

Y4
.Ag 8/1
F 73/13/
967

1010

967
F 73/13/967
Ag 8/1
967

EXTEND THE FOOD STAMP ACT OF 1964
AND
AMEND THE CHILD NUTRITION ACT OF 1966

GOVERNMENT

Storage

HEARINGS
BEFORE THE
COMMITTEE ON AGRICULTURE
HOUSE OF REPRESENTATIVES

NINETIETH CONGRESS

FIRST SESSION

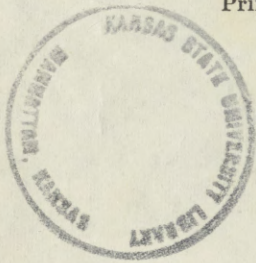
ON

H.R. 1268, H.R. 1269, H.R. 1318, H.R. 3817,
and H.R. 7105

MARCH 15 AND 16, 1967

Serial D

Printed for the use of the Committee on Agriculture



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1967

77-523

COMMITTEE ON AGRICULTURE

W. R. POAGE, Texas, *Chairman*

E. C. GATHINGS, Arkansas,
Vice Chairman

JOHN L. McMILLAN, South Carolina

THOMAS G. ABERNETHY, Mississippi

WATKINS M. ABBITT, Virginia

PAUL C. JONES, Missouri

FRANK A. STUBBLEFIELD, Kentucky

GRAHAM PURCELL, Texas

MASTON O'NEAL, Georgia

THOMAS S. FOLEY, Washington

JOSEPH Y. RESNICK, New York

ELIGIO DE LA GARZA, Texas

JOSEPH P. VIGORITO, Pennsylvania

WALTER B. JONES, North Carolina

JOHN G. DOW, New York

BILL NICHOLS, Alabama

G. V. MONTGOMERY, Mississippi

FRANK J. BRASCO, New York

W. S. STUCKEY, Georgia

JOHN R. RARICK, Louisiana

PAGE BELCHER, Oklahoma,
Ranking Minority Member

CHARLES M. TEAGUE, California

CATHERINE MAY, Washington

ROBERT DOLE, Kansas

GEORGE V. HANSEN, Idaho

WILLIAM C. WAMPLER, Virginia

GEORGE A. GOODLING, Pennsylvania

CLARENCE E. MILLER, Ohio

J. HERBERT BURKE, Florida

ROBERT B. MATHIAS, California

WILEY MAYNE, Iowa

JOHN M. ZWACH, Minnesota

THOMAS S. KLEPPE, North Dakota

ROBERT PRICE, Texas

JOHN T. MYERS, Indiana

RESIDENT COMMISSIONER

SANTIAGO POLANCO-ABREU, Puerto Rico

CHRISTINE S. GALLAGHER, *Clerk*

HYDE H. MURRAY, *Assistant Counsel*

FRANCIS M. LEMAY, *Staff Consultant*

CONTENTS

	Page
H.R. 1268, a bill to amend the Food Stamp Act of 1964 to permit the distribution of federally owned foods and food coupons in areas in which the food stamp program is operating.....	1
H.R. 1269, a bill to amend the Food Stamp Act of 1964 to permit the distribution of federally owned foods and food coupons in areas in which the food stamp program is operating.....	2
H.R. 1318, a bill to amend the Food Stamp Act of 1964 for the purpose of authorizing appropriations for fiscal years subsequent to the fiscal year ending June 30, 1967.....	2
H.R. 3817, a bill to authorize certain retired persons 65 years of age or over to participate in the food stamp and direct distribution programs.....	2
H.R. 7105, a bill to amend the Child Nutrition Act of 1966 to strengthen and expand food service programs for children.....	2
Statement of:	
Freeman, Hon. Orville L., Secretary of Agriculture.....	7
Graham, Harry L., legislative representative, the National Grange.....	103
Healy, Patrick B., assistant secretary, National Milk Producers Federation.....	61
Johnson, Reuben L., director of legislative services, National Farmers Union.....	113
Mitchell, Clarence, director, Washington bureau, National Association for the Advancement of Colored People.....	114
Saylor, Hon. John P., a Representative in Congress from the State of Pennsylvania.....	111
Sisk, Hon. B. F., a Representative in Congress from the State of California.....	87
Slack, Hon. John M., a Representative in Congress from the State of West Virginia.....	112
Sullivan, Hon. Leonor K., a Representative in Congress from the State of Missouri.....	75
Vigorito, Hon. Joseph P., a Representative in Congress from the State of Pennsylvania.....	96
Wiley, George A., director, Poverty Rights Action Center.....	63
Correspondence submitted to the committee:	
Clegg, Reed K., director, Department of Public Welfare, County of Fresno, Calif., letter of March 7, 1967, to Hon. B. F. Sisk.....	88
Freeman, Hon. Orville L., Secretary of Agriculture, letter of February 20, 1967, to Hon. Hubert H. Humphrey, transmitting amendment to Child Nutrition Act of 1966.....	4
Freeman, Hon. Orville L., Secretary of Agriculture, letter of March 2, 1967, to Hon. John W. McCormack, transmitting amendments to the Food Stamp Act of 1964.....	6
McCanna, Dr. Henry A., National Council of the Churches of Christ in the U.S.A., letter of March 21, 1967.....	115
Rosen, Max, secretary, Department of Public Welfare, Commonwealth of Pennsylvania, letter of June 23, 1966, to Hon. Joseph P. Vigorito.....	102
Tom C. Allen, president, National Association of Wheat Growers, letter of March 17, 1967.....	115
Additional information submitted to the committee:	
Administrative costs, Federal, State, and local, food stamp program..	34
Commodity distribution program for needy families, areas operating..	52
Council of the City of Erie, Pa., resolution.....	100
Eligibility standards for nonassistance households, food stamp program (table).....	31

Additional information submitted to the committee—Continued

	Page
General Assembly of Pennsylvania:	
House Resolution No. 74-----	99
House Resolution No. 75-----	100
Guidelines for determining eligibility of households as contained in sec. 1601.3 of the regulations for the food stamp program-----	30
Participation and coupon value, by project area, food stamp program (table)-----	14
Retired Need Help—From the Erie Churchman, July 1966-----	101
Summary of breakfast programs operating under provisions of the Child Nutrition Act of 1966 (table)-----	39

EXTEND THE FOOD STAMP ACT OF 1964 AND AMEND THE CHILD NUTRITION ACT OF 1966

WEDNESDAY, MARCH 15, 1967

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The committee met, pursuant to notice, at 10 a.m., in room 1301, Longworth House Office Building, Washington, D.C., Hon. W. R. Poage (chairman) presiding.

Present: Representatives Poage, Gathings, McMillan, Abernethy, Abbitt, Jones of Missouri, Stubblefield, O'Neal, de la Garza, Vigorito, Jones of North Carolina, Dow, Nichols, Montgomery, Brasco, Rarick, Belcher, Teague, Mrs. May, Dole, Hansen, Wampler, Goodling, Miller, Burke, Mathias, Mayne, Zwach, Kleppe, and Myers.

Also present: Christine S. Gallagher, clerk; Hyde H. Murray, assistant counsel; Francis LeMay, staff consultant; and Fowler C. West, assistant staff consultant.

The CHAIRMAN. The committee will please come to order.

The committee is met this morning to consider two pieces of legislation which are not directly related but related to the same subject matter, and we thought we would move along a little faster by using only one hearing, rather than calling all these people in here to appear two separate times.

The Secretary is here today. We thought, by consolidating both the extension of the food stamp program and the Child Nutrition Act for hearing, we would save him and his associates being required to spend another day in appearing before the committee and also save the time of the members of the committee.

We will, therefore, proceed on these subjects, and will at this time hear from Secretary Freeman on both the food stamp program and the Child Nutrition Act.

There will be placed in the record at this time H.R. 7105, dealing with the Child Nutrition Act of 1966, and H.R. 3817 and H.R. 1318 and H.R. 1269 and H.R. 1268, dealing with the Food Stamp Act of 1964, together with the reports from the Department of Agriculture dated February 20, 1967, and March 2, 1967, which will be made a part of the record at this point.

(The bills, H.R. 1268 by Mr. Sisk, H.R. 1269 by Mr. Sisk, H.R. 1318 by Mrs. Sullivan, H.R. 3817 by Mr. Vigorito, and H.R. 7105 by Mr. Poage, and the departmental reports follow:)

[H.R. 1268, 90th Cong., first sess.]

A BILL To amend the Food Stamp Act of 1964 to permit the distribution of federally owned foods and food coupons in areas in which the food stamp program is operating

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 4 of the Food

Stamp Act of 1964 is hereby repealed and subsection (c) of that section is redesignated as subsection (b).

[H.R. 1269, 90th Cong., first sess.]

A BILL To amend the Food Stamp Act of 1964 to permit the distribution of federally owned foods and food coupons in areas in which the food stamp program is operating

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(b) of the Food Stamp Act of 1964 is amended to read as follows:

“(b) In areas where a food stamp program is in effect there shall be no distribution of federally owned foods to households under the authority of any other law except during emergency situations caused by national or other disaster as determined by the Secretary: *Provided, however*, That the Secretary may authorize, on such terms and conditions as he determines appropriate, distribution of federally owned foods in such areas to households of seasonal or migratory workers who are otherwise eligible to receive benefits under this Act but who are not receiving such benefits because of the transitory nature of their employment, if the Secretary determines that such distribution of federally owned foods to such households is necessary to effectuate the policy expressed in section 2 of this Act.”

[H.R. 1318, 90th Cong., first sess.]

A BILL To amend the Food Stamp Act of 1964 for the purpose of authorizing appropriations for fiscal years subsequent to the fiscal year ending June 30, 1967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (a) of section 16 of the Food Stamp Act of 1964 is amended by striking out “and not in excess of such sum as may hereafter be authorized by Congress for any subsequent fiscal year” and substituting therefor “and for each subsequent fiscal year such sum as may be necessary to carry out the provisions of this Act.”

[H.R. 3817, 90th Cong., first sess.]

A BILL To authorize certain retired persons sixty-five years of age or over to participate in the food stamp and direct distribution programs

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Secretary of Agriculture may distribute to persons who are sixty-five years of age, or over, and who are retired from any gainful employment, without reference to their personal need or income, dairy products made available for distribution pursuant to section 709 of the Food and Agriculture Act of 1965, and surplus food commodities made available for distribution to needy persons under clause (2) of section 32, Public Law 320, Seventy-fourth Congress, or clause (3) of section 416 of the Agricultural Act of 1949.

SEC. 2. (a) Section 5(a) of the Food Stamp Act of 1964 (7 U.S.C. 2014(a)) is amended (1) by inserting “(1)” immediately after “Participation in the food stamp program shall be limited to” and (2) by inserting “and (2) those households having one member over the age of sixty-four years who is retired from any gainful employment and whose income does not exceed \$3,000 a year, or two or more members over the age of sixty-four years who are retired from any gainful employment and whose combined income does not exceed \$4,000 a year” immediately before the period at the end thereof.

[H.R. 7105, 90th Cong., first sess.]

A BILL To amend the Child Nutrition Act of 1966 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 Child Nutrition Act of 1966 is amended by adding at the end of the Act the following new sections:

"SPECIAL FOOD SERVICE PROGRAM FOR CHILDREN

"AUTHORIZATION

"SEC. 17. (a) There is hereby authorized to be appropriated for each fiscal year such sums as are 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 food service programs for children in public and private nonprofit institutions such as child day-care centers, settlement houses, recreation centers, and similar institutions, which provide day care for children, and which draw attendance from areas in which poor economic conditions exist. In selecting the nonprofit institutions, the State education agency shall, to the extent practicable, give first consideration to those institutions drawing attendance from areas in which poor economic conditions exist.

"APPORTIONMENT TO STATES

"(b) (1) Of the funds appropriated for the purposes of this section for any fiscal year, the Secretary shall: (1) reserve 2 per centum for apportionment to Guam, Puerto Rico, the Virgin Islands, and American Samoa. Such funds shall be apportioned among them on the basis of the number of children of ages three through seventeen in each to the number of all children of ages three through seventeen in all of them.

"(2) Of the remainder of the funds appropriated, the Secretary shall, for each fiscal year (a) apportion such sums as he deems appropriate but not more than \$50,000 to each State, other than Guam, Puerto Rico, the Virgin Islands, and American Samoa, as a basic grant, and (b) apportion the remainder among such States on the basis of the ratio of the number of children in each State of ages three through seventeen in families with incomes of less than \$3,000 per annum to the total number of such children in the fifty States and the District of Columbia.

"DISBURSEMENT BY STATES

"(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to nonprofit institutions selected on a nondiscriminatory basis by the State educational agency to reimburse such nonprofit institutions for the cost of obtaining agricultural and other foods and for the purposes of items (1) and (2) of this subsection. The costs of obtaining agricultural and other foods may include the cost of processing, distributing, transporting, or handling thereof. Disbursement to participating institutions shall be made at such rates of reimbursement per meal as the Secretary shall prescribe.

"(1) In circumstances of severe need where the rate per meal established by the Secretary is insufficient to carry on an effective feeding program, the Secretary may authorize financial assistance not to exceed 80 per centum of the operating costs of such a program, including cost of obtaining, preparing, and serving food.

"(2) Not to exceed 25 per centum of the funds paid to any State may be used by the State to assist nonprofit institutions serving needy children by paying not to exceed 75 per centum of the cost of the purchase of rental or equipment, other than land and buildings, for the storage, preparation, transportation, and serving of food to enable such institutions to establish, maintain, and expand food service under this section.

"DIRECT PAYMENTS

"(d) The withholding of funds and their disbursement to public and private nonprofit institutions shall be carried out by the Secretary under circumstances comparable to those provided for in section 10 of the National School Act, as amended.

"OBLIGATION OF FUNDS

"(e) Notwithstanding the provisions of any other law, balances of funds appropriated for the purposes of this section and unobligated at the end of any fiscal year shall remain available for obligation during the first three months of the following fiscal year.

"NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

"(f) Nonprofit institutions to which funds are disbursed under this section shall serve meals consisting of a combination of foods and meeting minimum nutritional standards prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost or at a reduced cost to children determined by such institutions to be unable to pay the full cost. In making such determination, institutional authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation or other discrimination against any child shall be made because of his inability to pay.

"NONPROFIT INSTITUTIONS

"(g) '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 earnings of which inures to the benefit of any private shareholder or institution.

"SPECIAL PROVISIONS

"(h) The provisions of sections 6, 7, 8, 11, and 13 of this Act, notwithstanding their limitation of applicability to operations under other programs of this Act, shall also be applicable to the program operated under this section.

"FURTHER APPORTIONMENTS

"Sec. 18. If any State cannot utilize all funds apportioned to it, or if additional funds are made available for apportionment among the States, under any section of this Act, the Secretary shall make further apportionments to the remaining States in the manner prescribed in the applicable section."

DEPARTMENT OF AGRICULTURE,
Washington, D.C., February 20, 1967.

Hon. HUBERT H. HUMPHREY,
President of the Senate.

DEAR MR. PRESIDENT: I transmit herewith an amendment to the Child Nutrition Act of 1966, authorizing assistance to the States in initiating and expanding food service programs to improve the nutrition of children in non-residential group situations other than schools.

Great concern has been expressed by Members of Congress and those interested in good nutrition for children that there remains one major gap in the legislative framework provided by the National School Lunch and Child Nutrition Acts. The authority provided in these Acts permits assistance only to children enrolled in school activities. The full range of Federal assistance cannot be made available to children in public or private nonprofit day-care centers, settlement houses or nonprofit pre-school activities. Many of these are among our neediest children in terms of nutrition and the lack of adequate family income to provide good nutrition.

It is vital to the health and vitality of these children that provision be made—particularly in the pre-school years—to improve the quality of their diets. Dietary deficiencies in early childhood can result in damage to the child's health and learning capacity before he reaches school.

In addition, there are hundreds of thousands of children who benefit from the National School Lunch and Child Nutrition Act programs during the school year but who have no access to these programs during the summer months unless they are actually enrolled in a summer school. The proposed amendment to the Child Nutrition Act would authorize food service programs during the summer months to children engaged in such group activities as summer recreational programs, day camps, and youth centers.

The amendment transmitted herewith will provide:

(1) A program to assist in providing a food service for children participating in group situations away from home such as child day-care centers, settlement houses and day camps as long as these are non-residential types of situations. Assistance will be directed primarily to those serving children of low-income families although where a program is in effect, all children may participate.

(2) In circumstances of severe need, the Secretary of Agriculture would be authorized to pay not to exceed 80 percent of all operating costs of the food program.

(3) Not to exceed 25 percent of the funds paid to any State may be used to assist eligible nonprofit institutions in the purchase or rental of facilities, other than land and buildings, for the storage, preparation, transportation and serving of food.

(4) The food service programs proposed under this amendment will be administered by the State educational agency which now administers the National School Lunch and Child Nutrition Acts.

It is contemplated that the program would be operated initially on a pilot basis reaching approximately 100,000 children the first year at a cost of \$4.5 million. The majority of these children will probably participate during the summer months.

The Bureau of the Budget advises that enactment of this proposed legislation would be in accord with the President's program.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary.

A BILL To amend the Child Nutrition Act of 1966 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 Child Nutrition Act of 1966 is amended by adding at the end of the Act the following new sections:

"SPECIAL FOOD SERVICE PROGRAM FOR CHILDREN

"AUTHORIZATION

"SEC. 17(a) There is hereby authorized to be appropriated for each fiscal year such sums as are 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 food service programs for children in public and private nonprofit institutions such as child day-care centers, settlement houses, recreation centers and similar institutions, which provide day care for children, and which draw attendance from areas in which poor economic conditions exist. In selecting the nonprofit institutions, the State education agency shall, to the extent practicable, give first consideration to those institutions drawing attendance from areas in which poor economic conditions exist.

"APPORTIONMENT TO STATES

"(b) (1) Of the funds appropriated for the purposes of this section for any fiscal year, the Secretary shall: (1) reserve 3 per centum for apportionment to Guam, Puerto Rico, the Virgin Islands, and American Samoa. Such funds shall be apportioned among them on the basis of the number of children of ages three through seventeen in each to the number of all children of ages three through seventeen in all of them.

"(2) Of the remainder of the funds appropriated, the Secretary shall, for each fiscal year (a) apportion such sums as he deems appropriate but not more than \$50,000 to each State, other than Guam, Puerto Rico, the Virgin Islands, and American Samoa, as a basic grant, and (b) apportion the remainder among such States on the basis of the ratio of the number of children in each State of ages three through seventeen in families with incomes of less than \$3,000 per annum to the total number of such children in the fifty States and the District of Columbia.

"DISBURSEMENT BY STATES

"(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to nonprofit institutions selected by the State educational agency to reimburse such nonprofit institutions for the cost of obtaining agricultural and other foods and for the purposes of items (1) and (2) of this sub-section. The costs of obtaining agricultural and other foods may include the cost of processing, distributing, transporting or handling thereof. Disbursement to participating institutions shall be made at such rates of reimbursement per meal or on such other basis as the Secretary shall prescribe.

"(1) In circumstances of severe need where the rate per meal established by the Secretary is insufficient to carry on an effective feeding program, the Secretary may authorize financial assistance not to exceed 80 per centum of the operating costs of such a program, including cost of obtaining, preparing, and serving food.

"(2) Not to exceed 25 per centum of the funds paid to any State may be used by the State to assist nonprofit institutions serving needy children in the purchase or rental of facilities, other than land and buildings, for the storage, preparation, transportation, and serving of food to enable such institutions to establish, maintain, and expand food service under this section.

"DIRECT PAYMENTS

"(d) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any nonprofit institution in the State, the Secretary shall withhold all funds apportioned under this section and shall disburse the funds so withheld directly to nonprofit institutions in the 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.

"OBLIGATION OF FUNDS

"(e) Notwithstanding the provisions of any other law, balances of funds appropriated for the purposes of this section and unobligated at the end of any fiscal year shall remain available for obligation during the first three months of the following fiscal year.

"NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

"(f) Nonprofit institutions to which funds are disbursed under this section shall serve meals consisting of a combination of foods and meeting minimum nutritional standards prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost or at a reduced cost to children determined by such institutions to be unable to pay the full cost. In making such determination, institutional authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation or other discrimination against any child shall be made because of his inability to pay.

"NONPROFIT INSTITUTIONS

"(g) '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 earnings of which inures to the benefit of any private shareholder or institution.

"SPECIAL PROVISIONS

"(h) The provisions of sections 6, 7, 8, 11 and 13 of this Act, notwithstanding their limitation of applicability to operations under other programs of this Act, shall also be applicable to the program operated under this section.

"FURTHER APPORTIONMENTS

"Sec. 18. If any State cannot utilize all funds apportioned to it, or if additional funds are made available for apportionment among the States, under any section of this Act, the Secretary shall make further apportionments to the remaining States in the manner prescribed in the applicable section."

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 2, 1967.

Hon. JOHN W. McCORMACK,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: Enclosed for the consideration of the Congress is a draft of a proposed bill to amend the Food Stamp Act of 1964, P.L. 88-525.

This bill would amend Section 16 of the Food Stamp Act. It would provide appropriation authority for fiscal years beyond 1967. No other change in the

substantive legislative authorities for the Food Stamp Program is deemed necessary at this time.

P.L. 88-525, approved by the President on August 31, 1964, contemplated the progressive expansion of the program—over the period of the next several years—to those States and political subdivisions that desired to participate. That Act, however, provided appropriation authorities only through the fiscal year 1967. It is necessary, therefore, that Section 16 of the Act be amended to provide appropriation authorities to implement that policy of orderly and progressive program expansion.

When the Food Stamp Act was approved, the program was then operating in 43 areas—in 22 States—in which the food stamp approach had been carefully tested during a 3-year “pilot” period. Since then, the pace of the authorized expansion has, in fact, not kept pace with requests from States for the program. Nonetheless, by the end of the 1967 fiscal year, the program will be operating in about 800 areas in 41 States and the District of Columbia.

In requesting appropriation authority beyond 1967, it is contemplated that the policy of orderly and progressive year-to-year expansion would be continued. Such a policy would continue to permit State welfare agencies and this Department to provide the administrative organization and program supervision that is needed to insure the effective and efficient use of Federal funds in support of program objectives.

Action to assure States that the program will be continued beyond June 30, 1967, should be taken at the earliest possible date. If the future of the program for the next fiscal year remains in doubt, States will hesitate to complete 1967 fiscal year expansion plans—much less undertake the longer range plans to build the administrative organization needed to adequately supervise already operating programs.

The actual level of the annual appropriation for each fiscal year beyond 1967 would be determined by the Congress under the annual appropriation process. Additionally, because the proposed bill is concerned only with the continuation of appropriation authorities, it would not affect program cost or employment requirements for the program.

The Bureau of the Budget advises that the presentation of this report is consistent with the Administration's program.

Sincerely yours,

By ORVILLE L. FREEMAN, *Secretary*.

A BILL To amend the Food Stamp Act of 1964 for the purpose of authorizing appropriations for fiscal years subsequent to the fiscal year ending June 30, 1967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, the first sentence of subsection (a) of section 16 of the Food Stamp Act of 1964 is amended by striking out “and not in excess of such sum as may hereafter be authorized by Congress for any subsequent fiscal year” and substituting therefor “and for each subsequent fiscal year such sum as may be necessary to carry out the provisions of this Act.”

THE CHAIRMAN. We will be delighted to hear from you, Mr. Secretary.

STATEMENT OF HON. ORVILLE L. FREEMAN, SECRETARY OF AGRICULTURE, ACCOMPANIED BY HOWARD DAVIS, DEPUTY ADMINISTRATOR, CONSUMER FOOD PROGRAMS, CONSUMER AND MARKETING SERVICE, AND ISABELLE KELLEY, DIRECTOR, FOOD STAMP DIVISION, CONSUMER AND MARKETING SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Secretary FREEMAN. Mr. Chairman and members of the committee, may the record show that in addition to Mr. Davis, who is here with me, that Miss Kelley, who is directly administering this program, is also here this morning, to assist the committee and the Secretary in answering questions.

I am happy to appear here to discuss two proposals related to the food stamp and the child nutrition programs now pending before this committee.

It is appropriate that they be considered together because each represents a facet of the efforts this committee has long made to improve nutrition in this country and to strengthen our domestic agriculture. The Food Stamp Act—which we propose be authorized now as a permanent program—is designed to improve nutrition for the family at home; the proposed amendment to the Child Nutrition Act would fill a gap which now exists in providing food service for needy children in group activities away from home.

This committee has done a remarkable pioneering job in the evolution of our thinking and programing to assure all Americans of physical and financial access to good nutrition. Let's look at the record:

In 1946, the National School Lunch Act; in 1954, the special milk program; in 1964, the Food Stamp Act; and in 1966, the Child Nutrition Act.

This is a solid, substantial record of which this committee can be proud.

I would like first to discuss the proposal to extend the authority for the appropriation of funds for the food stamp program. That is the essence of the matter before the committee in this respect; no modification of the program is recommended except an extension of the authorization to continue to carry it forward. In so doing, I want to report to this committee on the progress of the program since August of 1964 when the Food Stamp Act was passed.

You will recall that the 1964 food stamp legislation provided authority for appropriations only through the fiscal year 1967. H.R. 1318 amends section 16 of the act to provide authority for the Congress to appropriate funds for the program for 1968 and subsequent fiscal years. Thus, prompt action is necessary—if the program is to be continued beyond June of this year.

Mr. Chairman, as you and a number of the members of the committee recall, a careful 3-year test of the food stamp program was undertaken by the Department prior to the passage of the Food Stamp Act. At the time the act was passed, this test, or pilot, program was operating in 43 areas in 22 States.

The test was designed to determine the effectiveness of the food stamp approach in improving the nutrition of low-income families. The test did demonstrate the effectiveness of the food stamp approach: (1) in improving the diets of low-income families; (2) in increasing retail food sales; (3) expanding farm markets, and (4) in stimulating the economy of the communities in which it operates.

We believe that the continued effectiveness of the food stamp program stems from four basic principles underlying the Food Stamp Act. These are:

First, the program is a voluntary one on the part of the States and localities. This means that, when requesting the program, the States and localities believe the program will meet their needs and, therefore, are prepared to give the program the financial and other support the program must have if it is to be successful.

Second, its expansion has followed the gradual progressive pace contemplated by the Congress. This concept of progressive annual expansion has meant that both the Department and cooperating State welfare agencies have had time to gain the experience and build the kind of administrative organization that is essential to effective and prudent program administration.

Third, the Department has continued to exercise close supervision and direction—an element that our pilot experience convinced us was essential to the success of the program.

Fourth, the design of the program assures that the Federal assistance provided to participating families is used to buy more and better food. It also assures that the program will not be used as a substitute for State and local responsibilities for general welfare programs for the poor.

Mr. Chairman, I would like to expand upon this fourth principle—because it goes to the heart of the food stamp program.

For the average American family, food is a bargain—with that family spending less than 20 percent of its income for food. But, low-income families spend a much larger percentage of their income for food—many in excess of 50 percent of their income. Yet, poor families cannot afford all the food they need for good health. They need more fruits and vegetables and more livestock products, for example. And this latter need, of course, means that these families could utilize more grain products—in the form of meat, milk and other dairy products, and poultry.

The food stamp program is designed to overcome the financial limitations to better diets on the part of our low-income families. Under it, eligible families exchange the amount of money they would normally spend for food for an allotment of food coupons worth more. They then use the coupons, as they would use cash, to buy more and better food at local grocery stores.

Food stamp families cannot purchase (1) tobacco or (2) alcoholic beverages with the food coupons. And, coupons cannot be used for (3) any imported foods that retain their identity as an imported food in the retail food store.

We refer to the sums the participating families invest in the program as the coupon purchase requirement. It represents the amounts of money eligible families would have spent for food in the absence of the food stamp program.

