chair.)

(Additional statements filed for the record are as follows:)

STATEMENT OF TONY T. DECHANT, PRESIDENT, NATIONAL FARMERS UNION

Mr. Chairman and Members of the Committee, I want to thank the Chairman and Members of the Committee for this opportunity to present the views of National Farmers Union on S. 3467. We understand this bill is largely the result of the work of the Chairman of the Committee.

The objective of this legislation is to extend the benefits of the National School Lunch Program—a goal long supported by National Farmers Union. We have testified on a number of occasions in the past concerning the need to expand the program to schools now without any kind of feeding program and to make it more effective in meeting the nutritional needs of children in schools with a program.

We are especially pleased to learn that President Johnson, through Secretary Freeman, has indicated that he will ask for a special \$42 million supplemental appropriation to finance a low price lunch program in schools serving needy areas. We understand that Section 11 of the National School Lunch Act authorizes such a program.

In order that there will be no misunderstanding as to the position of Farmers Union, I would like to make it clear that we believe that the amendments to the National School Lunch Act and the new program direction which this bill provides should be supplemental to existing programs, the funds that Congress will appropriate this year for the School Lunch and School Milk Programs should be protected.

In this connection we would point out that Secretary Freeman in his statement to the Committee yesterday, indicated that he would not object to amending S. 3467 to make the School Milk Program permanent. Our organization earlier asked Congress to enact S. 2921, introduced by Senator Proxmire and co-sponsored by most Members of the Senate. We believe this program is needed and that it can be justified in terms of nutritional needs of children.

The delegates to the recent convention of National Farmers Union, for example, spelled out their immediate and specific objectives in the Policy Statement of our organization as follows:

*"School Lunch and School Milk.* Increased appropriations for school lunch and a permanent milk program to meet the need created by an expanding enrollment in our schools. Congress should continue to offer Federal aid for all participating children not just for underprivileged. We find several commendable proposals in the suggested Child Nutrition Act, particularly for grants in aid for kitchen and lunchroom equipment for schools now without a program, for a pilot school breakfast program and for efforts to expand total participation. However, we feel these new measures should be in addition to what is now being done, rather than as a replacement for it."

There is no more pathetic problem facing our Nation than that of children who arrive at school hungry. Learning is a futile effort for such children and a waste of the teaching and physical resources that may be dedicated to the task. We especially want to commend you, Chairman Ellender, for your understanding of the need for inaugurating a pilot breakfast program.

Further, we believe that the program provided by S. 3467 to establish a permanent program to assist low income school districts to acquire food service equipment is a meritorious step forward in the effort to close the nutritional gap that exists among our school-age children. We further understand that as the result of the enactment of this legislation, feeding programs will be extended to pre-school activities. This will fill a need that has been largely ignored in the past.

While we are greatly encouraged by the understanding and humane attitudes that the bill before the Committee reflects, we want to point out that additional funds must be appropriated by the Congress if the provisions of the bill are to be of maximum benefit to the Nation.

We know of no more important way to utilize the resources of our Nation than to expand the programs authorized under the School Lunch Act, as this bill would amend it, toward the goal of providing school age children the food they need. This effort should be made without regard to the financial status of the parents.

In closing we would like to point out that the funds provided by Congress have, for the most part, been a very small percentage of the total of funds spent on school feeding programs. As the Secretary of Agriculture pointed out yesterday, the \$325 million a year which the Federal Government has provided in dollars and in donated foods over the past few years is largely a catalyst to help provide the incentive for states and local communities to establish school feeding programs, contributing their own resources.

In every school where a program exists, there are dedicated employees and many volunteers who have made possible the School Lunch Program as we know it. They are to be commended because without their leadership, dedication and work the School Lunch Program would not have been the effective program that it is today.

WASHINGTON, D.C., June 21, 1966.

HON. ALLEN J. ELLENDER,  
*Chairman, Senate Committee on Agriculture,  
Washington, D.C.*

DEAR MR. CHAIRMAN: The American Parents Committee is grateful for this opportunity to have our statement included in the record of hearings on S. 3467, the proposed amendments to the National School Lunch Act.

We are appreciatively aware that S. 3467 makes no provision for food service outside of the school system. In our 20-year record of support of the School Lunch Act, the American Parents Committee has always considered the School Lunch program to be a part of the overall pattern of education, rather than limited to welfare. In this way, the school child learns correct nutritional habits while physically benefitting from well-balanced meals offered through the schools, even if not through the home.

While the students' economic background does not always determine the availability of well-balanced meals, it has been stated by many advocates of the School Lunch program, that for many students from poverty-stricken areas, their school lunch is the only real meal they know—indeed, sometimes the primary motivation for their remaining in school.

Section 14 of S. 3467 provides such students with the type of meal that all school children hopefully should have—a balanced school breakfast.

In selecting the schools for this pilot program of school breakfasts, the State educational agency is to give first priority to areas "in which poor economic conditions exist." We feel this is entirely consistent with the intent of the original Act's Section 11, as is the subsequent language guarding against discrimination of any child unable to pay for his meal.