On the average, the family's investment in the program represents about 64 percent of the total value of the coupons they receive each month. The value of the coupons they receive free averages about \$6 per person per month. But this ratio would vary for each individual family. The very poorest families would, for example, invest about \$2 per person per month. In return, they would receive about \$10 worth of coupons a month for each member of the family.

Because of the coupon purchase requirement, food stamp families are required to continue to spend a substantial percentage of their income for food. The program will not permit them to divert some of their food dollars to meet their nonfood needs that may be equally pressing needs. Other approaches and other programs must be used to help the low-income families with these other needs. The stamp program only helps them to buy more and better food.

Quite frankly, the acceptance of the food stamp program by the State and localities has exceeded the optimistic expectations we had at the time the Food Stamp Act was passed. We then felt that, based upon our experience under the direct donation program for needy families, about 50 percent of the some 3,000 counties in the country would eventually want to participate in the program. But, we are finding that many localities that previously did not request to participate in direct distribution have asked to be included in the food stamp program. Of the some 870 areas the States have now scheduled to be operating stamp programs by the end of this fiscal year, 249, or 29 percent, were not previously participating in the commodity distribution program.

Mr. Chairman, there is attached to my statement a table which shows the progress we have made under the food stamp program since the act was signed in August of 1964. I am also submitting for the record, program data for each of the 589 project areas that were in operation in January 1967:

When the act was passed in August 1964, about 351,000 persons were participating in the 43 pilot areas located in 22 States.

In January of this year, the program was operating in 589 areas in 41 States and the District of Columbia, with 1.4 million participants.

By the end of this fiscal year, the States are now scheduled to open 286 additional areas. If the States adhere to their schedules, by the end of June the program will be operating in 875 areas, with about 2 million participants. One additional State, Massachusetts, is scheduled to open its first project by the end of the fiscal year.

And it gives me a very warm personal feeling, if you will pardon the personal reference, to make this report on the success and the expansion of this program, because it is another evidence of how, working together, we have been able to make available America's food abundance not just to thousands but to millions of needy Americans. One of the reasons why I came to Washington to be Secretary of Agriculture was because I thought that was one of the most important things that we could do for this Nation, and it does give me a warm feeling to come here this morning to make this report, to show that 2 million families will have their diets very significantly supplemented and that we will make it possible for them to enjoy the abundance of the great agriculture of this great Nation which enables us to do this.

I believe the committee would be interested in knowing something about the general characteristics of these 875 areas.

About 40 percent of the population of the country, based upon 1960 census data, reside in these 875 areas.

Six hundred and nine of these areas, 70 percent, had more than half of their population classified as rural people under the 1960 census.

A total of 116 of these areas are included in the list of the 300 poorest counties in the country, as measured by the per capita income of the county.

About 2.5 percent of the total population of these areas will participate in the food stamp program. But in some of the lowest income counties, up to 25 percent of the county's population was benefiting from the food stamp program in January of this year.

H.R. 1318 will authorize the continuation of the program beyond June of this year by providing appropriation authorities for fiscal year 1968 and later years. With this amendment, we would plan to continue to progressively expand the program to all areas within the country that request to participate.

I might, at this point, briefly touch on the division of administrative authorities under the Food Stamp Act. The States, acting through the State agency which administers the federally aided public assistance programs, is responsible for the certification of applicant households and for the sale and issuance of the food coupons. The Department of Agriculture, through our Consumer and Marketing Service, is directly responsible for the supervision of participating retailers and wholesalers.

The State welfare agency, through its local counterpart offices, must assume responsibility for the certification of households. The act requires that these certification functions be carried out under the same general procedures and merit-system personnel standards used in the certification of recipients of public assistance.

More flexibility is provided to the State welfare agency in connection with the sale of the food coupons. It may elect to sell the coupons through its own local offices; it may delegate this responsibility to the local government; or it may hire banks to sell the coupons. In each case, however, the sales function must be carried out in accordance with the careful accountability controls that have been established by our Consumer and Marketing Service.

In connection with the participation of retailers and wholesalers, we follow the principle of voluntary participation. But, we do find that virtually all retailers elect to participate. In January of this year, a total of 51,900 retail food stores were authorized to accept food coupons.

We have received the finest cooperation from food retailers and wholesalers. And, they have been high in their praise of the program and its lack of complications. More importantly, retailer compliance with the restrictions on the acceptance of the coupons has been at a very satisfactory level.

Where we do find a retailer has willfully disregarded program regulations, we use the authorities in the act to disqualify the store. Since the act was passed in 1964, we have found it necessary to disqualify only 57 stores, for periods ranging from 30 days to 1 year. Another 189 firms received an official warning letter because of the minor nature of the violations. Another 239 stores, for which an investigation was undertaken because there was evidence that indicated possible violations, were found to be free of violations.

Finally, Mr. Chairman, we wish to acknowledge the excellent cooperations of the commercial banking system. Retailers and wholesalers redeem the coupons they accept from the families at commercial banks in their own community. The commercial banks receive no payment from the Federal Government for this service.

We believe the principles and operating guidelines the Congress incorporated into the Food Stamp Act of 1964 have stood the test of time. Further, we believe the Congress also provided sufficient flexibility, within those program principles and guidelines, for the De-

partment to develop the detailed operating procedures. This flexibility permits us to adjust program specifics as State and local conditions warrant. Therefore, the Department recommends that the Food Stamp Act continue without change, except for the extension of appropriation authorities.

When the President approved the Food Stamp Act in 1964, he said, in part:

I believe the Food Stamp Act weds the best of the humanitarian instincts of the American people with the best of the free enterprise system.

He went on to say that he felt the act was a realistic and responsible step forward toward the fuller and wiser use of agricultural abundance.

Mr. Chairman, I believe that the program has lived up to these expectations. And, I believe a solid base has been laid for further progress in the immediate years ahead.

Now, I would like to turn to a discussion of the proposed amendment to the Child Nutrition Act also under consideration today. We need this legislation to round out our capability of improving child nutrition through group food service. I urge your support for this addition to the legislative framework that has been carefully built over a period of many years. The amendment is designed so that we may assist the States in improving the nutrition of children engaged in group activities other than schools. Specifically, this includes children in public or nonprofit private day-care centers, neighborhood houses, recreational centers, and various summer activities designed for needy children on a day-care basis.

Last year, in testifying on the group feeding proposals of the Child Nutrition Act, I said:

The Administration goal for child nutrition is quite simple. It is to provide every child, regardless of the family's income, with access to a complete meal during the day when he or she is away from home.

That goal remains and we are asking your help in taking one more step to close the nutrition gap among children.

As you know, assistance under the National School Lunch and Child Nutrition Acts is confined to schools. Since passage of the Child Nutrition Act we have been able to reach preschool children enrolled in school-sponsored programs. But we still cannot reach preschool children in private, nonprofit preschool programs; we cannot reach children in day-care centers or settlement houses; we cannot reach children during the summer months unless they are enrolled in summer school and the school keeps the cafeteria operating. We are saying, in effect, that we know the importance of good nutrition for children; we know that in early childhood poor nutrition can have lasting effects, physical and mental, but the children will just have to wait until they are old enough for school and even then good nutrition is only a 9-month effort.

The proposed legislation will enable us:

To reach children with a group food service in public or private nonprofit day-care centers, settlement houses, and private nonprofit preschool activities with a full range of Federal food assistance on a year-round basis.

To reach children engaged during the summer months in recreational programs such as day camps and youth centers, but not in full-care live-in institutions or camps.

It is contemplated that the program would be operated initially on a pilot basis reaching approximately 100,000 children the first year at a cost of \$4.5 million. The majority of these children will probably participate during the summer months.

Assistance will be directed primarily to those activities serving children of low-income families, but where a program is in operation, all children will be able to participate.

In situations of severe need, we will be able to pay up to 80 percent of all operating costs of the food service program, just as we can do under the Child Nutrition Act breakfast program.

States will be permitted to use up to 25 percent of the funds apportioned to them to provide up to 75 percent of the cost of the equipment for use by eligible institutions to initiate or expand food service. This is consistent with the provision already in the Child Nutrition Act for equipment for the school lunch program and the breakfast program.

There is one point that I want to emphasize at the outset. This proposed amendment is based on the 20 years of continuing successful experience under the national school lunch program. Program administration will be in the hands of the same State educational agency that administers the lunch and child nutrition programs. They have 20 years of hard-won expertness in providing a food service for children that meets pretty stringent nutritional standards at a minimum cost to the child. This is by no means an easy job on a day-in, day-out basis, but they have learned how to do it.

It is my feeling that food service for children should be on a more rational, widely available basis. If children are participating in group activities away from home, whether it is a school situation or an activity sponsored on an organized basis by a public or nonprofit private agency, it makes sense to offer a food service that will make a positive contribution to a child's nutrition.

This amendment and our thinking as to its administration are patterned throughout on the National School Lunch and Child Nutrition Acts. As I mentioned, administration will be handled through the State educational agency. There will be meal-type standards as in the lunch and breakfast programs; participating agencies will agree to serve nutritionally balanced meals in order to qualify for assistance. Meals will be served at reduced price or free to those who cannot afford the full price—just as in the lunch and breakfast programs. In situations of extreme need, the States may pay up to 80 percent of the operating costs—just as in the breakfast program. State agencies may use up to 25 percent of their apportioned funds to provide equipment to get a food service started or to expand an existing food service.

If a State educational agency cannot see its way clear to undertake the administration of this program, the Department of Agriculture will take direct agreements with eligible applicant institutions and supervise their operation under the program. This is entirely in line with our procedure under the National School Lunch Act where we have made agreements directly with nonpublic schools in some 29 States in those instances where the State educational agency cannot legally administer the program in nonpublic schools. It is entirely in line with our procedure under the special milk program, particularly in the case of eligible summer camps and child-care institutions. There

are a number of educational agencies which do not wish to or are unable to administer the milk program in nonschool activities.

Who and where are these children we want to reach?

As President Johnson pointed out in his message on America's children and youth, there are 5.5 million children under 6, and 9 million more under 17, in families too poor to feed and house them adequately. He went on to say:

Head Start has dramatically exposed the nutritional needs of poverty's children. More than 1.5 million per-schoolers are not getting the nourishing food vital to strong and healthy bodies * * * I am recommending legislation to authorize a pilot program to provide school lunch benefits to needy pre-schoolers through Head Start and similar programs * * *

Some 60 percent of the children in year-round Headstart projects are in privately sponsored groups—35 percent in last summer's Headstart projects were in privately sponsored groups. We can help these children with the milk program and donated foods—useful help, yes, but not the full range of help we could extend if they were in school.

Great concern has been expressed by a number of Congressmen that even our lunch program is available to schoolchildren only 9 months of the year, although good nutrition is a year-round need. There are many, many group activities for children during the summer months where we could help provide improved nutrition. The provision of a food service, in itself, would attract still more youngsters to organized group activity.

The legislation we discuss here today will permit us to take one more step toward closing the nutrition gap among children.

Thank you for your kind attention. I will be happy to answer any questions you may have.

The CHAIRMAN. The chart which is attached to your paper as table 1, together with the tables consisting of 23 pages which you have furnished will be made a part of the record at this point.

(Table 1 and tabulations follows:)

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per-cent)	Average bonus per person
Alabama (3):							
Greene (new).....	99	2,803	2,902	\$35,121	\$22,415	64	\$7.72
Jefferson.....	3,795	6,658	10,453	141,504	75,308	53	7.20
Walker.....	2,022	2,716	4,738	69,859	34,423	49	7.27
Total.....	5,916	12,177	18,093	246,484	132,146	54	7.30
Alaska (1): Nome.....	13	84	97	1,986	824	41	8.49
Arkansas (19):							
Arkansas.....	245	527	772	10,940	4,677	43	6.06
Bradley.....	235	339	574	8,776	3,299	38	5.74
Conway.....	768	390	1,158	18,364	6,784	37	5.86
Craighead.....	374	862	1,236	18,781	8,996	48	7.28
Crittenden.....	494	6,893	7,387	86,526	51,633	60	7.03
Faulkner.....	300	157	457	8,461	2,647	31	5.79

See footnotes at end of table.

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967—Continued

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per cent)	Average bonus per person
Arkansas (19)—Continued							
Independence.....	701	646	1,347	\$21,616	\$9,339	43	\$6.93
Izard.....	160	133	293	5,232	1,920	37	6.55
Jefferson.....	776	3,560	4,336	53,091	29,058	55	6.70
Lee.....	659	3,683	4,342	51,182	28,626	56	6.59
Lincoln.....	345	510	855	13,517	6,505	48	7.60
Lonoke.....	524	1,537	2,061	26,508	14,068	53	6.83
Mississippi.....	1,722	5,794	7,516	99,540	51,972	52	6.91
Monroe.....	487	2,073	2,560	32,306	18,453	57	7.21
Perry.....	372	84	456	8,256	2,570	31	5.64
Phillips.....	1,712	6,415	8,127	102,832	56,353	55	6.93
Prairie.....	365	192	557	9,128	3,424	38	6.15
Pulaski.....	2,157	1,506	3,663	55,101	21,885	50	5.97
St. Francis.....	1,139	3,985	5,124	61,450	36,065	59	7.04
Total.....	13,535	39,286	52,821	691,607	358,574	52	6.79
California (4):							
Contra Costa.....	7,348	1,542	8,890	169,492	45,445	27	5.11
Humboldt.....	1,659	736	2,395	43,182	12,611	29	5.27
Los Angeles.....	1 63,400	1 14,353	1 77,753	1,419,072	386,430	27	1 4.97
San Francisco.....	7,896	2,077	9,973	202,976	53,913	27	5.41
Total.....	1 80,303	1 18,708	1 99,011	1,834,722	498,399	27	1 5.06
Colorado (21):							
Adams.....	972	693	1,665	30,272	9,897	33	5.94
Alamosa.....	133	246	379	5,842	2,385	41	6.29
Arapahoe.....	925	245	1,170	23,702	6,976	29	5.96
Boulder.....	252	137	389	7,737	2,328	30	5.98
Clear Creek.....	19	5	24	510	156	31	6.50
Conejos.....	116	437	553	10,102	4,528	45	8.19
Costilla.....	29	226	255	4,409	1,782	40	6.99
Crowley.....	55	60	115	1,890	778	41	6.77
Custer (new).....	26	3	29	646	196	30	6.76
Denver.....	8,579	2,051	10,630	223,734	68,367	31	6.43
Elbert.....	22	2	24	574	162	28	6.75
Gilpin.....	20	15	35	778	246	32	7.03
Huerfano.....	289	254	543	10,304	3,266	32	6.01
Jefferson.....	612	307	919	18,155	5,476	30	5.95
Larimer (new).....	237	95	332	6,056	1,856	31	5.59
Las Animas.....	554	595	1,149	21,284	7,186	34	6.25
Mesa (new).....	206	126	332	5,660	1,919	34	5.78
Otero.....	255	254	509	8,469	3,033	36	5.96
Pueblo.....	2,261	1,423	3,684	67,591	22,501	33	6.11
Rio Grande-Mineral.....	158	283	441	7,089	2,872	41	6.51
Weld (new).....	653	207	860	15,085	5,368	36	6.24
Total.....	16,373	7,664	24,037	469,889	151,278	32	6.29
Connecticut (1): Waterbury district.							
.....	1 2,010	1 1,356	1 3,366	63,764	17,842	28	1 5.30
District of Columbia (1): Washington.							
.....	1 11,185	1 7,327	1 18,512	309,593	114,962	37	1 6.21
Georgia (18):							
Bibb.....	1,216	1,891	3,107	47,280	19,795	42	6.37
Burke (new).....	132	516	648	7,036	3,070	44	4.74
Charlton.....	170	277	447	6,170	2,782	45	6.22
Clinch.....	108	112	220	3,299	1,323	40	6.01
Echols.....	67	94	161	2,436	912	37	5.66
Hall.....	255	325	580	9,918	3,692	37	6.37
Hancock (new).....	77	228	305	3,935	1,947	49	6.38
Houston (new).....	125	176	301	4,336	1,900	44	6.31
Lowndes.....	362	411	773	11,155	4,544	41	5.88
Lumpkin.....	187	112	299	4,670	1,870	40	6.25
Mitchell.....	304	725	1,029	14,311	6,495	45	6.31
Pulaski (new).....	104	164	268	3,978	1,534	39	5.72
Rabun.....	212	309	521	8,656	3,394	39	6.51
Richmond (new).....	453	436	889	13,614	4,717	35	5.31

See footnotes at end of table.

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967—Continued

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per cent)	Average bonus per person
Georgia (18)—Continued							
Stephens.....	135	230	365	\$5,990	\$2,482	41	\$6.80
Taliaferro (new).....	34	39	73	1,170	522	45	7.15
Thomas.....	513	585	1,098	15,839	6,674	42	6.08
Washington (new).....	29	144	173	12,636	11,081	141	16.25
Total.....	4,483	6,774	11,257	116,429	168,734	141	16.11
Hawaii (3):							
Honolulu.....	3,756	663	4,419	90,738	124,899	127	15.64
Kauai.....	207	69	276	5,670	1,557	127	15.64
Maui.....	400	171	571	9,518	13,220	134	15.64
Total.....	4,363	903	5,266	105,926	29,676	28	5.64
Illinois (39):							
Alexander.....	1,750	1,496	11,246	23,770	6,729	28	15.40
Bond (new).....	1,100	152	1152	2,819	788	28	15.18
Calhoun (new).....	1,100	150	1150	2,852	781	27	15.18
Clay (new).....	1,150	1125	1275	4,879	1,427	29	15.18
Clinton (new).....	140	122	162	1,164	322	28	15.18
Cook.....	176,500	17,111	183,611	1,580,796	427,253	27	15.11
Crawford (new).....	1,100	166	1166	3,023	859	28	15.18
Edwards (new).....	150	121	171	1,133	370	33	16.18
Fayette (new).....	1,150	159	1209	3,885	1,081	28	15.18
Franklin.....	11,400	1627	12,027	44,793	12,204	27	16.02
Gallatin.....	1164	1124	1288	6,017	1,667	28	15.78
Greene (new).....	1125	158	1183	3,529	950	27	15.18
Hamilton.....	1103	173	1176	3,620	1,110	31	16.29
Hardin.....	1172	162	1234	5,187	1,390	27	15.94
Jackson.....	1545	1276	1821	15,902	4,501	28	15.48
Jasper.....	175	149	1124	2,240	644	29	15.18
Jefferson.....	1825	1365	11,190	24,026	6,640	28	15.58
Jersey (new).....	175	132	1107	2,133	556	26	15.18
Johnson.....	186	194	1180	3,493	1,057	30	16.88
Lawrence (new).....	1300	1143	1443	8,454	2,295	27	15.81
Macoupin (new).....	1200	155	1255	4,714	1,323	28	15.18
Madison.....	12,000	11,044	13,044	38,192	10,807	28	13.55
Marion (new).....	1500	1209	1709	12,958	3,672	28	15.18
Massac.....	1350	1113	1463	9,524	2,629	28	15.68
Monroe (new).....	150	132	1182	1,488	424	28	15.18
Montgomery (new).....	1100	141	1141	2,637	732	28	15.18
Perry (new).....	1150	155	1205	3,874	1,060	27	15.18
Pope.....	1165	196	1261	6,025	1,686	28	16.45
Pulaski.....	1925	1378	11,303	24,274	6,906	28	15.30
Randolph (new).....	1100	161	1161	2,893	836	29	15.18
Richland (new).....	175	127	1102	1,768	530	30	15.18
St. Clair.....	110,000	11,425	111,425	235,951	64,097	27	15.61
Saline.....	1800	1464	11,264	27,899	7,786	28	16.16
Union.....	1166	1204	1370	7,275	2,151	30	15.82
Wabash (new).....	175	157	1132	2,546	682	27	15.18
Washington (new).....	120	112	1132	658	168	26	15.18
Wayne (new).....	1125	148	1173	3,267	894	27	15.18
White.....	1250	152	1302	6,160	1,764	29	15.85
Williamson.....	1900	1584	11,484	31,392	8,486	27	15.72
Total.....	198,761	114,862	1113,623	2,167,210	589,257	27	15.19
Indiana (17):							
Bartholomew.....	215	174	389	6,139	2,354	38	6.05
Floyd.....	426	459	885	14,095	5,488	39	6.20
Gibson.....	428	209	637	9,674	3,986	41	6.25
Harrison.....	145	311	456	7,868	2,983	38	6.54
Knox.....	338	336	674	12,495	4,386	35	6.50
Lake.....	17,710	1,450	19,160	134,552	45,894	34	15.01
Madison (new).....	746	87	833	9,683	3,746	39	4.50
Marion.....	3,890	1,866	5,756	96,343	34,055	35	5.92
Perry.....	392	257	649	10,592	4,018	38	6.19
Pike.....	288	117	405	5,759	2,508	44	6.19
Posey.....	169	365	534	8,077	3,267	40	6.12

See footnotes at end of table.

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967—Continued

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per cent)	Average bonus per person
Indiana (17)—Continued							
Putnam	63	39	102	\$1,353	\$538	40	\$5.27
Spencer	295	268	563	9,198	3,530	39	6.27
Switzerland	54	71	125	2,103	824	39	6.59
Tipton	106	32	138	2,469	785	32	5.69
Vanderburgh	2,223	1,592	3,815	63,435	22,354	35	5.86
Warrick	283	193	476	8,247	2,994	36	6.29
Total	17,771	7,826	25,597	402,082	143,710	36	5.61
Iowa (40):							
Adams (new)	28	19	47	964	296	31	6.30
Appanoose	325	172	497	10,783	3,150	29	6.34
Benton (new)	80	29	119	2,492	688	28	5.78
Butler	98	74	162	3,258	940	29	5.80
Calhoun	157	126	283	1,693	468	28	5.50
Cerro Gordo	273	33	306	6,008	1,635	27	5.34
Clarke	19	5	24	562	146	26	6.08
Dallas	183	53	236	5,058	1,498	30	6.35
Davis	32	45	77	1,425	418	29	5.43
Decatur	90	50	140	2,818	938	33	6.70
Des Moines (new)	153	149	302	5,685	1,670	29	5.52
Dubuque	730	377	1,107	18,444	5,702	31	5.15
Franklin	38	35	73	1,478	416	28	5.70
Greene	85	48	133	2,555	754	30	5.67
Grundy	19	4	23	470	162	34	7.04
Guthrie	93	39	132	2,624	814	31	6.17
Hamilton	115	7	122	2,604	672	26	5.51
Harrison (new)	39	69	108	1,166	1,628	129	5.82
Henry (new)	33	10	43	938	266	28	6.19
Ida	18	18	36	832	220	26	6.11
Jasper	152	65	217	4,154	1,229	30	5.66
Johnson	293	94	387	4,616	1,318	29	5.41
Lee (new)	212	105	317	5,935	1,657	28	5.23
Lucas	213	44	257	5,625	1,618	29	6.30
Madison	73	52	125	2,906	826	28	6.61
Marshall	102	26	128	2,465	721	29	5.63
Monona	98	95	193	3,837	1,263	33	6.54
O'Brien	112	48	160	3,308	909	27	5.68
Plymouth	57	11	68	1,532	390	25	5.74
Scott	813	470	1,283	22,006	6,599	30	5.14
Sioux	126	19	145	3,265	846	26	5.83
Tama (new)	82	38	120	2,349	652	28	5.43
Taylor (new)	27	42	69	1,361	442	32	6.41
Union (new)	84	30	114	2,536	692	27	6.07
Van Buren	102	27	129	2,728	750	27	5.81
Wapello	402	466	868	17,324	5,627	32	6.48
Warren (new)	81	54	135	1,710	1,786	129	5.82
Washington (new)	71	30	101	1,886	512	27	5.07
Wayne	122	39	161	3,388	1,032	30	6.41
Woodbury	1,946	554	2,500	48,386	13,929	29	5.57
Total	17,676	3,571	21,247	215,174	63,279	29	5.6
Kansas (5):							
Bourbon	1158	47	205	4,234	1,229	29	6.00
Cherokee	1619	77	696	14,385	4,036	28	5.80
Crawford	1840	75	915	20,217	5,436	27	5.94
Labette	1532	97	629	12,146	3,364	28	5.35
Wilson	1123	21	144	2,509	804	32	5.58
Total	2,272	317	2,589	53,491	14,869	28	5.74
Kentucky (44):							
Adair	100	309	409	5,676	2,648	47	6.47
Bath	112	399	511	7,178	3,348	47	6.55
Bell	2,074	2,046	4,120	63,840	24,815	39	6.02
Breathitt	2,164	1,687	3,851	60,874	21,834	36	5.67
Campbell	1266	1342	2608	9,060	3,857	43	6.34
Carter	215	845	1,060	14,746	7,662	52	7.23

See footnotes at end of table.

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967—Continued

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per cent)	Average bonus per person
Kentucky (44)—Continued							
Casey.....	165	504	759	\$10,326	\$5,466	53	\$7.20
Clark.....	96	157	253	3,890	1,612	41	6.37
Clay.....	1,200	2,700	3,900	56,058	25,172	45	6.45
Clinton.....	68	499	567	7,742	4,230	55	7.46
Cumberland.....	268	330	598	8,988	3,838	43	6.42
Elliott.....	199	325	524	7,748	3,250	42	6.20
Estill.....	340	655	995	14,870	6,694	45	6.73
Floyd.....	2,709	3,110	5,819	87,958	33,934	39	5.83
Harlan.....	2,343	3,333	5,676	84,520	34,496	41	6.08
Jackson.....	574	659	1,233	19,356	7,138	37	5.79
Jefferson.....	2,605	1,797	4,402	73,632	24,681	34	5.61
Johnson.....	744	1,841	2,585	37,282	18,032	48	6.98
Knott.....	2,886	2,507	5,393	82,658	30,380	37	5.63
Knox.....	1,848	2,485	4,333	65,642	26,144	40	6.03
Laurel.....	419	1,412	1,831	25,840	13,126	51	7.17
Lee.....	344	1,137	1,481	21,530	10,072	47	6.80
Leslie.....	1,696	1,681	3,377	51,148	20,278	40	6.00
Letcher.....	1,516	2,098	3,614	54,165	22,138	41	6.13
Lincoln.....	161	536	697	10,206	5,186	51	7.44
Logan.....	115	285	400	16,020	12,468	141	16.17
McCreary.....	574	1,340	1,914	26,996	12,622	47	6.59
Magoffin.....	1,113	1,955	3,068	44,486	19,812	45	6.46
Martin.....	1,483	1,167	2,650	40,272	15,358	38	5.80
Menifee.....	299	126	425	6,394	2,438	38	5.74
Montgomery.....	219	220	439	6,830	2,614	38	5.95
Morgan.....	619	780	1,399	20,506	8,682	42	6.21
Muhlenburg.....	194	398	592	9,170	4,074	44	6.88
Owsley.....	491	896	1,387	21,300	8,730	41	6.29
Perry.....	3,784	3,093	6,877	102,800	39,238	38	5.71
Pike.....	2,369	2,575	4,944	75,536	29,062	38	5.88
Pulaski.....	425	1,180	1,605	23,254	11,184	48	6.97
Rockcastle.....	218	894	1,112	15,654	8,000	51	7.19
Russell.....	89	533	622	8,314	4,634	56	7.45
Simpson.....	62	170	232	3,406	1,506	44	6.49
Todd.....	27	116	143	2,048	1,982	48	6.87
Wayne.....	192	1,230	1,422	18,716	10,864	58	7.04
Whitley.....	790	1,573	2,363	34,504	15,624	45	6.61
Wolfe.....	735	482	1,217	19,188	6,996	36	5.75
Total.....	¹ 38,910	¹ 52,497	¹ 91,407	¹ 1,370,327	¹ 564,919	¹ 41	¹ 6.18
Louisiana (22):							
Acadia.....	1,714	2,441	4,155	59,627	27,768	47	6.68
Assumption.....	281	1,270	1,551	17,151	9,043	53	5.83
Avoyelles.....	2,256	5,862	8,118	116,480	53,910	46	6.64
Calcasieu.....	1,536	1,339	2,875	41,632	17,539	42	6.10
Caldwell.....	154	446	600	9,694	4,417	46	7.36
East Baton Rouge (new).....	273	488	761	7,909	3,925	50	5.16
Evangeline.....	3,742	5,512	9,254	138,386	60,914	44	6.58
Franklin.....	661	3,078	3,739	46,189	24,307	53	6.50
Iberia.....	709	710	1,419	19,867	8,062	41	5.68
Iberville.....	444	1,466	1,910	23,078	11,257	49	5.89
Jefferson Davis.....	612	520	1,132	16,714	6,445	39	5.69
Lafayette.....	1,015	2,735	3,750	47,654	24,565	52	6.55
Natchitoches.....	1,082	2,762	3,844	50,899	26,594	52	6.92
Pointe Coupee.....	827	1,749	2,576	35,044	15,278	44	5.93
Red River (new).....	327	1,248	1,575	20,207	10,691	53	6.79
Richland.....	371	2,505	2,876	33,355	18,930	57	6.59
St. James.....	159	351	510	6,674	2,907	44	5.70
St. John.....	123	351	474	6,219	2,373	38	5.01
St. Landry.....	1,979	10,079	12,058	155,326	81,628	53	6.77
St. Martin.....	1,271	1,925	3,196	43,650	21,340	49	6.68
Vermilion.....	367	1,076	1,443	19,262	9,861	51	6.83
Winn.....	441	172	613	9,580	3,413	36	5.57
Total.....	20,344	48,085	68,429	924,597	445,197	48	6.51

See footnotes at end of table.

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967—Continued

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per cent)	Average bonus per person
Maine (1): Androscoggin.....	726	858	1,584	\$29,678	\$9,521	32	\$8.01
Maryland (9):							
Allegany.....	996	388	1,384	28,455	9,247	32	6.68
Anne Arundel.....	639	707	1,346	22,618	8,411	37	6.25
Baltimore.....	702	112	814	16,493	5,945	36	7.30
Caroline (new).....	174	14	188	3,526	1,199	34	6.38
Charles.....	73	30	103	1,546	572	37	5.55
Dorchester.....	303	70	373	6,684	2,218	33	5.95
Garrett.....	339	320	659	12,625	4,428	35	6.72
Queen Annes.....	105	73	178	2,694	983	36	5.52
Talbot.....	109	53	162	2,702	967	36	5.97
Total.....	3,440	1,767	5,207	97,343	33,970	35	6.52
Michigan (6):							
Gogebic.....	643	387	1,030	19,905	5,703	29	5.54
Houghton.....	762	776	1,538	31,057	9,033	29	5.87
Macomb.....	2,062	565	2,627	53,766	16,379	30	6.23
Oakland.....	5,032	716	5,748	107,322	29,600	28	5.15
St. Clair.....	1,592	233	1,825	30,143	8,377	28	4.59
Wayne.....	135,000	110,099	145,099	855,554	248,496	29	15.51
Total.....	145,091	112,776	157,867	1,097,747	317,588	29	15.49
Minnesota (29):							
Aitkin.....	98	334	432	7,537	2,382	32	5.51
Anoka (new).....	507	115	622	11,814	3,112	26	5.00
Becker.....	183	679	862	15,064	5,340	35	6.19
Beltrami.....	440	824	1,264	22,149	6,993	32	5.53
Benton (new).....	37	218	255	4,181	1,377	33	5.40
Big Stone.....	137	137	274	5,313	1,512	28	5.52
Carlton.....	304	599	903	16,979	5,192	31	5.75
Chippewa.....	44	79	123	2,089	632	30	5.14
Crow Wing.....	171	670	841	16,614	5,120	31	6.09
Dakota (new).....	464	170	634	12,204	3,269	27	5.16
Hennepin.....	5,150	2,253	7,403	166,776	40,900	25	5.52
Hubbard.....	76	445	521	9,458	3,417	36	6.56
Itasca.....	274	655	929	18,313	5,541	30	5.96
Kandiyohi.....	279	323	602	11,789	3,628	31	6.03
Koochiching.....	244	332	576	11,676	3,023	26	5.25
Lac qui Parle.....	56	231	287	5,052	1,526	30	5.32
Lake.....	22	121	143	2,489	857	34	5.99
Otter Tail (new).....	76	7	83	3,066	778	25	9.37
Pine.....	148	229	377	7,509	2,238	30	5.94
Pipestone (new).....	41	80	121	2,252	707	31	5.84
Polk (new).....	188	271	459	8,334	2,524	30	5.50
Ramsey.....	5,888	2,360	8,248	168,497	44,966	27	5.45
Renville (new).....	79	111	190	2,880	842	29	4.43
Roseau (new).....	33	38	71	1,334	462	35	6.51
Stearns.....	248	946	1,194	19,811	7,108	36	5.95
St. Louis.....	4,077	3,086	7,163	145,084	38,622	27	5.39
Swift.....	66	229	295	6,035	1,760	29	5.97
Washington (new).....	170	48	218	4,202	1,156	28	5.30
Wright (new).....	65	170	235	3,741	1,267	34	5.39
Total.....	19,565	15,760	35,325	712,142	196,251	28	5.56
Mississippi (14):							
Attala (new).....	465	1,672	2,137	27,160	14,659	54	6.86
Chickasaw.....	700	1,825	2,525	35,192	17,070	49	6.76
Clay.....	573	2,739	3,312	40,449	24,052	59	7.26
Coahoma.....	1,233	9,123	10,356	127,170	70,788	56	6.84
Forrest.....	780	1,970	2,750	36,553	18,851	52	6.85
Harrison.....	631	1,657	2,288	31,200	16,187	52	7.07
Jones.....	1,337	4,169	5,506	70,933	40,489	57	7.35
Lee (new).....	951	1,283	2,234	34,006	15,578	46	6.97
Lowndes.....	844	1,950	2,794	38,016	19,500	51	6.98
Madison.....	919	4,708	5,627	68,803	39,748	58	7.06
Marion (new).....	496	451	947	14,631	6,505	44	6.87

See footnotes at end of table.

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967—Continued

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per-cent)	Average bonus per person
Mississippi (14)—Continued							
Panola (new).....	283	1,856	2,139	\$27,305	\$14,031	51	\$6.56
Pike (new).....	814	1,248	2,062	29,381	14,835	50	7.19
Yazoo (new).....	1,241	3,194	4,435	59,374	30,754	52	6.93
Total	11,267	37,845	49,112	640,173	343,047	54	6.98
Missouri (1): St. Louis (city)	14,397	8,833	23,230	368,935	156,073	42	6.72
Montana (3):							
Cascade.....	1,405	1,046	2,451	43,067	15,087	35	6.16
Deer Lodge.....	88	189	277	5,592	1,606	29	5.80
Silver Bow.....	926	327	1,253	25,234	7,373	29	5.88
Total	2,419	1,562	3,981	73,893	24,066	33	6.05
Nebraska (18):							
Boone.....	48	24	72	1,594	480	30	6.67
Buffalo.....	250	86	336	5,654	1,649	29	4.91
Clay (new).....	30	0	30	1,568	1,176	131	15.86
Custer.....	150	32	182	3,867	1,097	28	6.03
Douglas.....	3,952	1,410	5,362	100,323	31,100	31	5.80
Franklin (new).....	18	17	35	657	258	39	7.37
Gage.....	99	18	117	2,832	718	25	6.14
Hall.....	1,200	1,82	1,282	5,415	1,574	29	15.57
Holt.....	30	17	47	989	300	30	6.38
Keith.....	15	9	24	554	150	27	6.25
Lancaster.....	1,007	544	1,551	30,190	9,426	31	6.08
Morrill.....	50	26	76	1,651	524	32	6.89
Nemaha.....	60	47	107	2,159	651	30	6.08
Sarpy.....	111	203	314	4,975	1,724	35	5.49
Saunders.....	93	140	233	4,102	1,520	37	6.52
Scotts Bluff-Banner.....	330	191	521	8,823	2,817	32	5.41
Sheridan.....	30	67	97	2,072	630	30	6.49
York.....	52	39	91	1,925	621	32	6.82
Total	16,525	12,952	19,477	178,350	155,415	131	15.85
New Jersey (2):							
Mercer.....	12,000	12,531	14,531	79,915	22,700	28	15.10
Salem.....	1,210	1,435	1,665	11,558	3,588	31	15.56
Total	12,210	12,966	15,176	91,473	26,288	29	15.08
New Mexico (15):							
Chaves.....	716	315	1,031	18,373	6,062	33	5.88
Colfax.....	234	174	408	17,094	12,544	136	16.26
Curry.....	615	424	1,039	17,350	6,523	38	6.28
Eddy.....	735	969	1,704	26,097	10,869	42	6.38
Harding.....	24	76	100	11,576	1,662	142	16.62
Lea.....	376	284	660	10,825	4,291	40	6.50
Mora.....	432	481	913	14,630	16,437	144	17.05
Quay.....	269	314	583	19,002	13,970	144	16.81
Rio Arriba.....	1,124	2,806	3,930	59,338	29,750	50	7.57
Roosevelt.....	271	553	824	12,587	5,532	44	6.71
Sandoval.....	449	1,492	1,941	27,121	15,432	57	7.95
San Miguel.....	1,794	2,026	3,820	162,121	126,091	142	16.83
Santa Fe.....	1,471	2,496	3,967	69,038	31,165	45	7.86
Taos.....	1,006	1,112	2,118	34,166	15,420	45	7.28
Union.....	100	33	133	12,546	1,893	139	16.72
Total	9,616	13,555	23,171	1371,864	1165,651	145	17.15
New York (1): Erie welfare district	15,090	4,931	20,021	387,607	109,237	28	5.46
North Carolina (22):							
Bertie.....	541	3,509	4,050	52,898	28,364	54	7.00
Cabarrus.....	158	106	264	4,350	1,890	43	7.16
Chatham.....	144	393	537	7,617	3,646	48	6.79
Chowan.....	103	591	694	8,956	5,152	58	7.42
Cleveland (new).....	236	112	348	5,686	2,022	36	5.81

See footnotes at end of table.

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967—Continued

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per-cent)	Average bonus per person
North Carolina (22)—Con.							
Dare.....	64	55	119	\$2,174	\$764	35	\$6.42
Durham.....	853	447	1,300	20,112	8,380	42	6.45
Forsyth.....	1,610	473	2,083	34,378	12,866	36	5.94
Franklin.....	454	1,376	1,830	24,306	12,084	50	6.60
Granville.....	101	760	861	10,722	5,900	35	6.85
Halifax.....	797	2,956	3,753	50,006	24,528	49	6.54
Harnett (new).....	87	155	242	3,466	1,602	46	6.62
Lee.....	514	303	817	12,274	4,893	40	5.99
Martin.....	428	2,323	2,751	35,108	19,122	54	6.95
Moore.....	500	313	813	12,512	5,130	41	6.31
Nash.....	1,585	5,742	7,327	96,296	51,162	53	6.98
New Hanover.....	467	257	724	12,430	4,736	38	6.54
Northampton.....	457	1,362	1,819	23,337	12,191	52	6.70
Orange.....	340	324	664	9,334	4,279	46	6.44
Person.....	375	459	834	11,504	5,536	48	6.64
Scotland.....	457	708	1,165	18,490	7,905	43	6.79
Surry.....	374	720	1,094	16,058	7,684	48	7.02
Total.....	10,645	23,444	34,089	1 472,014	1 229,336	1 49	1 6.73
North Dakota (1): Morton.....	137	195	332	5,859	1,968	34	5.93
Ohio (27):							
Allen.....	885	173	1,058	18,750	6,229	33	5.89
Ashland (new).....	112	24	136	2,737	760	28	5.59
Athens.....	1 700	1 351	1 1,051	19,552	6,738	34	1 6.41
Clark.....	832	461	1,293	24,715	8,202	33	6.34
Clermont.....	1,691	1,097	2,788	53,025	17,466	33	6.26
Columbiana.....	1,198	1,420	2,618	1 50,852	1 16,781	1 33	1 6.41
Cuyahoga.....	57,643	4,761	62,404	1,184,488	412,415	35	6.61
Franklin.....	12,800	1,635	14,435	261,979	92,893	35	6.44
Hamilton.....	19,200	5,982	25,182	473,180	158,260	33	6.28
Harrison.....	155	106	261	4,950	1,686	34	6.46
Holmes.....	88	15	103	2,234	722	32	7.01
Jefferson.....	1,263	477	1,740	34,270	11,912	35	6.85
Lake.....	404	60	464	9,550	2,858	30	6.16
Lawrence.....	2,013	1,247	3,260	59,398	22,978	39	7.05
Lorain.....	1,915	670	2,585	51,185	18,119	35	7.01
Lucas.....	13,727	1,884	15,611	297,079	102,372	34	6.56
Mahoning.....	3,768	2,392	6,160	102,461	34,786	34	5.65
Morgan.....	146	154	300	5,582	2,003	36	6.68
Montgomery.....	6,759	1,273	8,032	150,814	54,006	36	6.72
Richland.....	1,329	674	2,003	23,824	8,917	37	4.45
Scioto.....	3,394	892	4,286	79,911	28,844	36	6.73
Stark.....	2,458	920	3,378	65,576	22,223	34	6.58
Summit.....	8,987	1,247	10,234	181,431	62,443	34	6.10
Trumbull.....	1,805	1,015	2,820	49,012	16,807	34	5.96
Tuscarawas.....	713	167	880	16,930	5,826	34	6.62
Washington (new).....	316	401	717	12,205	5,632	46	7.85
Wayne (new).....	1 100	1 158	1 1,258	5,190	1,669	32	1 6.47
Total.....	1 144,401	1 29,656	1 174,057	1 3,240,880	1 1,123,547	1 35	1 6.46
Oregon (1): Multnomah.....	8,808	2,392	11,200	199,098	57,173	29	5.10
Pennsylvania (23):							
Allegheny.....	42,263	8,424	50,687	960,771	296,285	31	5.84
Bradford.....	1,495	673	2,168	39,609	13,084	33	6.04
Cambria.....	4,280	1,335	5,615	115,264	37,359	32	6.65
Clearfield.....	2,090	950	3,040	52,875	17,271	33	5.68
Clinton (new).....	461	228	689	12,186	3,757	31	5.45
Dauphin (new).....	3,170	375	3,545	57,955	16,774	29	4.73
Fayette.....	11,867	1,953	13,820	257,923	84,736	33	6.13
Greene.....	1,870	686	2,556	41,723	14,016	34	5.48
Huntingdon.....	978	396	1,374	26,489	8,641	33	6.29
Indiana.....	1,871	679	2,550	35,163	12,195	35	4.78
Lackawanna.....	4,141	2,355	6,496	120,155	39,243	33	6.04
Luzerne.....	5,628	3,119	8,747	158,526	52,027	33	5.95
McKean.....	969	407	1,376	24,214	7,681	32	5.58
Mifflin.....	673	227	900	14,124	4,505	32	5.01
Northumberland (new).....	1,318	747	2,065	36,053	11,280	31	5.46
Philadelphia.....	35,974	12,657	48,631	793,317	261,480	33	5.38

See footnotes at end of table.

*U.S. Department of Agriculture Consumer and Marketing Service—Participation
and coupon value, by project area, January 1967—Continued*

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per cent)	Average bonus per person
Pennsylvania (23)—Con.							
Potter.....	414	198	612	\$9,961	\$3,289	33	\$5.37
Somerset.....	2,132	1,051	3,183	55,814	18,228	33	5.73
Sullivan (new).....	106	57	163	12,897	1,927	32	15.69
Susquehanna (new).....	540	283	823	11,835	3,701	31	4.50
Tioga.....	747	522	1,269	22,235	7,428	33	5.85
Washington.....	4,178	1,527	5,705	97,527	32,173	33	5.64
Wyoming (new).....	181	76	257	4,730	1,511	32	5.88
Total.....	127,346	38,925	166,271	12,951,346	1,947,591	32	15.70
Rhode Island (4):							
Central Falls (city).....	3,694	435	4,129	87,501	24,853	28	6.02
Pawtucket (city).....	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Providence (city).....	8,378	691	9,069	185,291	54,700	30	6.03
Woonsocket (city).....	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Total.....	12,072	1,126	13,198	272,792	79,553	29	6.03
South Carolina (7):							
Cherokee.....	125	248	373	5,720	2,852	50	7.65
Dillon.....	234	4,763	4,997	60,528	37,838	63	7.57
Edgefield.....	99	546	645	8,976	4,774	53	7.40
Lee.....	187	3,221	3,408	40,048	25,910	65	7.60
McCormick.....	109	626	735	9,778	5,452	56	7.42
Williamsburg.....	448	6,334	6,782	85,334	49,398	58	7.28
York.....	205	935	1,140	15,326	8,346	54	7.32
Total.....	1,407	16,673	18,080	225,710	134,570	60	7.44
Tennessee (38):							
Anderson.....	576	1,845	2,421	35,065	16,474	47	6.80
Bledsoe.....	210	362	572	8,762	3,844	44	6.72
Campbell.....	656	3,238	3,894	55,354	29,032	52	7.46
Cannon.....	40	198	238	3,274	1,546	47	6.50
Chester.....	137	224	361	5,880	2,196	37	6.08
Claiborne.....	585	1,866	2,451	34,344	17,468	51	7.13
Cocke.....	193	762	955	13,476	6,968	52	7.30
Dyer.....	430	2,326	2,756	38,202	19,621	51	7.12
Fayette.....	119	6,139	6,258	74,267	44,756	60	7.15
Fentress.....	128	754	882	12,565	6,199	49	7.03
Grundy.....	214	435	649	9,690	4,706	49	7.25
Hamilton.....	2,495	3,148	5,643	86,691	34,724	40	6.15
Hancock.....	248	899	1,147	16,164	8,389	52	7.31
Hardeman.....	250	2,588	2,838	36,543	18,952	52	6.68
Hardin.....	270	853	1,123	16,950	7,361	43	6.55
Haywood.....	237	6,615	6,852	84,684	47,663	56	6.96
Henry.....	137	243	380	6,796	2,334	34	6.14
Knox.....	1,236	2,484	3,720	56,078	25,065	45	6.74
Lake.....	255	1,449	1,704	20,024	11,896	59	6.98
Lauderdale.....	303	3,899	4,202	55,488	29,596	53	7.04
Lawrence.....	169	428	597	9,652	3,887	40	6.51
Macon.....	86	152	238	4,176	1,654	40	6.95
Marion.....	417	1,277	1,694	24,843	11,622	47	6.86
McNairy.....	370	964	1,334	21,364	9,487	44	7.11
Meigs.....	41	104	145	2,118	988	47	6.81
Morgan.....	185	1,042	1,227	18,878	9,624	51	7.84
Pickett.....	47	221	268	3,590	1,892	53	7.06
Rutherford.....	263	372	635	9,353	3,954	42	6.23
Scott.....	780	2,280	3,060	44,578	20,414	46	6.67
Sequatchie.....	103	155	258	4,364	1,770	41	6.86
Sevier.....	104	283	387	5,876	2,832	48	7.32
Shelby.....	4,040	6,017	10,057	144,873	56,377	39	5.61
Smith.....	103	295	398	6,054	2,719	45	6.83
Sumner.....	107	454	561	8,012	3,944	49	7.03
Tipton.....	124	4,860	4,984	59,498	36,080	61	7.24
Trousdale.....	28	124	152	2,456	1,048	43	6.89
Weakley.....	128	215	343	5,744	2,282	40	6.65
Wilson.....	65	175	240	3,366	1,576	47	6.57
Total.....	15,879	59,745	75,624	1,049,091	510,940	49	6.76

See footnotes at end of table.

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967—Continued

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (percent)	Average bonus per person
Texas (2):							
El Paso	889	1,670	2,559	\$35,323	\$17,364	49	\$6.79
Tarrant	1,504	3,918	5,422	90,648	37,155	41	6.85
Total	2,393	5,588	7,981	125,971	54,519	43	6.83
Utah (17):							
Box Elder	124	27	151	2,522	812	32	5.38
Cache	180	118	298	6,607	2,301	35	7.72
Carbon	238	53	291	2,856	1,786	30	6.14
Davis	323	31	354	6,738	2,396	36	6.77
Emery	116	6	122	2,674	750	28	6.15
Garfield	95	10	105	2,010	638	32	6.08
Juab	55	12	67	1,606	454	28	6.78
Kane	16	9	25	580	163	28	6.52
Millard	68	7	75	1,465	416	28	5.55
Morgan	12	0	12	248	80	32	6.67
Piute	46	6	52	1,102	360	33	6.92
Rich	4	2	6	146	42	29	7.00
Sanpete	240	36	276	5,929	1,744	29	6.32
Sevier	127	9	136	3,033	876	29	6.44
Utah (new)	1,255	109	1,364	26,731	8,926	33	6.54
Wayne (new)	7	0	7	162	44	27	6.29
Weber	1,831	155	1,986	39,625	12,785	32	6.44
Total	4,737	590	5,327	107,034	34,573	32	6.49
Vermont (1): St. Albans welfare district	482	1,392	1,874	31,032	9,863	32	5.26
Virginia (7):							
Bristol (city)	376	542	918	13,827	5,929	43	6.46
Chesapeake (city)	725	570	1,295	18,231	6,721	37	5.19
Danville (city)	274	92	366	6,129	2,010	33	5.49
Dickenson	578	1,089	2,267	32,082	16,253	51	7.17
Lee	847	1,238	2,085	30,712	14,394	47	6.90
Norfolk	2,864	1,160	4,024	63,073	21,002	33	5.22
Wise	434	1,634	2,068	28,884	14,605	51	7.06
Total	6,098	6,925	13,023	192,938	80,914	42	6.21
Washington (23):							
Adams (new)	125	150	175	11,452	1,421	129	15.62
Asotin (new)	140	170	110	12,131	1,618	129	15.62
Benton	1,000	1,300	1,300	123,793	17,074	130	15.44
Clallam	1,500	1,191	1,691	14,034	14,070	129	15.89
Clark	1,400	1,361	1,761	135,042	10,498	130	15.96
Columbia (new)	135	115	150	1,969	1,281	129	15.62
Cowlitz	1,800	1,341	1,141	122,103	16,946	131	16.09
Franklin	1,525	1,109	1,634	12,397	13,719	130	15.87
Garfield (new)	17	13	110	1,193	156	129	16.62
Grays Harbor	1,300	1,556	1,856	134,517	10,300	130	15.55
Jefferson	1160	134	1194	13,996	11,079	127	15.57
Kitsap	1,900	1,157	1,057	121,564	16,038	128	15.71
Klickitat	1,200	158	1,258	15,268	11,633	131	16.34
Lewis	1,775	1,344	1,119	123,359	17,064	130	16.31
Lincoln (new)	115	110	125	1,482	1,140	129	15.62
Mason	1,180	139	1,219	14,600	11,288	128	15.89
Pacific	1,350	1,113	1,463	19,764	12,734	128	15.90
Skamania	1,125	198	1,223	13,248	11,072	133	14.80
Thurston	1,300	1,303	1,603	129,150	18,301	128	15.18
Wahkiakum	145	15	150	11,230	1,369	130	17.25
Walla Walla (new)	1,200	1,150	1,350	16,761	11,967	129	15.62
Whitman (new)	1,100	150	1,150	12,880	1,843	129	15.62
Yakima	1,546	1,825	1,637	122,100	134,592	128	15.43
Total	15,528	14,182	19,710	1381,393	111,103	129	15.64

See footnotes at end of table.

U.S. Department of Agriculture Consumer and Marketing Service—Participation and coupon value, by project area, January 1967—Continued

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per cent)	Average bonus per person
West Virginia (40):							
Barbour (new).....	¹ 347	¹ 700	¹ 1,047	\$17,640	\$7,510	43	¹ \$7.17
Boone.....	¹ 1,126	¹ 2,000	¹ 3,126	56,322	22,102	39	¹ 7.07
Braxton.....	¹ 615	¹ 1,000	¹ 1,615	28,112	11,790	42	¹ 7.30
Cabell.....	¹ 484	¹ 1,000	¹ 1,484	28,608	10,638	37	¹ 7.17
Calhoun.....	¹ 311	¹ 400	¹ 711	12,096	5,100	42	¹ 7.17
Clay.....	¹ 980	¹ 1,022	¹ 2,002	34,398	14,876	43	¹ 7.43
Doddridge (new).....	¹ 79	¹ 150	¹ 229	3,702	1,642	44	¹ 7.17
Fayette.....	¹ 2,351	¹ 4,015	¹ 6,366	109,640	46,342	42	¹ 7.28
Gilmer (new).....	¹ 286	¹ 400	¹ 686	11,822	4,916	42	¹ 7.17
Greenbrier.....	¹ 568	¹ 1,195	¹ 1,763	30,094	13,310	44	¹ 7.55
Harrison (new).....	¹ 312	¹ 600	¹ 912	15,174	6,540	43	¹ 7.17
Jackson (new).....	¹ 312	¹ 600	¹ 912	16,120	6,540	41	¹ 7.17
Kanawha.....	¹ 3,405	¹ 6,038	¹ 9,443	163,096	68,842	42	¹ 7.29
Lewis (new).....	¹ 300	¹ 518	¹ 818	13,392	5,862	44	¹ 7.17
Lincoln.....	¹ 1,753	¹ 2,284	¹ 4,037	70,860	28,986	41	¹ 7.18
Logan.....	¹ 2,365	¹ 4,027	¹ 6,392	113,178	44,490	39	¹ 6.96
Marion.....	¹ 366	¹ 600	¹ 966	17,274	6,930	40	¹ 7.17
Mason.....	¹ 223	¹ 500	¹ 723	11,534	5,182	45	¹ 7.17
McDowell.....	¹ 3,365	¹ 5,029	¹ 8,394	147,658	58,592	40	¹ 6.98
Mercer.....	¹ 1,689	¹ 1,956	¹ 3,645	66,438	26,642	40	¹ 7.31
Mingo.....	¹ 2,369	¹ 4,991	¹ 7,360	129,684	51,446	40	¹ 6.99
Monongalia (new).....	¹ 220	¹ 400	¹ 620	10,670	4,448	42	¹ 7.17
Monroe.....	¹ 331	¹ 501	¹ 832	14,650	5,942	41	¹ 7.14
Nicholas.....	¹ 579	¹ 1,116	¹ 1,695	29,466	12,744	43	¹ 7.52
Pendleton (new).....	¹ 112	¹ 200	¹ 312	5,160	2,240	43	¹ 7.17
Pocahontas (new).....	¹ 155	¹ 300	¹ 455	8,024	3,262	41	¹ 7.17
Preston (new).....	¹ 214	¹ 500	¹ 714	11,972	5,122	43	¹ 7.17
Putnam (new).....	¹ 272	¹ 500	¹ 772	12,998	5,534	43	¹ 7.17
Raleigh.....	¹ 1,965	¹ 3,069	¹ 5,034	89,694	36,496	40	¹ 7.25
Randolph (new).....	¹ 343	¹ 900	¹ 1,243	22,248	8,914	40	¹ 7.17
Roane (new).....	¹ 325	¹ 754	¹ 1,079	18,268	7,738	42	¹ 7.17
Summers.....	¹ 785	¹ 1,270	¹ 2,055	35,608	15,332	43	¹ 7.46
Taylor (new).....	¹ 150	¹ 248	¹ 398	6,836	2,852	42	¹ 7.16
Tucker (new).....	¹ 75	¹ 127	¹ 202	3,444	1,444	42	¹ 7.16
Upshur (new).....	¹ 353	¹ 500	¹ 853	14,964	6,106	41	¹ 7.16
Wayne.....	¹ 2,264	¹ 3,000	¹ 5,264	93,008	37,748	41	¹ 7.17
Webster.....	¹ 759	¹ 1,000	¹ 1,759	31,588	12,856	41	¹ 7.31
Wirt (new).....	¹ 75	¹ 110	¹ 185	3,020	1,326	44	¹ 7.16
Wood (new).....	¹ 356	¹ 500	¹ 856	14,140	6,132	43	¹ 7.16
Wyoming.....	¹ 1,409	¹ 2,000	¹ 3,409	58,522	24,410	42	¹ 7.16
Total.....	¹ 34,348	¹ 56,020	¹ 90,368	1,581,122	648,924	41	¹ 7.18
Wisconsin (16):							
Burnett.....	140	96	236	4,429	1,344	30	5.69
Crawford.....	182	265	447	7,969	2,653	33	5.94
Douglas.....	790	885	1,675	29,707	9,837	33	5.87
Dunn.....	188	203	391	7,290	2,431	33	6.22
Grant.....	287	169	456	8,710	2,586	30	5.67
Iron.....	52	124	176	3,508	982	28	5.58
Lafayette.....	75	131	206	3,301	1,063	32	5.16
Langlade.....	189	596	785	13,914	4,468	32	5.69
Milwaukee.....	11,664	2,817	14,481	247,170	73,984	30	5.11
Pepin.....	129	55	184	3,300	926	28	5.03
Pierce.....	101	112	213	3,650	1,087	30	5.10
Price.....	136	509	645	11,612	4,055	35	6.29
Rusk.....	225	357	582	10,175	3,267	32	5.61
St. Croix.....	58	102	160	2,652	816	31	5.10
Vernon.....	180	193	373	6,720	2,263	34	6.07
Waukesha.....	580	180	760	12,806	3,904	30	5.14
Total.....	14,976	6,794	21,770	376,913	115,666	31	5.31

See footnotes at end of table.