Singling out the poverty-stricken child in school cafeterias has been successfully avoided in many ways by local administrators of the school lunch program, perhaps most effectively by the issuance of lunch tickets. We are confident that the same safeguards could be employed with equal success, for the school breakfast program.

Section 15's authorization of non-food assistance is, especially, worthy of support, in recognizing that the local tax-base in some areas cannot provide cafeteria facilities in existing schools. Although over 18 million students at present participate in the School Lunch program, this is only one-third of the possible total. In some areas, of course, students will continue to be within easy walking distance of their homes at lunch time. But our over-all pattern of national growth, both urban and suburban, strongly suggests that school-lunch facilities will be needed more, rather than less, in the future. In isolated rural areas, school lunches continue to be a necessity, rather than a choice for those students.

The provision in Section 18 assigning preference to programs carried out under the Elementary and Secondary Education Act, and the Economic Opportunity Act is, we feel, unfortunate, since it invites confusion and duplication of effort. With two decades of effective administration of the School Lunch Act, the U.S. Department of Agriculture and state agencies should not have their administration thus hampered.

Section 17 recognizes the commensurate difficulties of administration, in wisely providing an increase for administrative expenses under the new Act.

While the over-all intent in S. 3467 is highly commendable, the American Parents Committee is distressed to note the limitations imposed on the Special Milk Program, in Section 13. In the early part of 1966, Executive action withheld \$3 million from the \$103 million appropriated by Congress for the Special Milk program in fiscal 1966. This action caused a 10% cutback, nationwide, in the availability of milk for children under this program. We feel such a situation exemplifies dramatically the danger of restricting the growth of the program, while at the same time attempting to adhere to the legislative intent of the Act, "to encourage consumption of fluid milk by the children in the United States." In five years' time, so the demographers tell us, half our population will be under the age of 25; and by the year 2000, the present population will double. To restrict the availability of such a vital food to the growing one-third of our nation would not seem consistent with our hopes for the health of the generation upon which our national future depends.

Respectfully,

Mrs. BARBARA D. MCGARRY,  
*Executive Director, American Parents Committee.*

STATEMENT OF HON. VANCE HARTKE, A U.S. SENATOR  
FROM THE STATE OF INDIANA

Mr. Chairman, the contribution of the special milk program to the health and well-being of the Nation's schoolchildren is incalculable. I most strongly urge that the most effective measures possible be taken to insure the continuation and the expansion of this eminently worthwhile program. I believe that S. 2921, a bill introduced by my distinguished colleague from Wisconsin, Senator Proxmire, and of which I am a cosponsor, better guarantees the future success of the program than does the bill presently under consideration, S. 3467. However, I certainly want to support whatever improvement can be made legislatively.

The stated purpose of the special milk program is to increase the consumption of fluid milk by the Nation's children through a program of Federal reimbursements to schools and other child-care institutions, which are thus enabled to offer the children milk at reduced prices—in some cases free. Since its inception in 1955, the program has provided low-cost milk for literally millions of schoolchildren. The program has expanded its services with every year of its operation. At its inception, 41,094 schools participated; now, in 1966, an estimated 93,000 of the Nation's schools, summer camps, and child-care institutions are able to serve milk at reduced prices—close to 3 million half pints in 1965 alone.

The inestimably great contribution of the special milk program to the welfare of the Nation's schoolchildren, the program's continued steady growth, and its demonstrable nationwide popularity all militate against its being jeopardized by insecurity of continuation or by inadequate funding. Yet I fear that both are likely if section 13 of S. 3467 is adopted as it now stands.

Section 13 would extend the program for only 4 years and would place a ceiling of \$100 million on program appropriations. Given the program's present steady expansion rate, such a ceiling could sound its death knell. Already, in 1966, the present appropriation is insufficient fully to reimburse the schools taking part. The reimbursement rate was reduced to 95 percent in 1965 and fell further to 90 percent in 1966, with total estimated costs for reimbursement and administration topping \$99 million. Whether the program can continue to function at its present level of effectiveness with the ceiling suggested in S. 3467 is therefore an issue of considerable concern.

In view of these considerations, I most urgently request the committee's favorable consideration of S. 2921, which came before the committee in May of this year. S. 2921 would make the special milk program permanent and guarantee a minimum appropriation of \$105 million in 1967, scaling upward to \$120 million in 1970. With a permanent program, and appropriations guaranteed along the guidelines advocated by the distinguished Senator from Wisconsin, the continued effectiveness of the present program would be assured.

I learned with great pleasure of the distinguished Secretary of the Agriculture's recent statement in support of removing the appropriations ceiling and of establishing the program on a permanent basis—provisions both provided for in S. 2921. I concur with the observations of the Secretary on this matter.

I urge the committee's favorable consideration of the other major provisions of S. 3467—the pilot breakfast program and the nonfood assistance program. The first would provide funds for establishing breakfast programs in schools drawing pupils from needy areas; the second would provide funds to assist schools in needy areas to establish and maintain food programs. In my own State of Indiana, there were in 1960 better than 76,000 children who could hope to benefit from these programs if they are enacted. Both the breakfast and the nonfood assistance programs are much needed steps in the direction of assuring that no schoolchild face the unhappy problem of attempting to learn on an empty stomach.