*U.S. Department of Agriculture Consumer and Marketing Service—Participation
and coupon value, by project area, January 1967—Continued*

[Food stamp program]

Project area	Participation (number of persons)			Coupons issued			
	Public assistance	Non-public assistance	Total	Total value	Bonus value	Bonus of total (per cent)	Average bonus per person
Wyoming (23):							
Albany (new).....	107	123	230	\$4,056	\$1,298	32	\$5.64
Big Horn.....	204	293	497	8,880	3,154	36	6.35
Campbell.....	73	22	95	1,555	582	37	6.13
Carbon.....	385	235	620	11,767	4,553	39	7.34
Converse.....	75	60	135	2,194	851	39	6.30
Crook.....	13	11	24	432	154	36	6.42
Fremont.....	150	159	309	5,669	1,919	34	6.21
Goshen.....	220	85	305	6,016	1,776	30	5.82
Hot Springs.....	73	35	108	2,349	783	33	7.25
Johnson.....	47	25	72	1,287	409	32	5.68
Laramie (new).....	557	266	823	14,019	5,219	37	6.34
Lincoln.....	33	13	46	1,010	274	27	5.96
Natrona.....	726	521	1,247	22,350	8,418	38	6.75
Niobrara.....	31	30	61	1,196	339	28	5.56
Park.....	221	94	315	5,090	1,679	33	5.33
Platte (new).....	80	60	140	2,637	778	30	5.56
Sheridan.....	413	102	515	10,362	3,227	31	6.27
Sublette.....	18	21	39	740	238	32	6.10
Sweetwater.....	261	143	404	6,984	2,554	37	6.32
Teton.....	18	0	18	384	104	27	5.78
Uinta.....	26	6	32	772	200	26	6.25
Washakie.....	141	84	225	3,924	1,301	33	5.78
Weston.....	29	99	128	2,189	928	42	7.25
Total.....	3,901	2,487	6,388	115,862	40,738	35	6.38
Grand total (589).....	¹ 857,419	¹ 581,376	¹ 1,438,795	¹ 24,401,541	¹ 8,811,751	¹ 36	¹ 6.12

¹ Estimated.

² Combined with Central Falls.

TABLE I.—Food stamp program—Selected program statistics for specified months

Item	For the month of—				
	August 1964	June 1965	June 1966	January 1967 (preliminary)	June 1967 (projection)
Number of States.....	22	29	¹ 41	¹ 42	¹ 43
Number of areas.....	43	110	324	589	875
Number of participants.....	350,550	632,687	1,218,399	1,439,000	2,000,000
Number of retail food stores.....	13,300	18,000	42,200	51,900	88,000
Number of wholesale food stores.....	700	1,000	1,500	1,700	2,000
Monthly value of coupons issued:					
Total coupons.....	\$5,865,057	\$10,639,497	\$20,577,786	\$24,402,000	\$34,000,000
Bonus coupons.....	\$2,235,405	\$3,988,717	\$7,398,372	\$8,812,000	\$12,240,000
Percent of bonus coupons.....	38	37	36	36	36
Bonus coupons per person.....	\$6.38	\$6.30	\$6.07	\$6.12	\$6.12

¹ Includes the District of Columbia.

The CHAIRMAN. Mr. Secretary, we are very much obliged to you for bringing us this discussion of the two features of our nutrition program.

If there are questions of the Secretary, we will hear them. Are there any questions?

Mr. Kleppe?

Mr. KLEPPE. Mr. Chairman, my question is as to the radio spot and TV announcements on the food stamp programs and on many other programs. Are funds from the food stamp program being used to pay for these radio and TV spot announcements, or are they also a public service announcement?

Secretary FREEMAN. I would defer to Mr. Davis in connection with that. I, frankly, do not know.

Do you know anything about that?

Mr. DAVIS. Yes, sir.

Mr. KLEPPE. I have been thinking about this for some time.

Why do we have to spend money out of the program to advertise it? It is such a good program.

Mr. DAVIS. We do not spend 1 cent for that, Congressman Kleppe. That is all public service. Those are all public service announcements paid for by the station.

Mr. KLEPPE. This is true in all cases?

Mr. DAVIS. We do provide the materials which they use which have a nominal cost—the slides and some of the information.

Mr. KLEPPE. We thank you.

The CHAIRMAN. Mr. McMillan?

Mr. McMILLAN. Mr. Secretary, I have had a number of letters from several counties in my district that have food stamp programs, and they are very much excited over the fact that someone has stated that the food stamp program would be ended in those counties this year. Do you have any information on this subject?

Secretary FREEMAN. No, sir; however, we are subject to the will of the Congress and adequate appropriations, but there is no plan on our part to cut back this program at all, but rather to meet the need which continues.

I would guess, Mr. McMillan, that that is a local question, because this program continues at the option of the local people, and if they do not provide the services to certify these people who are then entitled to it, of course, there would not be a program in that particular area.

Mr. McMILLAN. This program has proved very satisfactory in my district.

Secretary FREEMAN. Thank you.

The CHAIRMAN. It will be eliminated, unless we pass this bill, will it not?

Secretary FREEMAN. Yes, sir. I said that a moment ago.

The CHAIRMAN. That is what we are talking about.

Secretary FREEMAN. That could be what they are talking about; yes, sir.

The CHAIRMAN. Mr. Brasco.

Mr. BRASCO. Mr. Secretary, being from a city, certainly, I am very much in favor of the two programs you have outlined, but I want to ask a question, and it may be that it is a naive one, with respect to my colleagues here, because I cannot say that I can claim expertise in the area of agriculture, but it seems to me that we pay a amount of dollars in subsidies to our farmers, and we wind up with all types of agriculture surpluses; is that correct, as the result of that?

Secretary FREEMAN. No, sir.

Mr. BRASCO. It is not?

Secretary FREEMAN. I would say that is not correct.

Mr. BRASCO. Do we have agricultural surpluses?

Secretary FREEMAN. No, sir.

Mr. BRASCO. We do not?

Secretary FREEMAN. Not today, no.

Mr. BRASCO. When you came in here with members of your Department, and asked for food for India, is that food coming out of the surpluses or not?

Secretary FREEMAN. No. This is coming out of what we would call a reserve stock that we have which is carried over to protect the people of this country. There is a certain margin for use in our programs, for people everywhere around the world, and in our food-for-peace program, and the like.

Mr. BRASCO. My question is this: If we can afford to give this type of aid to India, cannot we afford to use this type of reserve here in the United States for our own people who are living in substandard conditions or under subnutritional conditions?

Secretary FREEMAN. Indeed, we can, and I urgently hope that we shall.

Mr. BRASCO. May I ask you this question: What part of this reserve, this surplus, is going to be placed in this food stamp program or the child nutrition program?

Secretary FREEMAN. Neither of these programs would be related to any particular kind of commodity. They are all related, and accomplish dual objectives: (1) To get food to people who need it, nutritionally adequate food, and (2) to build up the demand for the production that we are capable of making. So, we have a dual goal here.

Mr. BRASCO. I know that you have the two goals. But the question is: Basically, how much of this do we use at home, of our surpluses, as opposed to what is sent abroad? That is what I am interested in finding out.

Secretary FREEMAN. Let me add to that, in this way, in rough numbers: The appropriation of our food-for-freedom program for use around the world is approximately \$1,750 million. The appropriation for our program here at home, the school lunch program, the school milk program, direct distribution, the food stamp program is approximately \$600,000, so we have a ratio of about 3 to 1—we spend about three times for food around the world as we use for concessional purposes here at home.

Does that answer the question?

Mr. BRASCO. Yes.

Secretary FREEMAN. And we are continually moving to do a better job of making our food abundance available at home.

Witness the report here today as to how this program that is now before you has so successfully reached out to involve more and more Americans.

Mr. BRASCO. Not to belabor this point, Mr. Secretary, but this bill, as I have said, is aid that is necessary, calls for the expenditure of more funds with respect to the program; is that correct?

Secretary FREEMAN. Correct; yes, sir.

Mr. BRASCO. The surplus we have represents an item that has already been paid for—well, it is a surplus, and there is no cost in the

distribution of that type of surplus. My question is: Should we not distribute more of that which does not represent any further costs in the program on the American people, rather than getting into programs which cost more money and represent a further burden on the public. That is, basically, what my question is. Obviously, if we can afford to send it overseas—

Secretary FREEMAN. The answer is that what you are really saying now is that we should have a direct distribution program instead of having the food stamp program, because, presumably, we have surpluses that we do distribute physically through direct distribution. I think that is what you are saying.

The answer is that that program does not adequately meet the nutritional needs of the people. It is not nearly as effective a program in meeting the needs of the recipients in terms of assisting the local communities. And we will use more of our actual potential surplus through the medium of the food stamp program, because such things as dairy and meats and more nutritional items, particularly those that are animal products that consume larger quantities of actual potential grain surpluses, will be used.

The question is rather academic today, because we do not have any surpluses. What we have today is a certain margin that we can use. We continue the direct-distribution programs. But in this respect, we no longer have burdensome surpluses with which to contend; and, therefore, we move, very logically I think, in the direction of a program which will accomplish the nutritional goals and at the same time have the good result of economic expansion as well.

Mr. BRASCO. Thank you.

The CHAIRMAN. Mr. Abernethy.

Mr. ABERNETHY. Mr. Secretary, what is the criteria, if any, laid down by the Department of Agriculture as to who should receive the food stamps?

Secretary FREEMAN. The criteria is established, not by the Department of Agriculture, but by the local welfare authorities, and it is entitlement under the terms of the assistance program, the joint Federal-State public assistance program.

Mr. ABERNETHY. I know that, but the criteria which they establish must be approved by the Department of Agriculture, of course.

Secretary FREEMAN. That is correct.

Mr. ABERNETHY. All right. Do you have a generally established set of rules that the members of the committee might examine to determine just what sort of criteria the Department approves, or do you have any guidelines or limitations as to who can or who cannot get stamps.

Secretary FREEMAN. Do you want to respond to that in more detail?

Mr. DAVIS. Generally speaking, what the Secretary has just said, is that the main requirement is contained in our regulations and that is, in developing eligibility requirements, the States must follow generally, the principles which they follow for their own public assistance programs.

Mr. ABERNETHY. I dislike to interrupt you, but you do not limit stamps to those who receive public assistance. These stamps will not only go to people who receive public welfare and public assistance, as

we call it, they go to people who are not eligible to receive public welfare and public assistance.

Mr. DAVIS. Yes, sir. These standards that we will accept from the States for the eligibility of these nonpublic welfare families must follow, generally, the same standards as are used for the welfare recipients.

Mr. ABERNETHY. No, no.

Mr. DAVIS. In other words—

Mr. ABERNETHY. No, no.

Mr. DAVIS. As far as income is concerned. There are additional requirements.

Mr. ABERNETHY. Wait just a minute. Wait just a minute.

When it is determined by a welfare officer that the income of the family is a number of dollars, that, of itself, does not determine the quantity of stamps that that family receives, because there are people, numbers of them, thousands of them, who receive stamps who have incomes over and above the income which makes them eligible for welfare service; that is right, is it not?

Mr. DAVIS. Those families would not be eligible for the food stamp program.

Mr. ABERNETHY. There are people over and above the welfare level who should be receiving stamps to improve their health, you have argued.

Mr. DAVIS. Not as far as income is concerned. There are many places where families have an employable person who, regardless of their income, are not eligible for public assistance, unless they come under the aid for dependent children and the aid for the aged.

Those particular categories are not eligible for public assistance.

This group, by a large, in addition to the welfare family to whom we make the food stamp program available, their eligibility, so far as income is concerned, is generally pretty close to the income that a family can have and still get public assistance.

Mr. ABERNETHY. If I understand what you are saying now—I do not know whether I do or not—you are saying to me that there are people who are eligible to receive food stamps who are not eligible to receive public welfare?

Mr. DAVIS. That is correct.

Mr. ABERNETHY. Is that correct?

Mr. DAVIS. Yes, sir.

Mr. ABERNETHY. All right. What is the ceiling?

Mr. DAVIS. The ceiling is on your income. And it is about at the level of the income that is used for public assistance, but this group is not eligible for public assistance because they are not aged, because they are not disabled, or because they are not blind, or because they are a family not eligible for aid to dependent children because they have some employable person in the family.

Mr. ABERNETHY. All right.

Do you not have regulations establishing guidelines and levels of income?

Mr. DAVIS. Yes, sir.

Mr. ABERNETHY. And things of that kind?

Mr. DAVIS. We have.

Mr. ABERNETHY. To guide the people back in the States in determining whether or not the Federal Government will put up the food stamps which is money—it is not really stamps—in determining whether the Government will put up the money for that family to purchase part of its food; you have guidelines for that?

Mr. DAVIS. Yes, sir; we have regulations. And we also have individual plans of operation for each State in which these guidelines for that particular State are outlined more specifically.

Mr. ABERNETHY. Then, the guidelines are not uniform—it depends upon the communities, the income of the particular area, things of that kind?

Mr. DAVIS. Yes, sir. Generally, the plan of operation is tailored to the particular situation in a particular State and their own particular administration and guidelines for their own public assistance programs. It does vary among the States.

Mr. ABERNETHY. You do publish some limited form of guideline, I imagine?

Mr. DAVIS. Yes, sir.

Mr. ABERNETHY. Mr. Chairman, I wonder if those could be made available to the members of the committee. I am sure that the Department can do that.

The CHAIRMAN. Yes, sir.

Mr. ABERNETHY. I do not mean at the moment, but at a later time when convenient.

Secretary FREEMAN. We will, sir, do that. Let me see if I can clarify that a little bit. We will be glad to submit the guidelines for the record.

(The guidelines referred to follow:)

GUIDELINES FOR DETERMINING ELIGIBILITY OF HOUSEHOLDS AS CONTAINED IN
SECTION 1601.3 OF THE REGULATIONS FOR THE FOOD STAMP PROGRAM

1601.3 HOUSEHOLD ELIGIBILITY

(a) Eligibility for and participation in the Program shall be on a household basis.

(b) Households in which all members thereof are recipients of welfare assistance under (1) federally aided public assistance programs, or (2) State or local general assistance programs applying the criteria of need which are the same as, or similar to, those applied under any such federally aided programs, shall be determined to be low-income households and, therefore, eligible to participate in the Program while receiving such benefits.

(c) Other households, including those in which some members are recipients of the types of assistance set forth in paragraph (b) of this section, shall be determined to be low-income households and, therefore, eligible to participate in the Program if the economic status of the members who are not recipients of welfare assistance meet the standards of eligibility established in accordance with § 1601.1(f).

(d) Any other households meeting criteria of eligibility specifically approved by C&MS may be determined to be low-income households and, therefore, eligible to participate in the Program while meeting such criteria.

The income eligibility standards established in State plans approved under the Food Stamp Act of 1964 are as follows:

FOOD STAMP PROGRAM
Eligibility standards for nonassistance households

[Standards in State plans approved under the Food Stamp Act of 1964]¹

State	Monthly allowable income by household size										Additional for each person	Resources—Allowable liquid assets ²
	1	2	3	4	5	6	7	8	9	10		
Alaska ³	\$125	\$185	\$250	\$315	\$370	\$430	\$475	\$520	\$565	\$610	\$45	Same as for public assistance.
Alabama ⁴	100	120	145	175	205	235	265	295	325	350	\$30	4 times monthly scale.
Arkansas ⁴	85	170	180	190	200	210	220	235	250	265	\$15 to maximum of \$225	1—\$200; 2 or more—\$400. ²
California ⁴	160	190	225	283	335	383	438	483	521	565	\$40	1—\$1,000; 2 or more—\$1,500.
Colorado ⁴	100	150	185	220	255	290	325	360	395	420	None	1, 2, 3—\$1,000; add \$250 each to maximum of \$2,000. ²
Connecticut ⁵	140	185	235	280	335	365	395	420	445	470	\$25	1—\$1,000; 2 or more—\$1,500.
District of Columbia ⁴	107	153	198	226	254	283	311	339	367	396	\$25	Do.
Georgia ⁴	80	130	175	195	225	245	260	275	290	300	\$30 to maximum of \$330	1—\$800; 2 or more—\$1,000.
Hawaii ⁴	120	180	210	250	285	325	370	415	455	495	\$11—\$555; 12—\$575; 13—\$615; 14—\$655; 15—\$695. (Each additional, plus \$40.)	1—\$1,000; 2 or more—\$1,500.
Illinois.....	139	182	212	259	299	437	375	414	451	490	\$25	1—\$400; 2 or more—\$600.
Indiana.....	125	160	190	220	250	280	310	340	370	400	\$25	3 times monthly scale.
Iowa.....	130	200	250	295	330	370	405	455	490	540	\$35	1—\$750; 2—\$900; 3—\$1,000; 4—\$1,100;
Kansas.....	(⁶)	(⁶)	(⁶)	(⁷)	(⁶)	(⁶)	(⁶)	(⁶)	(⁶)	(⁶)	5—\$1,200; 6—\$1,300; 7—\$1,400; 8—\$1,500; 9, 10, and over—\$1,550.	
Kentucky ⁴	90	125	145	165	190	210	220	230	240	250	\$10	1—\$750; 2 or more—\$1,250. ²
Louisiana ⁴	90	105	125	150	175	190	210	230	250	275	\$20	4 times monthly scale.
Maine.....	130	161	191	217	239	260	282	304	316	321	11—\$325; \$5	1—\$500; 2 or more—\$1,000. ²
Maryland.....	90	125	150	175	210	230	250	270	290	310	\$20	1—\$1,000; 2 or more—\$1,200.
Michigan.....	125	185	225	265	295	330	365	400	435	470	\$35	1—\$1,000; 2 or more—\$1,500.
Minnesota.....	135	205	250	290	335	370	390	425	460	495	\$30	1—\$750; 2 or more—\$1,000.
Mississippi ⁵	90	130	155	180	210	230	250	270	290	310	\$15	1—\$500; 2 or more—\$800.
Missouri ⁴	140	190	230	270	310	350	390	430	470	510	\$40	1—\$750; 2—\$1,000; 3—\$1,250; 4 or more—\$1,500.
Montana ⁴	125	183	212	253	290	318	353	388	413	438	\$25	1—\$1,000; 2 or more—\$1,500.
Nebraska.....	120	180	230	270	305	335	360	385	410	435	\$25	1—\$750; 2 or more—\$1,500.
New Jersey.....	150	200	250	290	330	360	390	430	460	500	\$40	1—\$1,000; 2 or more—\$1,500.
New Mexico ⁴	110	150	170	190	210	230	250	270	290	310	\$20	Cash: 1—\$100; 2 or more—\$150. ²
New York.....	150	210	290	325	365	405	445	485	525	565	\$40	3 times maximum allowable income. ²
North Carolina ⁴	85	110	125	140	155	170	185	195	205	215	\$5 to maximum of \$240	1—\$500; 2—\$700; add \$50 each to maximum of \$800.

FOOD STAMP PROGRAM
Eligibility standards for nonassistance households

State	Monthly allowable income by household size										Additional for each person	Resources—Allowable liquid assets ²
	1	2	3	4	5	6	7	8	9	10		
North Dakota.....	140	185	260	295	330	365	385	415	440	460	\$25.....	\$1,000 per household.
Ohio.....	110	180	220	290	290	320	365	385	415	445	\$30.....	\$500 per household.
Oregon.....	128	163	221	258	288	328	357	386	411	426	\$25.....	1 adult—\$500; 2 or more—\$1,000.
Pennsylvania.....	110	170	205	245	280	315	350	390	425	460	\$30.....	1—\$1,000; 2 or more—\$1,500.
Rhode Island.....	110	150	180	215	255	290	320	345	370	395	\$25.....	Do.
South Carolina ⁴	70	90	105	115	125	135	145	155	165	175	None.....	4 times monthly scale.
Tennessee.....	95	130	165	200	240	275	315	350	385	420	\$70.....	1—\$500; 2 or more—\$1,000.
Texas.....	100	150	170	190	210	230	250	270	290	310	\$15.....	1—\$300; 2—\$450; add \$30 per person to maximum of \$600. ²
Utah.....	104	154	184	205	235	255	284	298	316	329	11—\$243; 12—\$357; 13—\$370; 14—\$384 plus \$13.	1—\$400; 2 or more—\$800. ²
Vermont.....	122	180	209	238	275	309	345	374	407	439	\$30.....	1—\$1,000; 2 or more—\$1,500.
Virginia.....	90	115	135	150	165	180	195	210	225	240	\$5.....	1—\$400; 2—\$600; 3 or more—add \$50 each to maximum of \$1,000. ²
Washington.....	136	172	212	242	271	297	329	360	390	420	\$30.....	1—\$336; 2—\$572; 3—\$612; 4—\$482; 5—\$671; 6—\$697; 7—\$729; 8—\$760; over 8—add \$30 each.
West Virginia.....	80	115	135	155	170	185	200	200	200	200	None.....	1—\$1,000; 2 or more—\$1,500.
Wisconsin.....	115	170	205	240	270	320	350	380	410	440	\$30.....	1—\$500; 2—\$750; add \$100 each additional.
Wyoming.....	130	180	225	280	310	340	370	415	460	500	None.....	\$1,000 per household. ²

¹ This table lists standards in State plans approved as of July 15, 1966. As additional plans are approved, supplements will be issued.

² The States indicated also have limitations on other resources such as real estate, automobiles, etc.

³ Rent up to maximum of \$75 is also allowed.

⁴ For households containing both public assistance recipients and nonrecipients, eligibility is based on the income and resources of the nonassistance members only. Other States base eligibility on the total income and resources of all members.

⁵ Applied to both public assistance and nonpublic assistance households.

⁶ Household eligible if a budget deficit exists.

Secretary FREEMAN. Let me put it this way, which might be a little clearer:

No. 1, if the public certification is made by the local welfare authority which they apply generally, why, that person is clearly entitled.

No. 2, there is an area where there are other reasons that disqualify a person for relief assistance other than the matter of income. They are below the income level. This gets into whether you have someone in the house or not that should be employed. This gets into that aid to dependent children problem. And in this instance, although there cannot be a direct payment of funds under these programs, food can be made available, not to let them starve; and

No. 3, there are a few cases, and this is a flexible standard, where in some areas they may not be able to qualify in terms of their relief and the amount of money that they have coming in, nonetheless, because they have a little bit more, they are a little more lenient in a number of places in cooperation with the local people in regard to making food available than they would be under Federal standards, generally, in regard to making money available.

Mr. ABERNETHY. May I ask this further question, then, Mr. Secretary? I started to use the word "imposed," but I hesitate to do so. You require—instead of "imposing"—the county or the municipality to become eligible for the distribution of these stamps to assume a responsibility and the cost of managing the program in this particular locality. How do you arrive at that?

Secretary FREEMAN. Well, we merely have them accomplish the end result. In other words, we require—

Mr. ABERNETHY. They provide all of the cost of the administration; is that it?

Secretary FREEMAN. In fact, that is right. They administer it. In certifying the people, in distributing the stamps to the people. We participate by way of reviewing or more or less keeping surveillance over the retail outlets.

Mr. ABERNETHY. What did the administration cost last year throughout the United States for these programs?

I am now speaking of the Federal, State and municipal cost; the entire cost?

Secretary FREEMAN. The entire cost?

Mr. ABERNETHY. I am not speaking of the cost of the stamps but the cost of the administration of the program.

Secretary FREEMAN. Can we give you that figure for the record?

Mr. ABERNETHY. I would like to have some estimate of it here this morning, if you can get it.

Miss KELLEY. We can give the Federal. We do not require—

Mr. ABERNETHY. You do not know how much the cost is then?

Miss KELLEY. We do not have that kind of detailed report.

Mr. ABERNETHY. You do not have it in the Department?

Miss KELLEY. No, sir.

Mr. ABERNETHY. Then, the Department does not know what percentage of public cost there is as related to the distribution—that is, as related to the "per dollar" worth of stamps. You do not know whether it is 5 percent or 10 percent or 20 percent or 50 percent?

Miss KELLEY. We do not require detailed reports. We have some limited information from some localities that have provided this to us.

Mr. ABERNETHY. I know of some countries that have been complaining about the cost. They have been reluctant to move into the program, because of the cost.

I understand that it is because of the cost resulting from the guidelines that were laid down by the Department, in order to qualify for the program.

I think that when we have a program of this kind, and I am sure that you do too, Mr. Secretary, that the public ought to know what it is costing and that the Federal cost is not the entire cost. It costs the State, it costs the county, it costs the Federal Government, too. I do not know how much benefit we are getting out of this; I am sure that we are getting some; but I would like to be able to tell my people, because I have had people ask me and I have had to say I did not know but that I would try to find out. That is the reason I am asking these questions.

Secretary FREEMAN. I think that is a very useful question.

Mr. ABERNETHY. I think so.

Secretary FREEMAN. And useful information.

(The information requested was supplied as follows:)

FEDERAL ADMINISTRATIVE COSTS

For the fiscal year 1967, a total of \$6,000,000 is available for Federal administrative costs. By June 30, 1967, the program is scheduled to be in operation in 875 areas. At that time, the number of persons employed for administering the program is expected to be 831, less than one employee per operating area.

STATE AND LOCAL ADMINISTRATIVE COSTS

The Department of Agriculture does not have detailed data on the costs incurred by States and localities in administering the program. Based upon available data for a limited number of areas, it appears that some of the very smallest areas are able to utilize existing staffs and facilities to minimize additional out-of-pocket costs. In a medium-sized area, such costs may range between \$3 to \$5 per person per year. In the large metropolitan areas, such per-person costs probably would be higher—reflecting, in part, higher salary cost. Based upon these data, together with information on the charges paid in those areas where banks issue the coupons, it is estimated that such State and local costs would be about \$5,000,000 in fiscal 1967.

Secretary FREEMAN. May I make it very clear that administration of the food stamp program is fairly costly. The law as set down by the Congress required, for example, the use of career and professional services in certification. Congress made it clear that they wanted to avoid and prevent some of the waste, some of the leakage, some of the difficulties that we had with direct distribution, but this is no more costly than it is to run a relief program and have to certify people for relief anyway.

Mr. ABERNETHY. When you say "it requires professional and career people," what do you have reference to, what kind of career and what sort of professional people?

Secretary FREEMAN. That depends upon the standards that they follow in the State, generally, in the certification of people for their own relief programs. In other words, if that county is going to pay out dollars to certify someone to receive relief, which most counties of the United States do, the same standards that they use to decide who is entitled to the relief, the same level of trained personnel that they use for their own money expenditures, we expect them to use those for the Federal money expenditure.

Mr. ABERNETHY. But this is, generally, welfare personnel, is it not?
Secretary FREEMAN. Generally, welfare personnel.

Mr. ABERNETHY. People who go out and interview the prospective clients—I guess you call them clients.

Secretary FREEMAN. That is correct.

Mr. ABERNETHY. And then by some method they have established, to determine whether or not this person will be eligible or that this one will not be eligible.

Does this bill make the program a permanent program of the Government?

Secretary FREEMAN. It is a permanent authorization, yes, sir.

Mr. ABERNETHY. A permanent authorization?

Secretary FREEMAN. Yes.

Mr. ABERNETHY. It is from now on.

How much did it cost last year?

Mr. DAVIS. This current fiscal year, we estimate it will run about \$125 million. The last fiscal it was about \$70 million.

Mr. ABERNETHY. That is an advance of about 60 or 70 percent. What did it cost the previous year?

Mr. DAVIS. Around \$35 million.

Mr. ABERNETHY. About \$35 million. What was it the year before that? No, that covers it. \$35 million, and then \$70. You have 3 years on this program.

Mr. DAVIS. This is the third year.

Mr. ABERNETHY. We are on the third year?

Mr. DAVIS. Yes.

Mr. ABERNETHY. That is, Federal money?

Mr. DAVIS. Yes.

Mr. ABERNETHY. That is for the administration of the stamp program, I assume that is right.

Mr. DAVIS. That is the total cost, yes, sir.

Mr. ABERNETHY. The second year, it was \$70 million, the third year it was \$125 million, almost doubled. What will it be the next year?

Mr. DAVIS. We are requesting an appropriation of \$195 million for fiscal year 1968.

Mr. ABERNETHY. What are you requesting for 1969?

Secretary FREEMAN. I really do not know, but it will depend upon how many counties and how many cities around the United States want the program.

Mr. ABERNETHY. All right.

How many counties are there in the United States?

Secretary FREEMAN. Roughly, 3,000.

Mr. ABERNETHY. How many are now qualified?

Secretary FREEMAN. There will be roughly, we think, at the end of this fiscal year, about 1,000—actually about 870.

Mr. ABERNETHY. And there are three times as many counties.

Secretary FREEMAN. That is a horseback number, but it is fairly close to that figure.

Mr. ABERNETHY. I am trying to get more than horseback information. We have 1,000 counties now.

Secretary FREEMAN. There are three thousand and one or two hundred counties.

Mr. ABERNETHY. It has grown substantially. I think that we can anticipate that it will be more.

I have one or two other questions, if you will allow me.

The CHAIRMAN. Go ahead.

Mr. ABERNETHY. I think that we should have these answers or information in the record.

This committee, as I understand it, got jurisdiction of this matter because it was brought to us as a means of disposing of surplus commodities which Mr. Brasco referred to a moment ago. Otherwise, I guess that the jurisdiction would be in another committee, just as the school-lunch program is. But that is the way that it came to us.

Secretary FREEMAN. You mean the school-lunch program is under the jurisdiction of another committee?

Mr. ABERNETHY. Yes, sir.

Secretary FREEMAN. It is under the jurisdiction of this committee.

Mr. ABERNETHY. It was moved to the Committee on Education and Labor—the school-lunch program is under the Committee on Education and Labor.

Secretary FREEMAN. I think we are talking about the Child Nutrition Act and the school-lunch program—excuse me.

Mr. ABERNETHY. Anyhow, we had it come to this committee, as a means of disposing of surplus commodities. There was a need to handle these commodities, to distribute them, and at the same time there were a tremendous number of counties where people were selling groceries, and so forth, and in giving away these commodities, it limited them in their business, so that this program affected the wholesale and retail grocer.

Do I understand now from your answer to Mr. Brasco that there are no more surplus commodities, so that the program now is purely on the basis of seeing to it that our people have a good balanced diet, or a move in that direction?

Secretary FREEMAN. No—I have to say “Yes” and “No,” and then to ask permission to explain what seems to be a conflicting answer.

Mr. ABERNETHY. All right. That is permissible.

Secretary FREEMAN. No. 1, we do not have the surpluses, the very heavy depressing surpluses that we had at one time, of which you are aware.

We do have, however, a very considerable overproduction capacity remaining in American agriculture.

The amount of carryover that we have from time to time will vary, according to production, which we are all aware of. We may have 400 million bushels of wheat at the end of the crop year; we may have 300 million bushels of wheat at the crop year, going into the next year, depending on whether it rains within the next few weeks, which will make a difference of 100 million bushels of wheat. It will mean we are going to have more or less wheat to use, let us say, in the direct distribution program, and we will have more or less to use in the world program.

So that this is going to vary. Sometimes we have more and sometimes we have less. We are well aware of this.

We have more to go out through these direct distributions that go around the world, sufficient to protect ourselves with adequate reserves. That is one side of the coin.

That is why I say that it does not lend itself to any black and white criteria.

At the same time, we have a significant overproduction capacity.

We can produce a lot more hogs and poultry; we can produce a lot more corn—a lot more of a number of things. In this respect, we want to produce more; we want to use our productive plant; we want our farmers to produce; we want them to make money. We want our economy to be healthy. We want to meet the needs of our people for food.

And in this respect now, we are calling on more and more of that unused capacity to the extent that we are here at home meeting the needs of our people, including those who need more food, because they cannot afford to pay for it. And to this extent, then, this food stamp program is directly related. It actually increases our domestic demand; it helps our farmers; it uses more of our surplus capacity than the direct distribution program could, because we are going to use a lot more grain. That is our No. 1 capacity potential. If we put that grain into an animal and get some kind of meat; if we put it through an animal and get some more milk—we are, also, going to use some capacity, if we add fruits and vegetables, and other things, that they ought to have as a part of their diet.

That is a very long-winded "yes-and-no" answer, but I am trying to lay this down to show you the two sides of it. And it does not lend itself to precise calculation. But, the more that we move our agricultural abundance and our production capacity into use in meeting the needs of the American people, in my best judgment, why, we are contributing enormously to the country and to the agriculture producers and to the person who needs that food.

Mr. ABERNETHY. I think, Mr. Secretary—and I go back to your answer to Mr. Braco where you stated that we do not have surplus commodities, and, therefore, this program is no longer predicated, that it cannot be predicated, on the basis that food stamps are a means of disposing of the surplusage of agriculture production.

Now, this agency goes into a county and tells the people there will not be any more commodities distributed in that area, once they come under the food stamp program. Is that correct?

Secretary FREEMAN. That is correct.

Mr. ABERNETHY. I have some counties where some people do not like that idea. I have a county right now where many want to continue the commodity idea. Some have the food stamp program. What do you do in those instances?

Secretary FREEMAN. That is up to them to decide.

Mr. ABERNETHY. That is up for their decision?

Secretary FREEMAN. They make the decision.

Mr. ABERNETHY. OK. The principal objective of the food stamp program is to provide food, to increase the quality of the food for our people; is that right?

Secretary FREEMAN. And to contribute to the—

Mr. ABERNETHY. For the needy?

Secretary FREEMAN. And to contribute to the agricultural economy of the country by utilizing as much of the excess production capacity as we can effectively, efficiently, prudently, and consistently do.

Mr. ABERNETHY. You have done a good job; you have gone back.

Secretary FREEMAN. I had that in mind. I think we should be back where we started. We have a lot of excess capacity now in this country, and we ought to use it. And I said "capacity" now.

Mr. ABERNETHY. Oh, "capacity."

Secretary FREEMAN. I said "capacity." I did not say surplus food products. We do not have that, but we have a lot of capacity.

Mr. ABERNETHY. Why should not that move through the normal channels of trade?

Secretary FREEMAN. Because the people cannot afford to pay for it. It costs more money to buy a beef steak than it does to buy cornmeal mush.

Mr. ABERNETHY. Which would be the most costly? Which would be the most costly, to increase, to expand the eligibilty for welfare, to increase the number and amount of food made available on welfare, in that sort of a program, or the present welfare and food stamp program?

Secretary FREEMAN. Well, I think that we know. Let me say this: It would cost no more one way or another, with one exception, and that would be that the requirements be a bit more lenient in regard to the food. To the extent that they are more lenient than on nonfood items, it would cost just that much more. But the advantage of the food tieup is that they use what they have been spending on food, secure the stamps which then means an additional amount—which means that the money is going for food. It is not going for something else. This is very important, very important.

In my own experience as Governor, I observed again and again people, particularly old folks—

Mr. ABERNETHY. The welfare department handles that.

Secretary FREEMAN. They cannot handle it. They do not handle it. What they do is give them the money. When they give them the money they do not use it for food. They go out and play bingo with it.

Mr. ABERNETHY. The welfare department could give them the same thing; they could do that.

Secretary FREEMAN. The food stamps.

Mr. ABERNETHY. They could, if they were authorized to do so, yes.

Secretary FREEMAN. They do give them the food stamps now, yes.

Mr. ABERNETHY. That is what I know; I know that. Is the school breakfast program now in operation?

Secretary FREEMAN. Yes.

Mr. ABERNETHY. Have you made or come to any conclusion about the possibility of making that a permanent program and expanding it?

Secretary FREEMAN. We have not so recommended at this time. It was authorized by Congress as a pilot program. It is just getting rolling now, and we have not reached any point of recommendation.

Mr. ABERNETHY. How many areas are it in?

Mr. DAVIS. As of last Friday, the program was operating in 211 schools, in 40 States. These 211 schools had an average daily attendance of around 82,000 students, and 27,500 of those students were eating breakfast. Out of those 27,500, 19,000 were getting breakfast free.

As you will recall, this legislation was passed just in October. A supplemental appropriation came somewhat later, so that the first programs were not started until the first week in January.

Mr. ABERNETHY. I understand that. Can you put a figure of those into the record; that is, as to the schools?

Mr. DAVIS. Yes, sir.

Mr. ABERNETHY. Those that are operating now?

Mr. DAVIS. Yes.

(The information follows:)

Summary of breakfast programs operating under provisions of the Child Nutrition Act of 1966 (by State and Territory)

[Private and public schools]

State	Number of schools	Average daily attendance	Average daily participation	Number of free or reduced price breakfasts served daily
Alabama.....	2	1,378	753	334
Alaska.....	1	60	36	31
Arizona.....	7	4,626	737	629
Arkansas.....	11	4,675	858	564
California.....	7	3,451	602	92
Colorado.....	6	3,171	226	85
Connecticut.....	4	2,918	269	175
Delaware.....	1	737	200	50
District of Columbia.....	1	362	200	35
Florida.....	6	6,287	997	10
Georgia.....	5	3,320	718	(2)
Guam.....	6	2,297	404	156
Hawaii.....	6	416	208	109
Idaho.....	3	1,401	509	12
Illinois.....	8	1,210	442	405
Indiana.....	1	688	154	111
Iowa.....	3	1,595	658	132
Kansas.....	6	2,981	1,991	1,488
Kentucky.....	4	1,983	1,021	916
Louisiana.....	1	1,280	295	295
Maine.....	2	346	287	267
Maryland.....	2	45	251	8
Massachusetts.....	3	911	356	305
Michigan.....	6	3,053	955	275
Minnesota.....	22	11,514	2,736	2,341
Mississippi.....	7	3,615	1,422	1,067
Missouri.....	3	8,93	136	65
Montana.....	9	3,220	698	391
Nebraska.....	4	322	396	316
Nevada.....	1	164	47	4
New Hampshire.....	6	1,895	592	130
New Jersey.....	20	6,785	3,845	3,053
New Mexico.....	2	2,180	324	286
New York.....	7	2,037	1,118	887
North Carolina.....	2	545	181	130
North Dakota.....	6	1,263	599	407
Ohio.....	1	206	72	20
Oklahoma.....	10	6,285	1,615	1,266
Oregon.....	2	524	240	115
Pennsylvania.....	22	3,939	1,905	1,864
Puerto Rico.....	9	3,039	1,225	505
Rhode Island.....	1	(2)	(2)	(2)
South Carolina.....	1	(2)	(2)	(2)
South Dakota.....	1	(2)	(2)	(2)
Tennessee.....	1	(2)	(2)	(2)
Texas.....	1	(2)	(2)	(2)
Utah.....	10	6,285	1,615	1,266
Vermont.....	2	524	240	115
Virginia.....	22	3,939	1,905	1,864
Virgin Islands.....	9	3,039	1,225	505
Washington.....	1	(2)	(2)	(2)
West Virginia.....	1	(2)	(2)	(2)
Wisconsin.....	1	(2)	(2)	(2)
Wyoming.....	1	(2)	(2)	(2)
Samoa, American.....	1	(2)	(2)	(2)
Total.....	234	97,977	30,278	19,231

¹ State agency (5 schools) now known.

² Unknown.

Mr. ABERNETHY. What is the cost of that now?

Mr. DAVIS. We do not have sufficient information yet to give you that figure. We should be able to supply it for the record.

Mr. ABERNETHY. Do you have any idea of what it is?

Mr. DAVIS. My hunch is that it is running about—between 10 and 15 cents a breakfast, Federal money.

Mr. ABERNETHY. That is, to enable the school breakfast program being provided to the students; it is for that purpose, is it not?

Mr. DAVIS. Yes.

Mr. ABERNETHY. And what percentage of the students are given a free breakfast and the like?

Mr. DAVIS. The program is designed to operate, first of all, only in very poor schools.

Then, it has been our observation in the last 2 months—the only 2 months of operation—that, primarily, the very poor children are the ones in the schools that have the breakfast program—it appears that only the very poor children are eating that breakfast. There were 27,500 children eating breakfast, and out of that number 19,000 were receiving their breakfast free or for a couple of cents token payment.

Mr. ABERNETHY. What are the requirements?

Mr. DAVIS. The requirements—

Mr. ABERNETHY. What do they serve?

Mr. DAVIS. The requirements are for a half-pint of milk, one half-cup of fruit or fruit juice, three quarters of a cup of cereal, in one form or another. We encourage them to add to that protein items such as eggs, sausage, and so on, to the extent that they can.

Mr. ABERNETHY. Now, one other thing, and I am through.

Mr. Secretary, I believe you suggested that consideration was being given to making the school lunch program available during the summer months when the schools are not in session.

Secretary FREEMAN. What I said was that this program would make it possible to reach a number of children who, otherwise, would not have a lunch or any meal on the outside in the absence of a program which might reach them through the medium of organized activity of one kind or another during the summer months. It would not reach all of them, but some of them.

Mr. ABERNETHY. When you say “this program”, do you have reference to the school-lunch program?

Secretary FREEMAN. No, I have reference now to the program now pending before this committee, to which I testify today.

Mr. ABERNETHY. The food stamp program, or what?

Secretary FREEMAN. No, to the extension of the Child Nutrition Act, so that there could be a lunch program for the children who are participating in an organized activity by a nonprofit association of some kind or other outside of the school.

Mr. ABERNETHY. Such things as day-care centers, and the like?

Secretary FREEMAN. That is it exactly, settlement houses, and that kind of thing.

Mr. ABERNETHY. I do not want you to misunderstand me. What about supper? They call it dinner here. Back in the country we call it supper. We have breakfast and we have lunch. Is it anticipated that the Department or somebody—I am not being facetious,

because we have to admit that this is a growing program—maybe it is a fine thing. Do you anticipate that now that we have breakfast and lunch we will soon expand it to include supper?

Secretary FREEMAN. No, we certainly do not, that is, the food stamp program is designed to accomplish this in terms of the family, the family feeding itself.

Mr. ABERNETHY. That is all. Thank you.

The CHAIRMAN. Mr. Hansen.

Mr. HANSEN. On page 11 of your statement, in the second full paragraph you state:

If a State educational agency cannot see its way clear to undertake administration of this program, the Department of Agriculture will take direct agreements with eligible applicant institutions and supervise their operation under the program.

Would you define exactly what type of institution this would involve?

Secretary FREEMAN. If there is something in the State law which prevents this, or they will not, because they are unwilling to take it on, the responsibility of working with this, let us say maybe with a child care center, why, in that instance if the State does not and will not act, why, then we would be prepared to work directly with that child care center, so that they could have a food program. This is what we do—exactly the same thing as we do now in the school-lunch program.

There are a number of States, because of local laws, where they are unable to administer and supervise and handle it with the local administration of the school-lunch program. If that is the case, why, then, we do it. This is applying to that type of situation.

Mr. HANSEN. You are bypassing the State government, then, if you feel it is a bottleneck?

Secretary FREEMAN. I think "bypassing" is not the word. I suppose that you could use that word, however. That has a certain connotation that you are trying to go around the State government when they do not want you to do so.

The truth of the matter is that these are cases where the State says, in effect, "Would you not do this; we cannot"?

Mr. HANSEN. This is, then, actually done only with the approval and the blessings of the State government?

Secretary FREEMAN. Yes.

Mr. HANSEN. And where they are unable to act, but they do desire to act?

Secretary FREEMAN. That is correct—that is correct.

Mr. HANSEN. So this is not a circumvention of the State government in the sense that they do not desire the program and you would then go around them?

Secretary FREEMAN. No, it is not.

Mr. HANSEN. Does this also include the parochial and private schools?

Secretary FREEMAN. It would, yes.

Mr. HANSEN. Where the State government is not a factor?

Secretary FREEMAN. That is correct.

Mr. HANSEN. On page 9 of your statement, the top of the page, you quote yourself as having earlier said—

The Administration goal for child nutrition is quite simple. It is to provide every child, regardless of the family's income with access to a complete meal during the day when he or she is away from home.

This will be the school lunch program per se, will it not?

Secretary FREEMAN. This would be the school lunch program during the school year. And this amendment to the Nutrition Act, let us say, during the summer that would give you the possibility. I am sure that you would miss many children—not every child would get a school lunch. It would not be organized outside of the school summer activities, but some would, and those are the ones that would be reached.

Mr. HANSEN. This would be in addition to the breakfast concept?

Secretary FREEMAN. Yes. This would fit in with those cases where we have a pilot program now, where children are not getting breakfast before they go to school. We have given those instances that should be made available to them.

Mr. HANSEN. Then, the food stamp program would supplement the school program, so that, in so many words, you would be providing needy children with their breakfast, dinner and supper when this program is finally carried out.

Secretary FREEMAN. It is conceivable in the case of a poor family, that this would be true. There would be a school breakfast program. There would be a school lunch program. That is, if possible. And there would then be the food in the family's evening meal that is in large part the product of the food stamp program.

Mr. HANSEN. How much success have you had with the breakfast program?

Secretary FREEMAN. As was said a moment ago, it is just starting—the first of January—and so it is pretty difficult to say. The response to it has been affirmative. The school authorities have responded to it. States have generally responded to it.

Our early indication would be that it is filling a real unmet need, but we cannot give more than a tentative evaluation of it at this early date. We would hesitate to do other than that.

Mr. HANSEN. I may be partly facetious in what I now ask you, but are we going to do away with mother's home cooking through these programs—are we not doing that?

Secretary FREEMAN. Well, I think that most of these homes, why, mother's home cooking usually comes in the evening—and she is just going to do as much cooking now as before, but we hope that she will have more to cook with.

Mr. HANSEN. But do you think this will happen?

Secretary FREEMAN. It will not have much to do with mother's home cooking at breakfast time—certainly not in these kinds of areas.

Mr. HANSEN. I recognize that there is a gap in many areas, but I feel that these considerations are important enough to discuss thoroughly.

Secretary FREEMAN. Thank you.

The CHAIRMAN. Mr. Belcher.

Mr. BELCHER. I agree with the gentleman who has just been praising you, as being interested from a personal standpoint. I understand that he has five children of his own. And I understand that a man can qualify regardless of the amount of his income. So I am saying that he is very vitally interested in this program; is that correct, Mr. Hansen?

Mr. HANSEN. My wife is getting tired of getting up in the morning to get breakfast. [Laughter.]

Mr. BELCHER. Would the gentleman's children be qualified?

Secretary FREEMAN. In this instance we can use Congressman Hansen, who has long been a leader in this field, and who may be suggesting, as a prototype here. I would say no. There would not likely be a breakfast program in the schools to which the Congressman's children would go. At lunch there likely would be a school lunch program that your children would come under—the school lunch program in the schools that your children would go to. The same as the schools to which my children go.

On summer activities it might be possible that some of the children in an area might be in a settlement house area or in some kind of organized activity where they might make food available in the course of the program.

Mr. BELCHER. That would be during the summer months?

Secretary FREEMAN. Yes. I figure these possibilities in all seriousness for these children would be on a minor scale. He would not qualify for food stamps, however. [Laughter.]

Mr. BELCHER. It is the Child Nutrition Act that you are talking about?

Secretary FREEMAN. Yes.

Mr. BELCHER. Under that would it be possible for Mr. Hansen's five children to qualify?

Secretary FREEMAN. If they were going—obviously they would not qualify under need. It is quite specific on that. However, if his children went to a camp for a couple of days with some other friends they had or they went to play basketball at a settlement house in a community nearby, and they had a program going on, it might very well be that all of the children in the area would receive food. It would not be a case where you would line them up and say, "What does your father make—you can have it and you cannot have it." As long as the majority in the area is in a low-income area, all children qualify.

Mr. BELCHER. And in that case the taxpayers would pay for that.

Secretary FREEMAN. Yes. In that case it is possible.

Mr. HANSEN. I would like to set the record straight. It was stated that I have six children, I only have five. I say this so that we do not confuse my people back home. [Laughter.]

Mr. HANSEN. The junior Senator from New York is probably a better example.

Secretary FREEMAN. Are you trying to catch up with him? [Laughter.]

The CHAIRMAN. Mr. O'Neal.

Mr. O'NEAL. Mr. Chairman, and Mr. Secretary, getting back to the food stamp program, as I understand it, apparently a family who has

approximately the same income as the welfare family takes \$2 per person and they exchange those \$2 for \$10 worth of stamps.

Secretary FREEMAN. That is roughly right.

Mr. O'NEAL. That gives them a total of \$10 or \$12?

Secretary FREEMAN. A total of \$12, yes.

Mr. O'NEAL. A total of \$12?

Secretary FREEMAN. Yes.

Mr. O'NEAL. That is a ratio of about 6 to 1. You take \$1 and you get \$5 more to go with it to buy groceries.

Secretary FREEMAN. Yes.

Mr. O'NEAL. As I understand it, the only limitation on this person, when he goes to the store to buy the food is that he cannot purchase tobacco or alcohol?

Secretary FREEMAN. Or imported items.

Mr. O'NEAL. Or imported items, yes, excuse me. Such as imported sausage and cheese and so forth.

Secretary FREEMAN. That is correct.

Mr. O'NEAL. So far as seeing that they get a balanced diet, though, there is no supervision over them—that means they can spend it all on potatoes or they can spend it all on vegetables—they do not have to eat a balanced diet if they do not want a balanced diet, do they?

Secretary FREEMAN. There is no requirement to that effect. We are making a very strong effort, primarily through the Extension Service and the extension homemaker to provide nutritional education and training for some of these lower income groups so that they will have more nutritional value.

Mr. O'NEAL. My main concern, Mr. Secretary is whether or not these people are actually buying groceries or whether they buy tobacco and alcohol, because almost invariably in every conversation that I get into with people back home they immediately speak of the abuses in this program with respect to beer and cigarettes. I have discussed this to some extent with Miss Kelley. I just wondered if you had any feeling about whether or not there was much of this going on.

Secretary FREEMAN. It is my information, and I will defer in a moment to Mr. Davis, who administers the program on a day-to-day detailed basis—it is my information and observation since I have talked to people around the country that there has been very little of this kind of abuse.

Mr. O'NEAL. On page 7 it is pretty obvious that you have discovered very little abuse. I see in that paragraph some figures. I added up these figures. And I have also referred to the table attached to your statement.

As of January of this year you had 51,900 stores.

Secretary FREEMAN. Yes, sir.

Mr. O'NEAL. Across the country. You have apparently investigated only 485 of them. I got that figure by adding up the 239 that you said were found free of any violation and the 189 who simply got a warning letter. There were only 57 stores throughout the entire United States who were punished. And these ranged from just simply disqualifying the store for 30 days in some instances, or up to 1 year in other instances.

I do not know how it is in the city—it may be very easy to discover violations, but I think you will concede that in the rural areas, where you have small grocery stores who sell beer and cigarettes, that it would often be impossible to police this situation, and that you would not get any complaints from those who have participated in the violations themselves; in other words, the customer and the store owner are not ones who would be likely to say anything about this if they were guilty.

I do not know whether you are being a little naive about this situation, or whether I get reports that are exaggerated, but as I said a little ago, throughout my section there is widespread complaint about the fact that some of this 6 to 1 money goes into the purchase of beer.

In connection with the same thing I understood you to say a little while ago that if they were given the money they would play bingo with it. If they were given 6 to 1 money you still do not think that they would buy beer with it?

Secretary FREEMAN. No, I do not think that most of them would. I think that in most of these instances where there is a direct need for food, where the alternatives are to buy beer and cigarettes or to feed the kids, I think that in most instances they are going to feed their kids. My bingo reference—

Mr. O'NEAL. Let me interrupt you at this point. Do you not think that it would be true in those who are eligible for welfare money and who play bingo with it, that they would?

Secretary FREEMAN. No, the bingo reference that I made particularly had to do with some of the old folks. And I made it very sympathetically, because it was my experience as Governor that this happened again and again, that these lonely and bored elderly folks would take a very minor amount of money they had for food and seek some kind of companionship and play bingo with it. I do not recall instances of these kinds of complaints in anything of the same magnitude as on the direct relief money. There will always be some but in this instance the question is you are not going to accomplish perfection, but what will work the best. And I think that perhaps you have received some exaggerated reports. And perhaps I might be a little naive. There are undoubtedly some.

Mr. O'NEAL. There is a possibility.

Secretary FREEMAN. I will concur in that evaluation, but I cannot think of a better way to try to do it. I do not think there is as much as there might seem to be.

Mr. O'NEAL. All I can say is that when I go into the counties where they have the food stamps I have heard many complaints myself.

Secretary FREEMAN. It will be a lot of benefit to check on those complaints and we shall attempt to do so.

The CHAIRMAN. Mr. Teague.

Mr. TEAGUE of California. Thank you, Mr. Chairman.

I believe you testified, Mr. Secretary, that the pilot food program enacted and authorized by Congress in the first year will cost about \$4,500,000.

Secretary FREEMAN. That is correct.

Mr. TEAGUE of California. Is this item in the President's budget?

Secretary FREEMAN. Yes, it is provided for.

Mr. TEAGUE of California. And what is your estimate of the anticipated annual cost after we get beyond the pilot stage—what is your estimate of that cost?

Secretary FREEMAN. It is very, very difficult to estimate it, because we really do not have anything conclusive in terms of how many children, really, will participate in this—how many it actually will reach and so I do not think that we have made any very hard estimate as to where it may lead us until we get something to work with from the pilot experience.

Mr. TEAGUE of California. I realize how difficult that would be. You say that you cannot give us any figures.

Secretary FREEMAN. Let me ask my associates here if they have made some estimate. I always get a little nervous about some of these estimates.

Mr. DAVIS. About all we have to go on, Congressman Teague, is the total of numbers of children coming from very poor families. As the Secretary pointed out earlier, there are possibly 1,500,000 preschool children that come from families in very, very low income brackets that might well benefit from group feeding programs designed for them.

We have some figures on the total number of child care centers but this is a very vague figure. You do not know which ones of those are in some sort of operation such as in Chevy Chase or perhaps in a poor neighborhood. Certainly we would want to approach this program very carefully. One of the things that we would be looking at very carefully in the pilot State—one of the things that we will get as a pilot operation would be a better estimate of the possible total magnitude of the program. We would expect, on the basis of the first year's experience to come back to the Congress and share with them our experience and perhaps at that time make a recommendation for the next year's level. This is about the best that we can do at this moment.

Mr. TEAGUE of California. I certainly realize the difficulty you have in that respect.

Would you say that it would be unreasonable to expect that this program—this new program—might cost several hundred million dollars a year and before you answer, I do not say that we should either accept or reject it on purely that basis but I do think that we should have some idea of the prospective future cost of the programs before we get into them in the first place.

Mr. DAVIS. I believe, sir, that we testified last year on the prospective breakfast program that for this particular type of program we would not envision it as being a very large program. We think that it would be a very important program in the areas in which they would be eligible for its operation but certainly we would not feel that it would ever run into the hundreds of millions.

Mr. TEAGUE of California. Thank you.

The CHAIRMAN. Mr. Dow.

Mr. Dow. Thank you, Mr. Chairman. In general I support the program, Mr. Secretary, and commend you for a very fine presentation.

My questions are mostly for the purpose of educating myself. They are not controversial, I do not think.

One question is this, is there a variance between the ratio that one family might receive or another in the ratio of what they would have to put into this to receive a given quantity of stamps or a given face value of stamps?

Secretary FREEMAN. There would be some based on the income of the people in a given area, because it would relate to how much they can spend for food, you see. The amount they would have to spend will be greater—the proportion will be greater the more income they have. It will be less the less income they have, because of the amount of the food intake that is being carried through is less, and then there are some that are obviously in complete destitute cases, where there is a very minimal amount.

Mr. Dow. I noticed on page 4 of your statement you state that families' investment in the program represents about 64 percent of the total value of the coupons, but then you speak a little farther down in the statement about a family that invests \$2 per person per month, and they in turn would receive about \$10 of coupons per month for each member of the family. In other words, the funds are worth more to some people than to others, is that what we are saying?

Secretary FREEMAN. In the \$2 that would be the people in the very, very low income level, which is right on rock bottom. As I said, the amount of money that would be taken in in order to get the stamps would be greater as the income of the people went up.

Mr. Dow. In other words, the welfare office would determine this?

Secretary FREEMAN. That is correct, exactly.

Mr. Dow. Would they be able to reprove a family that was investing heavily in beer and cigarettes—of what he thought their allotment of stamps ought to be—would he reprove them?

Secretary FREEMAN. I doubt that he would probably know that. That might be a factor in his subjective evaluation if he knew the people in the community but, basically, this is on the enforcement side. It would be the people in the store who should know better and who should live up to the law.

Mr. Dow. I have only one more question and that is under the food stamp program apparently the costs are wholly borne by the Federal Government, except for the administrative costs that might be involved at the state level.

Secretary FREEMAN. That is correct.

Mr. Dow. Or the local level.

Secretary FREEMAN. Yes.

Mr. Dow. Under the nutrition program, I was not too clear—and maybe you have some idea, Mr. Secretary, on this, do the state and the local people contribute or does the institution contribute in part some of the cost of the food provided under this program?

Secretary FREEMAN. Yes. You see, this is related to the school lunch approach. And the amount that the Federal Government puts in is more than matched by the local school district in the normal course of events except in those cases where we are dealing with children in the very low income groups that cannot afford to pay for any lunch, and in those instances we go up to 80 percent, but generally the pattern is that we have a very considerable local contribution which is made as well.

Mr. Dow. Would the state participate?

Secretary FREEMAN. Yes. In most of these. Well, it would depend upon the instances, referring again to the school lunch program, the States do participate and some quite heavily.

Mr. Dow. And they might in this?

Secretary FREEMAN. And they might in that; that is correct.

Mr. Dow. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Wampler.

Mr. WAMPLER. Mr. Secretary, I have received a number of letters from constituents who feel that they have been wrongfully denied certification for food stamps. Could you give me, a Member of Congress, some guidance as to whom I should turn for help in these cases?

Secretary FREEMAN. I think that in this instance you will have to go to the local public welfare authorities, perhaps of the State, to see if the State standards are being met by the local authorities or whoever does the certification, that there is a certification that operates according to the standards set down by the Congress. That is the extent of our involvement in that. And that Mr. Jones and Mr. Smith do not qualify is something that would be determined by the local welfare authorities.

Mr. WAMPLER. You feel that it would be proper for me, as a Member of Congress, to make an inquiry of the State and the local office on that?

Secretary FREEMAN. Yes, sir.

Mr. WAMPLER. Does the Department of Agriculture make any part of the payment toward the administrative costs of the food stamp program?

Secretary FREEMAN. No.

Mr. WAMPLER. How many people in the Department of Agriculture work in the food stamp program?

Secretary FREEMAN. Excuse me. I will correct this. That is, to be sure the record is right. To the extent that some now have a small margin of nonpublic welfare cases that might be certified, that would run out of the local welfare area, we would provide some administrative costs assistance, but it is fairly nominal in amount.

Mr. WAMPLER. The other question was how many people in the Department of Agriculture work in the food stamp program.

Secretary FREEMAN. How many?

Miss KELLEY. At the end of this fiscal year, Congressman Wampler, we will have 875 projects in operation. There will be a total of 831 or somewhat less in number than one man-year per project area for the complete Federal administration.

Mr. WAMPLER. I believe, Mr. Secretary, you said the commercial banks receive no payment from the Federal Government for the service of redeeming the coupons that the wholesalers and the retailers deposited with them.

Secretary FREEMAN. That is correct.

Mr. WAMPLER. In those States which have adopted the policy of permitting the commercial banks to issue the coupons, do those banks receive any fee for issuing them?

Secretary FREEMAN. If they do, the fee comes from the State or the locality that handles it. How the stamps get to the people is a local responsibility and financing.

Mr. WAMPLER. In response to the query by Mr. Abernethy your answer was that you would supply for the record as nearly as you had them both the Federal administrative cost and what the local costs were.

Secretary FREEMAN. That is correct.

Mr. WAMPLER. Thank you.

The CHAIRMAN. Mr. Jones, may I say before you start that there are two more witnesses present and that there are two more members who have asked to be recognized to ask questions.

I want the members to know this situation and to be governed accordingly.

Mr. JONES of North Carolina. This problem does not exist nationwide, but I think it is typical of our part of the country. You have referred, I believe, Mr. Davis, to poor schools, which I take it is a unit composed of a percentage of enrollment from families under certain income groups.

Secretary FREEMAN. That is correct.

Mr. JONES of North Carolina. Let us say that it is 50 percent—what is your figure?

Mr. DAVIS. We have no hard and fast figure on that.

Mr. JONES of North Carolina. For the sake of argument let us say that it is 50 percent. When we come to a school which does not qualify as a poor school, as being qualified as a recipient of these Federal assistance programs, but in this school, which does not qualify as a poor school, we have kids, that is, 15 percent of the individual students, who are from families that would qualify if they were in the so-called poor school.

I find in your program, as well as in many of the HEW programs, that this percentage of needy families or of needy children are being penalized by attending a school which does not qualify under that definition.

Has there been any thought given to that or any action taken toward directing this aid on the individual basis rather than on the per-school enrollment basis?

Secretary FREEMAN. First of all, there is a provision under the Child Nutrition Act to help a school which has not been able to develop a school lunch program because it was limited in its resources. Equipment can be made available and they may have special assistance so that the situation would not exist, find special funding for such a school, because the children cannot afford to buy the lunch as they would put it in a school district where these children are better off.

Presumably under this, if it works as we hope it will, the school lunch program will (a) reach school districts that have not had the program before, and (b) reach those who could not afford to pay anything for lunch before. And this is the purpose of the Child Nutrition Act.

Mr. JONES of North Carolina. Regardless of the per capita income of the school—it would be subject to the situation of the individual child?

Secretary FREEMAN. You have a school lunch program where children cannot afford to pay for the lunch and should get it free. That is the way that the School Lunch Act has read from the very beginning. So the problem has been as a practical matter that the local schools have not done it because they have not had enough money. So what they have said, in effect, is that—

If we have to give this free to some students, we would have to cut back our program so that it would not be a workable program, but it is well to do the very best we can, we will get the cost as low as we can for everyone, but everyone will have to pay 25 cents—we cannot let some pay 10 cents and some pay nothing.

Under the Child Nutrition Act, not adequately funded yet but hopefully the time will come that in those instances where the child cannot afford to pay he will get the lunch and that school will be able, in effect, to do what they were supposed to do from the very beginning.

Mr. JONES of North Carolina. Thank you.

The CHAIRMAN. Mrs. May.

Mrs. MAY. Mr. Secretary, on page 6 of your statement you point out how the program has been administered under the Food Stamp Act. You state:

The state welfare group—through its local counterpart offices—must assume responsibility for the certification of households. The act requires that these certification functions be carried out under the same general procedures and merit system personnel centers used in the certification of recipients of public assistance.

I realize that there has been some discussion of this point earlier this morning. However, I would like to say that if there has been an area in which I have had criticism from various States it is on the differentiation of criterion in certification. Has this been a problem in the administration of this program from the viewpoint of administration?

Secretary FREEMAN. I will defer to Mr. Davis to answer that.

Mr. DAVIS. I think that on the whole we have had to spend a great deal of effort with the local welfare people to explain the special concern in certifying for the program that they might not necessarily have in their own programs.

For example, in determining the income for the basis of the purchase requirement, we need them to find out as nearly as they can the exact income, not that it is just below the eligibility level but how much it is.

Secondly, we have tried to build into this program several flexibilities that will enable the caseworker to tailor the program to the individual—such things as excessive medical expense, such things as excessive rent which the caseworker might not ordinarily taken into account in her normal work with poor families. So that there are certain different things that the caseworker must do in interviewing the food stamp participant that she might not necessarily do with other families.

To the extent that the caseworkers can apply these flexibilities, the program can be more successful for the individual family. For example, one family with an income of \$100 is paying \$50 rent and will not have much money left for food as compared to another family

with \$100 income which is only paying \$30 for rent. We have some flexibility that they can apply and to the extent that they can the program is more successful. And this I think is probably what you have been hearing about.

Mrs. MAY. Yes. My question then would be about the State authorities or the local authorities. Are they being responsive to the criteria that you point out that should be met, whether it is a really sound controlling certification—too much money being spent or an overrigid certification or standards—are they responsive at that point?

Mr. DAVIS. On the whole I would say that they have been most responsive. And here again the better our communication down to the individual caseworkers the better the response has been—where they understand the program and what it is designed to do and not designed to do. There is a growing feeling, as you may be aware of, among the caseworkers across the country that they are overburdened with both the caseload and the paperwork. This program adds an additional job. To that extent there has been a little grumbling here and there, but I say that by and large the welfare people down to the caseworkers across the country have been most responsive except where they feel that since this is Federal money that we ought to just give it to the people without asking too many questions, whereas they might not do that with their own State's money. Generally it has been very good.

Mrs. MAY. You have to get that cooperation; that is, the cooperation of the local people to work with the program.

Mr. DAVIS. Of course that is correct.

Mrs. MAY. In that respect, what can you do to get that cooperation?

Mr. DAVIS. First we try to straighten out the situation by reasoning. In the last analysis the State is financially liable for negligence in certifying each family, so that they could well find themselves, if they just decided that they were not going to do a good job and were not going to take the trouble to do it, that we would have that final recourse of a claim against them for any poor certification.

Mrs. MAY. Have you had so far to use that authority?

Mr. DAVIS. We have not.

Mr. ABERNETHY. Would you yield to me?

Mrs. MAY. Yes.

Mr. ABERNETHY. This paper that I have here, attached to your statement, entitled "Food Stamp Program, Select Program Statistics for Specified Months," does that show all of the counties that are on the food stamp program and the number of people who are receiving stamps?

Mr. DAVIS. Yes, sir. In January of this year for that month.

Mr. ABERNETHY. Mr. Chairman, I wish that we could have the Secretary or Mr. Davis furnish the committee—and I would like to have a copy of it as soon as I can get it—of the names of the counties of the United States now receiving commodities for distribution.

The CHAIRMAN. You will supply that for the record?

Mr. DAVIS. Yes.

(The information follows:)

AREAS OPERATING A COMMODITY DISTRIBUTION PROGRAM FOR NEEDY FAMILIES IN
JANUARY 1967

<i>Alabama</i>	Columbia	Sutter
Bibb	Crawford	Tehama
Blount	Cross	Tulare
Calhoun	Dallas	Tuolumne
Cherokee	Desha	Ventura
Cleburne	Franklin	Yolo
Coffee	Fulton	Yuba
Colbert	Garland	Calexico (city)
Conecuh	Grant	
Cullman	Greene	<i>Colorado</i>
Dale	Hot Spring	Arehuleta
Dallas	Howard	Bent
De Kalb	Jackson	Chaffee
Etowah	Johnson	Cheyenne
Fayette	Lafayette	Dolores
Franklin	Lawrence	El Paso
Geneva	Little River	Fremont
Jackson	Logan	Grand
Lamar	Madison	Gunnison
Lauderdale	Marion	Kit Carson
Lawrence	Montgomery	Lake
Limestone	Nevada	LaPlata
Macon	Newton	Lincoln
Madison	Ouachita	Logan
Marion	Pike	Montezuma
Marshall	Poinsett	Montrose
St. Clair	Polk	Morgan
Shelby	Pope	Phillips
Talladega	Randolph	Prowers
Winston	Saline	Routt
	Scott	Saguache
<i>Alaska</i>	Searcy	San Miguel
None	Sebastian	Sedgwick
	Sharp	Teller
<i>Arizona</i>	Stone	Washington
Apache	Union	Yuma
Cochise	Van Buren	Hartford (city)
Coconino	Washington	Hebron (city)
Gila	White	Plainfield (city)
Graham	Woodruff	Putnam (city)
Greenlee	Yell	Thompson (city)
Maricopa		Torrington (city)
Mohave	<i>California</i>	Windsor-Locks (city)
Navajo	Amador	
Pima	Colusa	<i>Delaware</i>
Pinal	El Dorado	Kent
Santa Cruz	Fresno	New Castle
Yavapai	Inyo	Sussex
Yuma	Kern	
Navajo Reservation	Kings	<i>District of Columbia</i>
	Madera	None
<i>Arkansas</i>	Mendocino	
	Merced	<i>Florida</i>
Baxter	Modoc	Baker
Benton	Plumas	Bay
Boone	Sacramento	Bradford
Calhoun	San Joaquin	Broward
Carroll	San Luis Obispo	Dade
Chicot	San Barbara	Dixie
Clark	Santa Cruz	Duval
Clay	Shasta	Escambia
Cleburne	Siskiyou	
Cleveland	Stanislaus	

AREAS OPERATING A COMMODITY DISTRIBUTION PROGRAM FOR NEEDY FAMILIES IN
JANUARY 1967—Continued*Florida—Continued*

Gadsden	Liberty	Henderson
Hardee	Long	Henry
Highlands	McIntosh	Jo Daviess
Hillsborough	Macon	Kane
Lafayette	Marion	Kankakee
Lake	Miller	Knox
Lee	Monroe	La Salle
Leon	Muscogee	Lee
Monroe	Newton	Linington
Okeechobee	Pierce	Logan
Palm Beach	Quitman	McDonough
Pasco	Randolph	McHenry
Pinellas	Rockdale	Macon
Polk	Screven	Marshall
Santa Rosa	Spalding	Mason
Taylor	Stewart	Mercer
Union	Tattnall	Morgan
Cuban Refugee	Taylor	Moultrie
Assistance (city)	Telfair	Ogle
Seminole Indian (city)	Terrell	Peoria
	Walker	Piatt
	Ware	Pike
	Wayne	Rock Island
	Whitfield	Sangamon
	Worth	Schuyler

Georgia

Atkinson
Bacon
Baker
Banks
Barrow
Bartow
Berrien
Bleckley
Brantley
Brooks
Bryan
Butts
Camden
Chattahoochee
Chattooga
Cherokee
Clarke
Clay
Clayton
Cobb
Coffee
Cook
Crisp
Dade
De Kalb
Dooly
Douglas
Early
Fannin
Floyd
Fulton
Glynn
Greene
Gwinnett
Habersham
Henry
Jackson
Jeff Davis
Jefferson

Hawaii

None

Idaho

Benewah
Bonner
Boundary
Clearwater
Idaho
Kootenai
Latah
Lemhi
Lewis
Nez Perce
Shoshone
Fort Hall Indian
Reservation

Illinois

Adams
Brown
Carroll
Cass
Champaign
Christian
Clark
Cumberland
De Witt
Douglas
Edgar
Effingham
Ford
Fulton
Grundy
Hancock

Henderson
Henry
Jo Daviess
Kane
Kankakee
Knox
La Salle
Lee
Linington
Logan
McDonough
McHenry
Macon
Marshall
Mason
Mercer
Morgan
Moultrie
Ogle
Peoria
Piatt
Pike
Rock Island
Sangamon
Schuyler
Scott
Shelby
Tazewell
Vermilion
Warren
Whiteside
Will
Winnebago
Woodford

Indiana

Adams
Allen
Benton
Blackford
Boone
Brown
Carroll
Cass
Clark
Clay
Clinton
Crawford
Daviess
Dearborn
Decatur
De Kalb
Delaware
Dubois
Elkhart
Fayette
Fountain
Franklin
Fulton
Grant
Greene
Hamilton
Hancock

AREAS OPERATING A COMMODITY DISTRIBUTION PROGRAM FOR NEEDY FAMILIES IN
JANUARY 1967—Continued

Indiana—Continued

Hendricks	Floyd	Christian
Henry	Fremont	Crittenden
Howard	Hancock	Davies
Huntington	Howard	Edmonson
Jackson	Humboldt	Fayette
Jasper	Iowa	Fleming
Jay	Jackson	Franklin
Jefferson	Jones	Fulton
Jennings	Keokuk	Garrard
Johnson	Kossuth	Grant
Kosciusko	Linn	Graves
Lagrange	Louisa	Grayson
La Porte	Mahaska	Green
Lawrence	Marion	Greenup
Marshall	Mitchell	Hancock
Martin	Monroe	Hardin
Miami	Muscatine	Hart
Monroe	Osceola	Henderson
Montgomery	Palo Alto	Henry
Morgan	Pocahontas	Hickman
Noble	Polk	Hopkins
Ohio	Pottawattamie	Jessamine
Orange	Sac	Kenton
Owen	Shelby	Larue
Parke	Story	Lawrence
Porter	Webster	Lewis
Pulaski	Winnebago	Livingston
Randolph	Winneshiek	Lyon
Ripley	Wright	McCracken
Rush		McLean
St. Joseph	<i>Kansas</i>	Madison
Scott	Clark	Marion
Shelby	Elk	Marshall
Starke	Ford	Mason
Sullivan	Grant	Meade
Tippecanoe	Hamilton	Mercer
Union	Harper	Metcalfe
Vermillion	Hodgeman	Monroe
Vigo	Kearny	Nelson
Wabash	Kingman	Ohio
Warren	Meade	Oldham
Washington	Phillips	Owen
Wayne	Sedgwick	Pendleton
Wells	Shawnee	Powell
Whitley	Sherman	Robertson
	Wyandotte	Rowan

Iowa

Audubon
Black Hawk
Boone
Buchanan
Buena Vista
Carroll
Cass
Cedar
Cherokee
Chickasaw
Clay
Clinton
Crawford
Dickinson

Kentucky

Anderson
Ballard
Barren
Boone
Boyd
Boyle
Bracken
Breckinridge
Bullitt
Butler
Caldwell
Calloway
Carlisle
Carroll

Scott
Shelby
Spencer
Taylor
Trigg
Trimble
Union
Warren
Washington
Webster

Louisiana

Allen
Ascension
Catahoula
East Carroll
Grant

AREAS OPERATING A COMMODITY DISTRIBUTION PROGRAM FOR NEEDY FAMILIES IN
JANUARY 1967—Continued*Louisiana—Continued*

La Salle
Madison
St. Bernard
St. Charles
St. Mary
Tensas
West Baton Rouge

Maine

Aroostook
Cumberland
Franklin
Hancock
Kennebec
Knox
Lincoln
Oxford
Penobscot
Piscataquis
Sagadahoc
Somerset
Waldo
Washington
York

Maryland

Hartford
Somerset
Baltimore (City)

Massachusetts (cities)

Amherst
Boston
Brockton
Buckland
Cambridge
Chicopee
Deerfield
Easthampton
Gardner
Goshen
Lowell
Lynnfield
Malden
New Bedford
Northampton
Petersham
Phillipston
Quincy
Royalston
Springfield
Templeton
West Springfield
Williamsburg
Winchendon

Michigan

Alcona
Alger

Allegan
Alpena
Antrim
Arenac
Baraga
Barry
Bay
Benzie
Berrien
Branch
Calhoun
Cass
Charlevoix
Cheboygan
Chippewa
Clare
Clinton
Crawford
Delta
Dickinson
Eaton
Emmet
Genesee
Galdwin
Grand Traverse
Gratiot
Hillsdale
Huron
Ingham
Ionia
Iosco
Iron
Isabella
Jackson
Kalamazoo
Kalkaska
Kent
Keweenaw
Lake
Lapeer
Leelanau
Lenawee
Livingston
Luce
Mackinac
Manistee
Marquette
Mason
Mecosta
Menominee
Midland
Missaukee
Monroe
Montcalm
Montmorency
Muskegon
Newaygo
Oceana
Ogemaw
Ontonagon
Osceola
Oscoda
Otsego
Ottawa

Presque Isle
Roscommon
Saginaw
St. Joseph
Sanilac
Schoolcraft
Shiawassee
Tuscola
Van Buren
Washtenaw
Wexford

Minnesota

Blue Earth
Carver
Cass
Chisago
Clearwater
Cook
Cottonwood
Douglas
Faribault
Grant
Isanti
Jackson
Kanabec
Kittson
Lake of the Woods
Le Sueur
Lyon
Mahnomon
Marshall
Meeker
Mille Lacs
Morrison
Mower
Murray
Nicollet
Pennington
Pope
Red Lake
Rock
Scott
Sherburne
Sibley
Stevens
Todd
Traverse
Wadena
Waseca
Yellow Medicine
Red Lake Indian
Reservation
Lower Sioux Community
Indian Reservation

Mississippi

Adams
Alcorn
Amite
Benton
Bolivar
Calhoun

AREAS OPERATING A COMMODITY DISTRIBUTION PROGRAM FOR NEEDY FAMILIES IN
JANUARY 1967—Continued*Mississippi—Continued*

Carroll
Choctaw
Claiborne
Clarke
Copiah
Covington
De Soto
Franklin
George
Greene
Grenada
Hancock
Hinds
Holmes
Humphreys
Issaquena
Itawamba
Jackson
Jasper
Jefferson
Jefferson Davis
Kemper
Lafayette
Lamar
Lauderdale
Lawrence
Leake
Leflore
Lincoln
Marshall
Monroe
Montgomery
Neshoba
Newton
Noxubee
Oktibbeha
Pearl River
Perry
Pontotoc
Prentiss
Quitman
Rankin
Scott
Sharkey
Simpson
Smith
Stone
Sunflower
Tallahatchie
Tate
Tippah
Tishomingo
Tunica
Union
Walthall
Warren
Washington
Wayne
Webster
Wilkinson
Winston
Yalobusha
Indina Agency

Missouri

Buchanan
Butler
Cape Girardeau
Carter
Clay
Davies
De Kalb
Dunklin
Gentry
Greene
Iron
Jackson
Jefferson
Linn
Livingston
Mercer
Mississippi
New Madrid
Nodaway
Pemiscot
Perry
Reynolds
Ripley
St. Charles
St. Francois
St. Louis
Scott
Stoddard
Washington
Wayne

Montana

Flathead
Glacier
Roosevelt
Tribal Councils:
Crow Indian
Fort Belknap
Northern Cheyenne
Rocky Boy
Salish and Kootenai

Nebraska

Winnebago Indian Agency

Nevada

Clark
Elko
Eureka
Humboldt
Lincoln
Mineral
Ormsby
Pershing
White Pine

New Hampshire

Belknap
Carroll
Cheshire

Coos

Grafton
Hillsborough
Merrimack
Rockingham
Strafford
Sullivan

New Jersey

Asbury Park (city)
Alpha (city)
Bayonne (city)
Cumberland (city)
Estelle Manor (city)
Franklin (city)
Garfield (city)
Glassboro (city)
Hamilton Township
Howell Township
Jackson Township
Jersey City
Keyport (city)
Lakewood (city)
Little Egg Harbor (city)
Millstone (city)
Monroe (city)
Mt. Holly (city)
Mt. Laurel (city)
Newark (city)
N. Shrewsbury (city)
N. Hanover (city)
Phillipsburg (city)
Pohotcong (city)
S. Brunswick (city)
Wanaque
Washington

New Mexico

Bernalillo
Catron
De Baca
Dona Ana
Grant
Guadalupe
Hidalgo
Lincoln
Luna
McKinley
Otero
San Juan
Sierra
Socorro
Torrance
Valencia

New York

Albany
Allegany
Broome
Cattaraugus
Cayuga
Chautauqua

AREAS OPERATING A COMMODITY DISTRIBUTION PROGRAM FOR NEEDEY FAMILIES IN
JANUARY 1967—Continued

New York—Continued

Chemung
Clinton
Columbia
Cortland
Delaware
Essex
Franklin
Fulton
Genesee
Greene
Hamilton
Herkimer
Jefferson
Lewis
Livingston
Madison
Monroe
Montgomery
Nassau
Niagara
Oneida
Onondaga
Ontario
Orleans
Oswego
Rensselaer
St. Lawrence
Saratoga
Schenectady
Schoharie
Schuyler
Seneca
Steuben
Suffolk
Tioga
Tompkins
Ulster
Warren
Washington
Wayne
Westchester
Wyoming
Yates
Auburn (city)
Binghamton (city)
Jamestown (city)
Oswego (city)
Union (city)
New York (city)

North Carolina

Alamance
Alexander
Alleghany
Anson
Ashe
Avery
Beaufort
Brunswick
Burke
Caldwell

Camden
Carteret
Cherokee
Clay
Columbus
Craven
Cumberland
Davidson
Davie
Edgecombe
Gaston
Gates
Graham
Greene
Guilford
Henderson
Hertford
Hoke
Hyde
Jackson
Johnston
Jones
Lenoir
McDowell
Macon
Madison
Mecklenburg
Mitchell
Montgomery
Onslow
Pamlico
Pasquotank
Perquimans
Pitt
Richmond
Robeson
Rockingham
Rowan
Rutherford
Swain
Transylvania
Tyrrell
Vance
Wake
Warren
Washington
Watauga
Wayne
Wilkes
Wilson
Yadkin
Yancey

North Dakota

Burleigh
Cass
Dunn
Foster
Grand Forks
McHenry
Oliver
Pembina
Pierce

Ramsey
Rolette
Sheridan
Stark
Walsh
Ward
Williams
Indian Agencies:
Fort Berthold
Fort Totten
Turtle Mountain
Standing Rock

Ohio

Adams
Ashtabula
Belmont
Brown
Butler
Champaign
Clinton
Crawford
Darke
Fayette
Geauga
Guernsey
Highland
Hocking
Jackson
Knox
Licking
Madison
Marion
Miami
Monroe
Morrow
Muskingum
Ottawa
Perry
Pickaway
Pike
Portage
Preble
Shelby
Union
Vinton
Warren

Oklahoma

Adair
Alfalfa
Atoka
Beckham
Blaine
Bryan
Caddo
Canadian
Carter
Cherokee
Choctaw
Cimarron
Cleveland

AREAS OPERATING A COMMODITY DISTRIBUTION PROGRAM FOR NEEDY FAMILIES IN
JANUARY 1967—Continued*Oklahoma—Continued*

Coal
Comanche
Cotton
Craig
Creek
Custer
Delaware
Dewey
Ellis
Garfield
Garvin
Grady
Grant
Greer
Harmon
Harper
Haskell
Hughes
Jackson
Jefferson
Johnston
Kay
Kingfisher
Kiowa
Latimer
Le Flore
Lincoln
Logan
Love
McClain
McCurtain
McIntosh
Marshall
Mayes
Murray
Muskogee
Noble
Nowata
Okfuskee
Oklahoma
Okmulgee
Osage
Ottawa
Pawnee
Payne
Pittsburg
Pontotoc
Pottawatomie
Pushmataha
Roger Mills
Rogers
Seminole
Sequoyah
Stephens
Tillman
Tulsa
Wagoner
Washington
Washita
Woodward

Oregon

Baker
Benton
Clackamas
Clatsop
Columbia
Coos
Crook
Curry
Deschutes
Douglas
Gilliam
Grant
Harney
Hood River
Jackson
Jefferson
Josephine
Klamath
Lake
Lane
Lincoln
Linn
Malheur
Marion
Morrow
Polk
Sherman
Umatilla
Union
Wasco
Wheeler
Yamhill

Pennsylvania

Armstrong
Beaver
Bedford
Berk
Blair
Bucks
Butler
Cameron
Carbon
Centre
Chester
Clarion
Columbia
Crawford
Cumberland
Delaware
Elk
Erie
Forest
Franklin
Fulton
Jefferson
Lancaster
Lawrence
Lebanon

Lehigh
Lycoming
Mercer
Monroe
Montgomery
Montour
Northampton
Schuylkill
Snyder
Union
Venango
Warren
Wayne
Westmoreland
York

Puerto Rico

Adjuntas
Aguada
Aguadilla
Aguas Buenas
Aibonito
Anasco
Arecibo
Arroyo
Barceloneta
Barranquitas
Bayamon
Cabo Rojo
Caguas
Camuy
Carolina
Castaner
Catano
Cayey
Ceiba
Ciales
Cidra
Coamo
Comerio
Corozal
Dorado
Fajardo
Guanica
Guayama
Guayanilla
Guaynabo
Gurabo
Hatillo
Hormigueros
Humacao
Isabela
Jayuya
Juana Diaz
Juncos
Lajas
Lares
Las Marias
Las Piedras
Loiza
Luquillo

AREAS OPERATING A COMMODITY DISTRIBUTION PROGRAM FOR NEEDY FAMILIES IN
JANUARY 1967—Continued*Puerto Rico—Continued*

Manati
Maricao
Maunabo
Mayaguez
Moca
Morovis
Naguabo
Naranjito
Orocovis
Patillas
Pennelas
Ponce I
Ponce II
Quebradillas
Ricon
Rio Grande
Rio Piedras
Sabana Grande
Salinas
San German
San Juan I
San Juan II
San Lorenzo
San Sebastian
Santa Isabel
Toa Alta
Toa Baja
Trujillo Alto
Utua
Vega Alta
Vega Baja
Vieques
Villalba
Yabucoa
Yauco

Rhode Island (cities)

Bristol
Burrillville
Coventry
Cranston
East Greenwich
Foster
Glocester
Jamestown
Johnston
Lincoln
N. Providence
N. Smithfield
Smithfield
Warren
Warwick
West Greenwich
West Warwick

South Carolina

None

South Dakota

Aurora

Beadle
Bennett
Brown
Brule
Buffalo
Clark
Codington
Corson
Davison
Edmunds
Faulk
Grant
Hand
Hanson
Hutchinson
Hyde
Jackson
Jerauld
Lyman
McCook
McPherson
Marshall
Mellette
Miner
Pennington
Perkins
Potter
Roberts
Sanborn
Spink
Todd
Tripp
Union Walworth
Indian reservations:
 Cheyenne
 Crow Creek
 Lower Brule
 Pine Ridge
 Rosebud
 Sisseton
 Yanton

Tennessee

Benton
Blount
Carroll
Carter
Clay
Cumberland
Decatur
Greene
Hamblen
Hawkins
Henderson
Loudon
Madison
Obion
Overton
Perry
Putnam
Rhea
Roane
Sullivan

Unicoi
Union
Washington
Wayne
White

Texas

Anderson
Angelina
Bee
Brooks
Brown
Callahan
Cameron
Camp
Carson
Childress
Cochran
Coke
Cooke
Cottle
Crosby
Dallam
Dallas
Dawson
Dickens
Duval
Eastland
Fisher
Floyd
Foard
Franklin
Galveston
Grimes
Guadalupe
Hale
Hardeman
Hardin
Harris
Haskell
Hemphill
Henderson
Hidalgo
Hockley
Howard
Hudspeth
Hutchinson
Irion
Jackson
Jefferson
Jim Hogg
Jim Wells
Jones
Kent
Kinney
Kleberg
Knox
Lamb
Liberty
Lipscomb
Lubbock
McLennan
Martin

AREAS OPERATING A COMMODITY DISTRIBUTION PROGRAM FOR NEEDY FAMILIES IN
JANUARY 1967—Continued

<i>Texas</i> —Continued	Windham	Barron
Matagorda	Windsor	Bayfield
Maverick		Brown
Milam	<i>Virginia</i>	Buffalo
Montague		Clark
Moore	Buchanan	Dane
Morris	Giles	Dodge
Motley	Russell	Florence
Newton	Scott	Fond du Lac
Nolan	Roanoke (city)	Forest
Nueces	Bethlehem	Jackson
Orange		Juneau
Polk	<i>Virgin Islands (cities)</i>	Kenosha
Potter		LaCrosse
Red River	Christiansted	Lincoln
Sabine	Coral Bay	Manitowoc
San Augustine	Cruz Bay	Marathon
San Jacinto	Frederiksted	Marinette
San Patricio	Grove Place	Menomonee
Scurry	Korea	Monroe
Shelby	Profit	Oconto
Smith	St. Thomas	Outagamie
Starr		Ozaukee
Stonewall	<i>Washington</i>	Polk
Swisher		Portage
Terry	Chelan	Racine
Titus	Douglas	Rock
Tom Green	Ferry	Sauk
Travis	Grant	Sawyer
Trinity	Island	Shawano
Upshur	King	Sheboygan
Webb	Kittitas	Taylor
Wilbarger	Okanogan	Washburn
Zapata	Pend Oreille	Washington
Crystal (city)	Pierce	Waupaca
Denison (city)	San Juan	Wausara
San Antonio (city)	Skagit	Winnebago
	Snohomish	Wood
	Spokane	Arthur (city)
	Stevens	Birch Creek (city)
	Whatcom	Cadott (city)
<i>Trust territory</i>		Chippewa Falls (city)
None	<i>West Virginia</i>	Cleveland (city)
		Colburn (city)
<i>Utah</i>	Berkeley	Cornell (city)
Grand	Brooke	Eagle Point (city)
Salt Lake	Grant	Estelle (city)
San Juan	Hampshire	Fairchild (village)
Summit	Hancock	Fairchild (town)
Tooele	Hardy	New Holcombe (city)
Uintah	Jefferson	New Auburn (city)
Wasatch	Marshall	Ruby (city)
	Mineral	Sampson (city)
<i>Vermont</i>	Morgan	Stanley (city)
Addison	Ohio	Wilson (city)
Bennington	Pleasants	Indian Tribal Council
Caledonia	Ritchie	of Lac du Flambeau
Chittenden	Tyler	
Essex	Wetzel	
Orange		<i>Wisconsin</i>
Orleans		
Rutland	Adams	<i>Wyoming</i>
Washington	Ashland	Wind River Indian
		Reservation

Mrs. MAY. You have pointed out that there are three ways that you make the coupons available, through the local offices, the State government and the banks. Are you reimbursing the banks for doing this work? There is, of course, some work to the bank, some cost to them in handling the coupons. Do you reimburse them?

Mr. DAVIS. We do not. The Federal Government does not. Where the State elects to hire a bank, to use a bank as its agent in selling the coupons, they negotiate a contract with that bank and establish the cost per transaction. And the locality pays it.

Mrs. MAY. In other words, do you have any instances where the cost of the bank to the State is passed on?

Mr. DAVIS. Yes, quite often these pass on down to the local community.

Mrs. MAY. So far what has been your experience, which of these methods are being used mainly to distribute coupons? Is it through the local governments or do they use a bank or what?

Miss KELLEY. It is done mostly by the State or local governments. There are a number of local governments and State governments that have felt that a contract with the bank might do two things—provide more service to the recipient and perhaps actually be a cheaper method to the State than to establish and hire and have accountability control, but the banks are the lesser of the two used at the moment.

Mrs. MAY. Thank you very much.

The CHAIRMAN. Thank you, Mrs. May.

I would call the attention of the members of the committee that Mrs. Sullivan, the author of the bill placed into the Congressional Record at page A-1278 through A-1286 an explanation of this program that I think all of you might find worthwhile reading to get a factual understanding of the background of the program.

Mrs. Sullivan will be heard before the committee tomorrow morning. We have two more witnesses scheduled today.

If there are no further questions of the Secretary, we will proceed with the other witnesses.

We are very much obliged to you, Mr. Secretary, and to your associates for the explanation you have given us.

We will hear from Mr. Patrick B. Healy, assistant secretary of the National Milk Producers Federation. We are glad to have you to present your views to us, Mr. Healy. You may proceed.

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

Mr. HEALY. Mr. Chairman and members of the committee, the National Milk Producers Federation is a national farm organization. It represents dairy farmers and the dairy cooperative associations which they own and operate. Through their cooperatives, dairy farmers act together to process and market, on a cost basis, the milk and butterfat produced on their farms.

The federation for many years maintained a position in favor of a food stamp plan. Such a plan would permit our agricultural abun-

dance to be used for the benefit of the nation as a whole by providing better nutrition for groups not economically able to provide adequate nutrition for themselves.

We, therefore, remain in general support of the food stamp plan.

Instead of storing surplus dairy products, with attendant storage costs, we believe these products should be moved out into consumption.

The food stamp plan allows for us to distribute commodities before they accumulate in the Commodity Credit Corporation warehouses as surplus.

It was on this same basis that we supported also the direct relief distribution programs of the Department of Agriculture.

The Food Stamp Act of 1964 creates a conflict between these two programs, both of which we believe are beneficial and both of which we believe should be retained and permitted to operate side by side.

The conflict arises in subsection (b) of section 4 of the Food Stamp Act of 1964. This subsection provides that, except in emergency cases, there can be no distribution of federally owned foods to households in areas where a good stamp program is in effect.

The bill introduced by Representative Sisk, H.R. 1268, would repeal the restriction on the use of direct distribution programs in areas where food stamp programs are in effect.

We support and endorse H.R. 1268.

If the Food Stamp Act is amended to repeal this inconsistency between the two programs, we would then favor its extension beyond June 30, 1967, by amendment of section 16(a) to authorize appropriation beyond that date.

Our purpose in appearing here today, Mr. Chairman, on these bills before the committee is to make provision against this specter of surpluses which we are constantly aware of. We harken back to the statements made by Mr. Brasco and Mr. Abernethy and believe that a provision should be made for the Secretary to have the authority to distribute the surplus commodities if and when they develop in his charge.

I believe unless we are able to do something about the unconscionable flood of import products which are coming into this country in clear evasion of current law that we are going to be plagued with tremendous surpluses of milk which will have to be collected by the Commodity Credit Corporation. So we want to amend this food stamp plan to allow for the use of these commodities if and when they develop.

I thank you.

The CHAIRMAN. Thank you, Mr. Healy.

Are there any questions of Mr. Healy. If there are no questions, we are very much obliged to you for your statement.

We will now hear from Mr. George A. Wiley, who is director of the poverty rights action center, office of the national headquarters, welfare rights organization, who is accompanied by Carl Rachlin, general counsel; and Mrs. Etta Horn, national vice chairman.

We shall be glad to hear from you now, Mr. Wiley.

STATEMENT OF GEORGE A. WILEY, DIRECTOR, POVERTY RIGHTS ACTION CENTER, OFFICE OF THE NATIONAL HEADQUARTERS, WELFARE RIGHTS ORGANIZATIONS; ACCOMPANIED BY CARL RACHLIN, GENERAL COUNSEL; AND MRS. ETTA HORN, NATIONAL VICE CHAIRMAN

Mr. WILEY. Mr. Chairman and members of the committee, my name is George Wiley. I am director of the poverty rights action center in Washington, D.C., which is the national headquarters for welfare recipient organizations across the country.

With me are Mrs. Etta Horn, vice chairman of the national coordinating committee of welfare rights groups, and a welfare recipient who participates in the food stamp program here in the District of Columbia; and Mr. Carl Rachlin of the scholarship education and defense fund for racial equality, who serves as general counsel to our organization.

The national welfare rights movement is a federation of over 200 welfare rights organizations from 26 States and more than 70 communities. A list of the welfare rights groups and the brief history of the welfare rights movement is appended for your information.

I shall not read the entire testimony, of which you have a copy before you, but would like to call attention to some of the high points of the concern that the welfare recipients have with the administration and the operation of the food stamp program and to suggest some kinds of changes that might be made to make the program more beneficial to the welfare recipients.

I would submit that the program has been developed especially with no consultation or consideration of the needs or the interests or the problems that the programs cause to welfare recipients and to low income families who wish to participate in the programs.

The most fundamental and universal complaint of the recipients of these programs is the fact that they are required in order to participate to invest more of their very limited income and budget into the purchase of food stamps which is then restricted actually to a single purpose use.

The problems that are presented by this are many. Anybody who has operated a household knows that these are problems that one has, particularly with a limited budget trying to juggle expenditures and trying to balance the needs that a family has; particularly I would like to point out that many of these expenditures that the low-income people have are such as fixed rents and transportation costs and the cost of utilities and other items that are essentially required to be purchased on a regular basis. And the freezing of a large segment, a large additional segment of a very limited budget, normally works very great hardship on the families that are involved. And it is little consolation that you are well fed if your children do not have clothing or shoes to wear to school or such items as that which are essential to the needs of a family under these conditions.

We believe that the program could be restructured so that some of these problems could be alleviated if due consideration were given to the needs of the recipients.

Further on I would simply like to point out that the procedures that are used by the Department of Agriculture in arriving at the amounts that people have to invest in food stamps are relatively arbitrary and based on standards that are arrived at apart from the individual needs frequently apart from the needs that could be identified with a particular case.

I would cite the case of the problem encountered by an urban family living in an area—let us say New York State, or Illinois, or some place where there are large metropolitan concentrations and the rural family where the food budget estimate would be weighted toward the budget that urban families would have, and there would be additional items, and then the rural family would be required to spend a certain percentage of the budget on the food stamps. And the basic problem this imposes is that the people frequently cannot afford to put the amount of money into the food stamps that they are required to put in; therefore, they either are forced not to participate in the program—they cannot afford to put up the money—or they participate in the program, but this works a great hardship on families in other areas, which is causing another need that families may have.

There is some experience in Mississippi which is particularly germane to this question of participation where many counties which have previously been participating in the commodity distribution program have been going to the food stamp program. There have been some studies made that the dropouts among these people who have been receiving commodity distribution, a program which has a lot of problems associated with it, that I will not go into, that three-quarters of the people in eight counties of the study who have been receiving commodities, which shows they knew of the program, they were eligible for the program, and they had sufficiently low incomes, with sufficient that they wanted to participate in the program, and three-quarters of the people were forced out of the program when the food stamp program replaced the commodity distribution program. And the reason for this, for this dropout can be seen if one looks more carefully at, for example, how the budgeting is done.

On the second page of my statement I give an example of the budget standard requirements. If a family has an income—this is Mississippi—in the range of zero to \$30 per month total income—and I might say that there are a lot of families that have no income—that a family of six with such an income is asked to spend or is asked to spend \$12 a month on the purchase of stamps. That family receives, if it can get up to \$12, \$70 worth of stamps. The \$58 bonus is really quite substantial, really quite helpful if it can find the initial \$12 to put into the program. Obviously, a family that has no income cannot put up the \$12 and many of the people with an income of \$30 are being asked to put up \$12, into food stamps, frequently can cause serious problems in other areas.

This simply identifies the insensitivity of the standards to the actual needs that people have in terms of operating under one of these programs.

So there are a lot of other problems associated with the program. I might mention the welfare recipient and the people who are in the program cannot buy toothpaste, toilet paper, and other needed house-

hold items that normally are available in grocery stores and food markets, those are not included because they are nonfood products. This would be a lesser problem, of course, if it were not for the fact that they have to put such a large percentage of their budget into these food stamps in the first place.

I might say that in my dealing with recipients with the problems, as to the question of beer, tobacco and alcoholic beverages it has never arisen. I have never heard a complaint from people that they could not buy such items as these. The needs for low income people is so basic and the myth has been so overstated about the misuse of this program, I think that this should be pointed out.

There are other problems, other policies, that aggravate these problems. I simply call attention to the fact that the stamps are non-transferable, which increases the burden. In fact, if you have an emergency and you need to get some cash, there is no way once you have gotten into the program of redeeming the stamps for cash, either by going back to the agency, and you are not permitted to transfer these to another person who may have a need for the stamps.

There are also problems that arise over the fact that the stamps are frequently issued on a given day during a given limited period. And the merchant then raises all the prices. There are misuses along the line of the merchant cheating—there have been complaints about the merchant cheating, because in many jurisdictions they require the merchant to tear the stamps out and make it easy for him to tear out stamps which are more than the recipients are actually supposed to be paying for the product.

I would like to get on to a few of the recommendations that might be made for improving and changing the food stamp distribution program.

The main thing that really should be done is that instead of giving stamps at all, it would be for the Department of Agriculture simply to give the bonus amount of money in cash to the recipient. It has been said here that the recipients would not spend the money on food. That I think is an irresponsible statement. The experts within the Department of Agriculture have told me that they are quite sure that at least one-third of such income if it were given in cash would be spent on food and probably a higher percentage because that if the normal distribution that the low income people normally spend. And if they got another dollar they would spend at least one-third of it on foodstuffs. This would then serve the purposes of the program in terms of increasing the consumption of food surpluses. It would be less efficient than if you forced the people to spend 100 percent of the money on food, but I would submit that some reduction in the consumption of efficiency is desirable if we are to have a program that is to best serve the needs of the people who are the recipients of the program.

Another alternative that would probably increase the efficiency and probably not work too great a hardship would be if the bonus amount was given in stamps but the recipient still not have to pay any cash for the stamps. If you were certified for a certain amount of food stamp bonus that you simply would get the bonus amount in cash.

People in the Department of Agriculture argue that the reason that they do not do such a program is that it is less efficient, so far as the

consumption of food is concerned and that the recipient might indeed spend some of his principal of the food budget on other kinds of items. I do not think that it would go into tobacco and alcoholic beverages; that is, any significant amount, but I think that they would in fact go into some degree of other very needed items and that a very substantial portion of it would still, of course, be spent on food.

There are a number of other kinds of things that might be done to relieve the pressures that I think many feel are less desirable.

One which I might simply cite is that there be set aside a range of investment into the food stamps instead of having a fixed dollar amount, and this range, for example, in the case that I cited of a family from zero to \$30 per month income might be specified instead of saying that a family of six with zero income must spend \$12 on food stamps and you would give a range and say that they could spend from zero dollars, recognizing the fact that they might not have any money to spend up to \$12 a month in the food stamps and then they would be given the bonus, and the exact definition of where the amount they actually spent could be determined would be by the local welfare department in consultation with the individual family rather than imposing this arbitrary Government standard as to what people must buy in the program.

These are then measures that could greatly relieve the tensions and the problems caused to the recipients and would, I believe, cause greatly increased participation in the programs.

I might mention that the Department is optimistic about the participation in the program. In fact, the participation rates are very low among the people who are otherwise eligible as the dropout rate, as I indicated in my statement clearly tends to show.

There are other matters that I think might be taken that are very important. One is actually fundamental that the Department of Agriculture and the local welfare departments be required to make the regulations that govern these programs available to the public, particularly the recipients of the program. I have noticed that many of the members of the committee here have not had access to the regulations that govern the programs and did not know how to respond to complaints that recipients had made that they were not being fairly treated under the program.

This is a general program with these programs that the regulations are not made available to the people as to what their entitlements are under the program and under what rules the programs operate. They should be simple information, widely distributed and widely available under these programs. I might mention that I requested from the Food Stamp Division the regulations that govern the programs in the various States and was told recently that it is their policy that they could not make these informations available to me unless they got some prior approval within the Department of Agriculture which illustrates the fact that one cannot routinely simply get this information on a regular basis, yet alone the Department of Agriculture having affirmative programs of seeing that the information is readily distributed to the recipients.

Finally, there should be measures which would govern the problem that there are not adequate outlets, particularly in many of the large

urban centers in the ghetto areas where people or recipients can get a fair deal from local merchants.

Consumer problems have received increasing attention in the poverty program. One suggestion that we offer is that the Government make a commissary facility available to low-income people and perhaps establish Government-operated food commissaries in low-income areas in which case the buying power of the Federal Government could be brought to bear to allow the recipients of these programs access to food relatively low priced rather than at the very high prices that they are frequently forced to pay because they are captive audiences in these communities.

In conclusion I would like to point out that the present policies of the Department of Agriculture which force and require the purchase of stamps, particularly for welfare recipients, if they want to participate in Federal Government's program violates the money payment principles of the Social Security Act. This says that the recipient of public assistance is entitled to have this public assistance in cash and is to determine the expenditure of these funds as he sees fit. And if there are some vestiges of a voluntary nature to this program which perhaps avoids the letter of the conflict of the act, it certainly violates the principle of the act and I think, certainly we believe, works great hardship on the recipients in the program.

We believe the food stamp program should be continued and in fact greatly expanded but that these onerous restrictions certainly should be eliminated in the expansion of the program.

The CHAIRMAN. Thank you.

Are there any questions?

Mr. RARICK. I was wondering if you would mind telling us what you are a doctor of?

Mr. WILEY. I am a Ph. D. in organic chemistry.

Mr. RARICK. You are a medical physician?

Mr. WILEY. Ph.D.

Mr. RARICK. And is the gentleman beside you Mr. Rachlin?

Mr. WILEY. Mr. Carl Rachlin.

Mr. RARICK. Mr. Rachlin, you are an attorney of some national recognition, is that correct?

Mr. RACHLIN. I had the occasion to take up to the Supreme Court a case in Louisiana and I won that case.

Mr. RARICK. And your office is in New York—your address is what?

Mr. RACHLIN. 150 Nassau Street, New York City. I previously had my office at 38 Park Road at the time you may have addressed mail to me on the prior occasion.

Mr. RARICK. You have also been represented in places in suits involving racial problems?

Mr. RACHLIN. I used to be general counsel of the Congress of Racial Equality.

Mr. RARICK. Are you also connected in any way with Spartacist?

Mr. RACHLIN. I have never heard of them—I do not know what you are talking about.

Mr. RARICK. Are you a member of the National Lawyers Guild?

Mr. RACHLIN. I am not a member. I have been.

Mr. RARICK. I notice in the booklet that was passed out that you indicate that the poor people have a legal right to this food. Is this under the Constitution of the United States?

Mr. RACHLIN. Legal rights, other than constitutional rights—rights are guaranteed by the statute.

Mr. RARICK. Guaranteed by the what?

Mr. RACHLIN. The statutes involved—they have the right to qualify under the statute. If they qualify they have a legal entitlement to the benefit of the program.

Mr. RARICK. I noted from your literature that there is being planned an organization and demonstration on behalf of the poor people of the country.

Mr. WILEY. Not on behalf of, but by the poor people.

Mr. RARICK. By the poor people?

Mr. WILEY. Who are finally organizing and are beginning to raise their voices in protest against some of these injustices that are perpetrated upon them by many of these programs.

Mr. RARICK. This is a voluntary act against the oppression of the American Government, is that it?

Mr. WILEY. In many States, Mississippi, Louisiana, Georgia, Alabama, particularly, the people are denied benefits, public assistance benefits, welfare benefits by arbitrary rules which do not relate to the needs that the family has for such assistance.

For example, the substitute parent rule, for example, are some of the worst which are implied to deny people.

Mr. RARICK. You are against marriage?

Mr. WILEY. To deny them public assistance. I am for marriage. And one of the things that I must say is that in most of these States—

Mr. RARICK. Are you for people working?

Mr. WILEY. In most of these cases if there is an unemployed man in the household they are denied any assistance whether there is a job available to that person or not. And this is one of the very basic injustices of the program—one of the things—one of the reasons why there are in many of the Southern States there are so many people that qualify for food stamps than qualify for public assistance, for example. I think in Mississippi there are two or three people who qualify for food stamps who do not qualify for public assistance that have equally low income because those people are denied—

Mr. RARICK. You did not answer. Are you against working?

Mr. WILEY. I am very much for working, in favor of it.

Mr. RARICK. Has your organization done anything to try to create any jobs to try to locate these people where they can put their labor and sweat behind building a better America?

Mr. WILEY. As a matter of fact, we have as one of the basic premises of our organization that people who can work should work.

Mr. RARICK. Is that in your booklet, is that in any of your literature?

Mr. WILEY. It is in our literature which I can send to the committee. We have proposed—

Mr. RARICK. Is it in the literature that you have given us here this morning?

Mr. WILEY. We submitted background about a little bit of the history, about the identification of our organization—I could submit to you the goals developed—the national welfare rights movement—at its two national meetings which have been held which you will find include asking the Government to step in and create jobs where there are no jobs available to people.

Mr. RARICK. Let me ask you this. If these are such poor people and you have a six-page booklet here on your organization all over the United States, how do you support this? How do you raise the money to go to these meetings?

Mrs. HORN. We are very glad to be here today and to hear some of the statements that have been made in this room.

Being a recipient myself I really feel outraged—I really do, you know, to hear some of this. I am really surprised as to how the power structure works. I was incensed myself upon the basis of your saying, of getting up there twitting us and all of this stuff, that if they could, that if they were able to they would do so, but as a recipient and speaking for the millions and millions of recipients I feel that if I can receive a welfare check I do not feel that I can live like a slave or should feel even being looked at like a slave. I feel as I am an American citizen. I feel as though when you make up a program that you should think of the people as Americans—that you are making it up for Americans and not for people who are slaves or something, like you should get a different idea. This is America. This hurts and it is wrong.

Mr. RARICK. Have you heard me say anything like that?

Mrs. HORN. We are doing—we definitely do.

Mr. RARICK. I have been a judge for 5 years where the black people consisted of 70 percent of the population. I have heard many family problems in court. I have faced judicial concern in trying to find out who the mammas and the daddys were, and never received any support from the NAACP and CORE and other agitating people. Why do you not put some of the money that you are spending touring all over the country and use it to take care of some of these unfortunate little children? After you leave an area, of course, these people are all split up and it takes the white folks and the colored folks a long time to overcome the hard feelings and to come back together. That is what you denounce as the “power structure”—local people trying to solve their own problems and live as neighbors. I have not said anything against this food program.

Mrs. HORN. But you have.

Mr. RARICK. When you cannot trust your own kind, what should be done is to give them bread and milk and to give them food. They are not going to use distributed food on parties. I know that. We know that they are not going to trade food in the hand on Sweet Lucy wine.

Mrs. HORN. I do not think any of it is.

Mr. RARICK. They will feed their—

Mrs. HORN. I do not think any of the recipients—

Mr. RARICK. I certainly have not said anything that I am against your people, have I?

Mrs. HORN. But as you started to say—

Mr. RARICK. You said that I am a member of the power structure. I do not know. I do not think that I am very powerful. I am trying to solve the problems, not to create the problem or make a problem worse.

Mrs. HORN. In solving it, as you say, you are trying to solve the problems. I hoped that you would look at it from trying to solve it for American people and not for American slaves.

Mr. RARICK. I have not said anything about slaves.

Mrs. HORN. What you are saying, you are even looking down on the recipients.

Mr. RARICK. I am looking down on what?

Mrs. HORN. You are the way you are talking, the words that you used.

The CHAIRMAN. I do not believe that this is conducive of any information on the bills that we are discussing.

Mrs. HORN. It is not.

Mr. RARICK. I yield back my time.

The CHAIRMAN. Are there any other questions about these bills?

If there are no further questions, we are very much obliged to you all.

This will conclude the hearing this morning. The committee will resume tomorrow morning and we will hear Mrs. Sullivan as the first witness and then Congressman Sisk and then Congressman Vigorito and then Mr. Harry Graham of the National Grange.

We will include your entire statement together with its attachments in the record at this point.

(The prepared statement of George A. Wiley follows:)

STATEMENT OF DR. GEORGE A. WILEY, DIRECTOR, POVERTY/RIGHTS ACTION CENTER

Chairman Poage, members of the Committee, my name is George Wiley. I am Director of the *Poverty/Rights Action Center in Washington, D.C. which is the national headquarters for welfare recipient organizations across the country.* With me are Mrs. Etta Horn, vice-chairman of the *National Coordinating Committee of Welfare Rights Groups* and a welfare recipient who participates in the food stamp program here in the District of Columbia; and Mr. Carl Rachlin of the Scholarship, Education and Defense Fund for Racial Equality, who serves as *general counsel* to our organization.

The National Welfare Rights Movement is a federation of over 200 welfare rights organizations from 26 states and more than 70 communities. A list of the welfare rights groups and the brief history of the welfare rights movement is appended for your information.

The Food Stamp Act of 1964 was enacted with the dual purpose of "strengthening our agricultural economy" and providing "improved levels of nutrition among low-income households." The program may be effectively serving the interests of producers, distributors and retailers of agricultural products, but is insensitive to the needs and interests of the low-income families that it is also supposed to serve.

The program appears to have been conceived, developed, and operated over the past two years with little or no consultation with recipients of food stamps and little or no consideration of hardships that the program actually causes them.

Low income people want better nutrition for their families. They want the benefits of the food bonuses that the program offers. But they do not want the severe budgetary restrictions that the food stamp program imposes.

The most fundamental and universal complaint of food stamp recipients is that they are forced to commit a major portion of already inadequate budgets to the purchase of food stamps. Most recipients feel that the amount they must tie up in food stamps is more than they can afford to spend on food and still

meet the other needs of their families. In addition, restricting the use of a sizeable portion of a meager budget greatly increases financial hardship.

A welfare recipient or low-income person is always operating on a very strict budget. His obligations for rent, utilities, laundry, and transportation are rather firmly fixed. For most people living below the poverty line (this includes all welfare recipients) there is no contingency money in the budget should a child need a winter coat or a pair of shoes or other special needs. Everyone who has a family knows that practically every month there is some kind of special need or other that was not planned for, but which must be met. For poor people these items have to be managed by stretching the food dollar further and simply living on more austere rations.

It is no consolation to a family who is participating in the food stamp program to know that the family is eating well, if a child has no winter coat or shoes to wear to school.

The procedures used by the Department of Agriculture to arrive at the food budget for an individual family is subject to considerable question. Many factors are apparently averaged in arriving at standard budgets on a regional basis, taking little or no account of either local conditions or individual problems that recipients may have. For example, rural families in a largely urban area are particularly penalized. For these families average expenditures for food are estimated too high, forcing the rural food stamp recipients to invest larger amounts in food stamp purchases than he would normally spend for food. This forces him to impose additional hardships on his family in other budgetary areas, or forgo participation in the program entirely.

Even if the Department of Agriculture had accurate estimates of the average amounts of money people of a given income and a given family size would spend for food, this average figure which they use will be too high for half of the recipients since roughly half of the people would be spending amounts above the average and half spending amounts below the average.

The serious nature of problems arising from Agriculture's arbitrary standards for food expenditures is seen most clearly in the operation of the food stamp program in Mississippi. There, large numbers of people had been participating in the surplus commodities program as a means of survival. (This program is itself fraught with problems, including low quality of goods by the time they are received by the recipient and arbitrary and discriminatory distribution procedures often employed by local authorities.)

Many counties in Mississippi are converting to the food stamp program. A study by the U.S. Civil Rights Commission shows that for eight of these counties three-quarters of the people who had been receiving commodities dropped out of the food program when their county converted to food stamps.

An example of the Department of Agriculture's stamp purchase requirements should help explain this high drop-out rate. A Mississippi family of six with income in the range of 0 to 30 dollars per month is asked to spend \$12 per month on stamps for which he receives \$70 worth of stamps. The \$58 bonus is generous enough if one can afford the initial \$12.

Obviously a family with no income cannot afford the \$12.

The dramatic drop-out rate illustrates that substantial numbers of people who needed the food program (as witnessed by their participation in a miserable commodities program) were eligible for the food stamp program and knew about the food stamp program apparently could not afford to participate due to the cost of the stamps. Undoubtedly many of these who did participate did so at the expense of other important family needs.

Several of the other problems of the program follow from the problem of having to invest a large share of one's budget into the stamps in the first place. For example, a common complaint of recipients is the fact that they may not buy items such as soap, toothpaste, toilet paper, and other household items normally available in supermarkets and purchased along with the family groceries. This complaint would have less force were it not for the large cash investment that the food stamp program requires of families.

The problem of the large cash investment required each month for the purchase of stamps is aggravated by several other policies under which the program operates. There is pressure upon recipients to maintain continuous participation in the program or suffer periods of disqualification or suspension. This policy aggravates the problem of a family that has other emergency needs which would lead it to choose not to buy food stamps in some given month.

Of similar force are the policies which prevent stamps from being transferred from one recipient to another. If the stamps were transferable or redeemable for cash this would clearly help to increase the flexibility of the recipient's budget.

There are a number of ancillary problems that flow from the program. Many recipients feel that they are stigmatized in the stores where they purchase because the use of the stamps identifies them as a welfare recipient or other low-income person.

There are also problems in many jurisdictions which require the merchant to detach the stamps. Recipients are sometimes cheated since by sleight-of-hand he can slip out extra stamps. There is also the fact that the stamps are issued in many areas on specific days and local stores raise prices and bring in lower quality products around the days the food stamps are issued.

Recommendations: There are several changes that should be made in the program to make it of greater benefit to the recipient. First it would be far better to simply substitute a cash bonus for the whole food stamp process. That is to say *if the Department of Agriculture determines that a person of a given family size and a given income is entitled to a certain amount of food stamp bonus, they should simply give them that amount of bonus in cash rather than in stamps.*

This would clearly avoid all the problems cited above.

A second alternative that would be nearly as good would be again for no cash to be required of the recipient, and that the bonus be given in the form of food stamps. In this case there would be a restriction on the way the bonus could be spent, but no restriction on the way in which the recipient's food budget principal may be used.

I am told by representatives of the Department of Agriculture that the objections to these proposals is that they tend to reduce the efficiency of the program, as a program for increasing food consumption and thereby making less effective use of agricultural surpluses or agricultural surplus productivity.

Though these arguments are valid they should be balanced against the needs and interests of the recipient. The proposals offered would reduce but not destroy the effectiveness of these programs in promoting food consumption. The Department of Agriculture experts admit that even if they gave out dollars instead of stamps, low-income people would probably spend about a third of each dollar on food. The second proposal would probably be even more efficient, probably inducing a food consumption efficiency of the order of 50 or 60 per cent of the extra dollars given.

We submit that *it is proper for the Department of Agriculture, the Congress and the public to accept some reduction of efficiency in the program as a food consumption program to accommodate interests and needs of the low-income people who are recipients of this program.*

A variety of other procedures might be used to partially reduce the cash outlay hardship on recipients while maintaining a high food consumption efficiency. One might be to reverse the stamp process by issuing stamps to the retailer who would issue the recipient stamps in proportion to food purchased for cash. The recipient could then redeem his stamp credits for bonus stamps at periodic intervals. Recipients would still carry a card to certify his eligibility to the retailer. This approach would not help the family with no income.

Another variant is for the Department of Agriculture to specify an acceptable range of stamp purchase requirement. Ranges should begin at zero for families with little or no income. The exact purchase requirement would then be worked out on an individual basis by the local welfare department in consultation with the recipient.

The Department of Agriculture contends that there are discretionary provisions in the current regulations which allow the individual flexibility described above. If this is true few recipients know about it and it is seldom used by the local welfare departments. Caseworkers are frequently poorly trained and rely upon mechanical application of the procedures, i.e., reading from a table.

The Department of Agriculture should be required to *make the rules and regulations governing the program available to recipients.* This requirement should also be imposed upon local welfare departments administering food stamp programs. Accessibility of this kind of information is fundamental if the rights of recipients under the program are to be protected.

A requirement that stamps be purchasable in smaller quantities at more frequent intervals and at decentralized locations could also provide some partial relief to recipients.

One other idea would be well worth attention. The surplus commodity program which the food stamp program replaces wherever it is adopted incorporates together with many limitations an important principle—that is it utilizes the potent buying power of the federal government in behalf of both producer and consumer.

Although we do not often think of it in this connection, the federal government utilizes this massive purchasing power on behalf of a substantial group of citizens already through its operation of commissaries—essentially discount supermarkets government-operated for the benefit of armed forces families.

We believe that food stamp families should have access to these commissaries and that similar government commissaries could be established in ghetto communities to jointly aid producer and consumer of food stuffs. Such a plan could effectively connect the food stamp bonus principle to the massive purchasing power of the government in behalf of low-income families, food producers and all of us.

In conclusion, let me say that we believe that the present policies requiring the purchase of stamps violate the spirit if not the letter of the Social Security Act, which guarantees recipients of public assistance the right to money payments to spend without restriction, as a recipient sees fit. The food stamp program employs measures designed to subvert the "money payment principle" by requiring persons of limited income to accept restriction on the use of part of their income in order to receive the bonus benefits that are available from the program.

We believe that the food stamp program should be continued and greatly expanded with the elimination of the onerous restrictions which it now imposes.

The CHAIRMAN. I also have a telegram which I have received which will be made a part of the record at this point. It was received from Mr. Oren Lee Staley, president of the National Farmers Organization of Corning, Iowa.

It will be made a part of the record at this point.
(The telegram follows:)

CORNING, IOWA, March 14, 1967.

Congressman POAGE,
Chairman, House Agricultural Committee,
Washington, D.C.:

We welcome this opportunity to offer our support for the proposed food stamp and child nutrition legislation and respectfully request that we be entered into the record as being in support of this legislation.

OREN LEE STALEY,
President, National Farmers Organization.

The CHAIRMAN. We will now recess until 10 o'clock tomorrow morning.

(Whereupon, at 12:20 p.m. the hearing recessed to reconvene at 10 a.m., Thursday, March 15, 1967.)

EXTEND THE FOOD STAMP ACT OF 1964 AND AMEND THE CHILD NUTRITION ACT OF 1966

THURSDAY, MARCH 16, 1967

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The committee met, pursuant to recess, at 10 a.m., in room 1301, Longworth House Office Building, Washington, D.C., Hon. W. R. Poage (chairman) presiding.

Present: Representatives Poage, Gathings, McMillan, Abernethy, Abbitt, Jones of Missouri, Purcell, O'Neal, de la Garza, Vigorito, Jones of North Carolina, Nichols, Montgomery, Brasco, Stuckey, Rarick, Belcher, Teague, May, Dole, Hansen, Wampler, Goodling, Miller, Burke, Mathias, Mayne, Zwach, Kleppe, Price, and Myers.

Also present: Christine S. Gallagher, clerk; Hyde H. Murray, assistant counsel; Francis LeMay, staff consultant; and Fowler C. West, assistant staff consultant.

The CHAIRMAN. The committee will please come to order.

We are meeting again today for the consideration of the several bills that are before us relating to the Child Nutrition Act of 1966 and to the extension of the Food Stamp Act of 1964.

I believe our first witness this morning is our colleague Mrs. Leonor K. Sullivan, a Member of Congress from the State of Missouri.

We will be delighted to hear from you now, Mrs. Sullivan.

STATEMENT OF HON. LEONOR K. SULLIVAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI

Mrs. SULLIVAN. Thank you, Mr. Chairman.

I was anxious to testify because, with so many new people on your committee this year, I know there are many questions about this program. Many of the members do not have food stamp projects in their districts. Unless members have actually been involved in seeing how this distribution of food works under the food stamp plan, they may not readily appreciate the advantages this system holds over direct distribution of free food. I would like, if I may, to read my statement, and then I will be most happy to answer any questions from the members of the committee that I can.

The CHAIRMAN. Very well, you may proceed.

Mrs. SULLIVAN. Chairman Poage and members of the Committee on Agriculture:

In many respects, this is like "old home week" for me, for I have testified before this committee on so many occasions on food stamp

legislation since the first hearings on my first food stamp bill back in 1954 that I have lost count. There were many hearings, and a good deal of heated controversy in all of them. I hope this one will be different.

I hope now that there will be general agreement in this committee that the food stamp program makes sense; that it works; that it helps the farmers by increasing substantially the domestic consumption of meat, fresh milk, fresh eggs, fresh fruits, and fresh vegetables; that it assures good, American-standard-of-living diets for millions of needy Americans otherwise going hungry in the midst of agricultural abundance; and that it has been far less expensive and far more effective than some of you may have suspected when we discussed the idea here in previous years.

We did a great deal of jousting in this committee in the 88th Congress but—thanks to the present chairman and to the former chairman—a bill was finally reported and it turned out to be a pretty good bill. I have always been grateful. Interestingly enough, even some of the Members who opposed the legislation, and voted against it, nevertheless worked hard on it in committee and made good suggestions, and I appreciated that, too.

Now, we have a good program to review, not a group of pilot projects or a mere idea. As I pointed out in the material I placed in the Congressional Record on Tuesday in preparation for these hearings—material I hope you all have had a chance to see—more than 650 food stamp projects are now in operation, and they are located in the congressional districts of more than half of the Members of the House, plus the District of Columbia.

In every one of those 650 or more localities, local people made the decision to seek the program, State officials made the request officially to the Department of Agriculture, and the projects were instituted under regulations worked out by the States in cooperation with the Department of Agriculture. No project was imposed on any locality.

All of these areas choose the food stamp program in preference to the system of direct distribution of surplus food. They did so knowing that many of the local beneficiaries would grumble over the fact that under the one program they had received food handouts free, and under the new one they must pay a sizable—a very substantial—portion of their income for food in order to obtain a better diet than they could possibly afford on their own resources.

In the material I placed in the Congressional Record Tuesday, I listed—by congressional districts—all of the projects now in operation, those scheduled shortly to start as a result of official designation, and those additional areas actively seeking the food stamp program pending appropriation of sufficient funds for further expansion. As I stated in my remarks in the Record, I was surprised to discover that 16 of the 35 members of this committee do not have the food stamp program operating anywhere in their districts—eight of the 20 Democrats and eight of the 15 Republicans—and no projects are presently scheduled to begin shortly in any of those 16 districts.

I am deeply sorry about that. I hope that when H.R. 1318 becomes law, and additional funds can be provided to expand the program in

the new fiscal year, the local officials in those 16 districts can prevail upon their State governments to get busy and get them included. I am somewhat ashamed that, except for my own city of St. Louis, no jurisdiction in the entire State of Missouri has been permitted by the State to come into the program. We are trying to change that in the State legislature.

What makes me particularly sorry about the fact that so many of the members of this committee do not have firsthand experience in their own districts with the food stamp program in that they may find it hard to believe what the rest of us say about the wonderful achievements of this program—in making food purchasers out of millions of people previously existing on the thin edge of hunger and subsisting on the wrong foods—usually whatever came free in what they call in some areas, “living on the commodities.”

Every Member of Congress who has had food stamp projects operating for any length of time in his district can tell heart warming stories about the change the food stamp plan has brought to elderly couples on social security, families on relief, and large families where—no matter how hard he might work—the father could never earn enough to feed the family adequately and still pay for rent and other necessities.

I have said it before, and I am not shy about saying it here: If there had been a food stamp program in operation in St. Louis when I was a girl, my parents and the nine children in our family undoubtedly would have qualified for participation from time to time, and it would have been a big help to us.

Mr. Chairman, I am proud of what this committee 3 years ago helped me to achieve. True, there were some unusual political aspects then to the fight over the legislation. I dimly recall there was a wheat-corn bill also struggling to win House passage; and I have read somewhere that there was something known as a quid pro quo, which I believe is Latin for “if the farm folks want a wheat-corn bill, we city folks want a food stamp bill.”

Whatever the circumstances which led this committee to vote for the food stamp bill in 1964—and for similar legislation in 1959 after having previously turned it down both times—the end result has more than justified the courage and wisdom this committee demonstrated. For, long after our wheat and corn surpluses may be things of the past in a hungry world, the food stamp program you passed will undoubtedly still be operating; that is, if American farmers continue to produce more than Americans can buy and consume, and if H.R. 1318 is enacted to authorize further appropriations after this fiscal year.

Please keep in mind that the food stamp program is not a substitute for welfare payments. No State may reduce welfare benefits because of the operation of the food stamp program. Since a rather high percentage of the welfare family's income must go for food—and nothing else—under the food stamp program, the States will still have to revise welfare benefits to meet other needs of their needy, regardless of the food assistance. But in making the food stamp program possible, this committee has increased food consumption here in the United States. Since we have been so successful in feeding the hungry elsewhere for so many years, it is a source of real satisfaction

to know that so many of our own needy are also eating well, and that additional needy families in the area not now enjoying this fine program can eventually be covered under it, too, if this bill passes.

If we enact H.R. 1318, calling for an open-ended program limited only by the funds Congress actually appropriates each year, we are not running a risk of overexpansion or excessive cost. Just remember that when economic conditions improve, many beneficiaries automatically go off the program; and as retraining programs succeed, and also our many educational opportunity programs, persons or families now eligible for food stamps will increase their incomes and leave the food stamp program for good. If there shall ever be a sudden upward surge in participation in food stamp projects because of recession or other cause, however, it would not mean an automatic increase in the cost of the program; for the annual appropriation still stands and there would have to be a proportional cutback in the issuance of free stamps to keep the program within budget allowances—unless Congress should decide to vote additional funds. So we have complete control from that standpoint. No deficits may develop in this program by reason of expanded participation.

You have given the American people—those who need help—a taste of what it is like to eat well and to provide their children with the kind of food they require for strong and healthy growth. The members of this committee, particularly those who voted for the program 3 years ago, can be deeply proud of their legislative handiwork. Those who now vote for this bill, H.R. 1318, will also share the same pride as this program continues and expands. Hungry people, I am sure, will bless you for what this program means to them. And we can all sleep better after a good hearty dinner knowing that fresh meat, and fresh eggs, and fresh milk, and fresh fruits, and fresh or canned or frozen vegetables and juices, and all of the good things in the stores which we take for granted as part of our daily diets are also now within the reach of those who, for grinding long years, have lived on dried beans, powdered milk, powdered eggs, corn meal, starches and flour, and, occasionally some butter or canned meat; and who seldom knew what it was like to eat a decent, well balanced, adequately nutritious meal.

I urge your prompt approval of H.R. 1318 and, with your help, its expeditious passage by the House and enactment into law, so that this excellent program can go forward—not wither and die after so dramatically establishing its value to this Nation, to our agriculture, to the food industry, and, most important of all, to those Americans who need a little help in making a go of it in the richest country in the world.

The CHAIRMAN. Thank you very much, Mrs. Sullivan.

You have made an excellent statement. Something which is worth the consideration of the committee. I think that your statement should go a long way to clear up some of the questions which arose yesterday through the testimony of certain witnesses who seemed to be more interested in receiving a handout without working than they were in whether anyone was going to have an opportunity to work for a living. I think it is clear, from what you have said, that the food stamp program as it is now functioning does not provide for a handout

of money to anyone, but simply provides an opportunity for those who are willing to spend a part of their income on food to get a better meal.

Mrs. SULLIVAN. I would like to cite the St. Louis experience when this program started there. But, first, I want to present to the committee a man who has worked with me for the last 14 years to help get this plan into being, Mr. Charles B. Holstein, who originally was in my office when this legislation was first introduced; and who is now with the Committee on Banking and Currency as a member of the staff on the Consumers Affairs Subcommittee. If we get into some of the more complex details, he may be able to help me.

I heard several questions yesterday about the regulations for the stamp program, and something to the effect that if a person would pay \$2, they would get \$10 worth of stamps. That would be a rather extreme case.

On page A-1286 of Tuesday's Congressional Record, I have listed some of the purchase requirements based on family size and income, and these vary widely. It is not \$10 worth for \$2, but a sliding scale.

I want to tell you that when this program first started, these regulations were set up by the Department to apply in the same way to places like Detroit, St. Louis, or any large city, as they were supposed to operate in rural areas such as, say, down in the district of our colleague, Paul Jones, down in what we call Little Dixie, where they have economic standards entirely different from those in the big cities where rents and other expenses are so much different. After months and months, and many telephone calls and conferences, fighting constantly with the Department here and the State welfare people, we got the regulations made more flexible, to meet the distinctive problems of the various areas where the program operates.

Let me just give you one example here: This is for a family of seven with an income—I will start with the lowest—up to \$39 a month. They would have to use \$14 of their own money, and they would get a total of \$78 worth of coupons, so that the bonus would be \$64 for that family of seven with \$39.99 income per month.

Now, we will go to the highest, a family of seven with an income of \$360 to \$389.99 per month would have to spend \$112 of their own money, and they would get back \$148 worth of stamps, giving them a bonus only of \$36. That is for seven people in the family with a top income of 1 penny under \$400 a month. That is a sample of the range of income covered. For smaller families, the requirements, of course, are different.

This plan has worked for people who have never received 1 cent of welfare, but who are in the low-income group. The husband is working, but the family income is too low to enable that family to eat properly. Such families put up, according to the charts that are made up for the number in the family and the size of the income, the amount of money they would normally be expected to spend for food and with that amount they can buy the stamps and get a bonus, according to their salary and according to the number in the household, to assure a good, low-cost nutritious diet.

In St. Louis, when we put this into effect, in January 1963, thousands of families previously getting free food failed to sign up for food stamps. We dropped from—I am not certain about the exact

number, but from something like 50,000 people who had been receiving the direct food distribution handouts once a month of dried beans, dried milk, flour, and things like that, to about 7,500 on the food stamp program. Under the free food program if anyone looked like they needed help or wanted extra food, they would apply, and because it was food that was just being given out, with few questions asked they did not have to go through the kind of careful certification that they now must go through when they get stamps, and, as I have started to say, the total number of people going from the old program to the new one dropped from somewhere around 50,000 to about 7,500.

This indicated two things: People had been receiving free food who should not have received it; also, people got the idea of "Why should I pay my own money for food stamps when I was getting food free and I could use my money for whatever else I wanted; I could use it for anything that I wanted to use it for." It took a great deal of education on the benefits of the food stamp program to get the people who needed this help to sign up for it and buy the stamps. Also, we had to make the purchase requirements more practical. Some people just did not have the money they were asked to pay for the food stamps. We had the regulations made more flexible and now we have three times as many people participating as we did at first.

I remember a question that someone asked the Department yesterday—as to the people who administered the food stamp programs—whether there were enough people properly trained to answer the questions of those who were inquiring about the program and how to participate in it. I may say that in St. Louis, for almost a year after the program started, the caseworker, the social worker or the office employee in the food stamp office was inadequately trained or just didn't care about getting the proper information to the people who came before them.

The first question they asked was: "What is your income?" And when they found that out, they might say: "You do not qualify," and they would not ask for further details; they would not ask what the expenses of the family were; they would not ask for any details, and it was only after constant pushing on my part and on the part of others, that this was changed. Since then, great progress has been made and participation has tripled to 23,000 people.

And this is why I say that any member who has a food stamp program in his own district and has not had these experiences should inquire into the program in his locality. It is interesting. You can do a great deal from this end to cut out a lot of redtape and help the needy to obtain a good diet for their families.

One of our settlement houses had some 300 women volunteers who went into the poorer neighborhoods, going from door to door, to visit with the families to see what their problems were—to see what the conditions of the families were—and to try to help. They were signing the elderly for medicare and while in these homes they explained in detail what the food stamp plan was and why they had to put up their own money in order to get the stamps. They also explained that if the household could show expenses for rent that were higher than one-third of their income, and if they could show monthly medical bills that were constant, these things would be taken into consideration

in determining the portion of their income which had to be budgeted for food stamps, depending upon the number of people in the family. When the people in low-income neighborhoods understood how these things worked, there were thousands of people who could qualify who decided to sign up, merely because someone had taken the time and the trouble to go into the details with the families and to go into the background of the plan.

In one low-income area we had one grocery store whose owner cheated, who bought the stamps—I do not know from how many families, but he bought the stamps from the families and gave them something else besides food for these stamps, or applied the stamps to back bills, or gave cash. The moment this was found out—and it was disclosed by other recipients telling tales on the grocery store—the privilege of handling the stamps was taken away from this grocer and he could never get back on the program.

Some of his customers in the area wrote to me to ask if I could not make a plea in his behalf, because this grocer, they said, had been so good to them that they would like to trade with him again. My answer to them was that we definitely and purposely wrote penalties into the law to prevent cheating either by the grocer or by the recipient, and if they did cheat then I thought that the privilege should be taken away. For it was a privilege to participate.

Believe me, the punishment in this case had a very good effect on others who might have been tempted to cheat.

Under the program of direct distribution of free food which is still going on in some areas, and which had previously been in operation in our area, I would venture to say that a great portion of that free food was wasted or traded for other things or sold for cash. In the first place, when these families would come to the central depot to get their handout of food once a month, for a large family, you can stop and figure how difficult it would be to carry home a month's supply of flour, powdered milk, powdered eggs, dried beans, lard, cornmeal, and so on, and when they got home, under the conditions in which most of them lived, where they had small space, where were they going to store all of that food? It was a real problem.

We know that in some areas, when they were getting the free food, they were selling some of it or most of it for whatever cash they could get. It was a burden. Many of them said: "We cannot use up this much flour or dried milk."

One of the other questions that someone asked yesterday was: "How are these stamps spent?" "Do the people get an adequate diet?" That is difficult to control, but we have had good cooperation in my area from the settlement houses, the Extension Service home economists, and others. I think it has been true in many other parts of the country, too, where the grocery owners themselves have often taken an interest in those who came in with food stamps, to advise the people on what to buy; because of the criticisms made before the program began was that when they would get perhaps \$100 worth of food stamps in their hands at one time that they would go in and see the nice big delicious cuts of meat in the store and all the other high-priced items and they might spend their whole month's supply for meat, with nothing left with which to buy the other staple foods.

Actually, the studies show that these people have tried to buy carefully.

The extension services of the land grant universities have extended their activities to the cities when the cities were allowed to come into the program, to educate consumers in low-income areas, to explain to them about a well-rounded diet and what kind of foods they should buy; that they should not always buy prepared foods, all packaged and ready to be put on the table, but instead buy the raw vegetables and prepare them themselves at a substantial saving; to buy raw fruit, because they would frequently get more nutrition out of things of this sort than they would from foods which are processed and canned or boxed, with all the so-called "built-in maid service" which is so common today in so many foods in the stores—at a much higher price, of course.

These are some of the experiences we have had in launching the food stamp plan. It is extremely interesting to go into this when you are called upon by constituents to help solve some of the problems, and if you get into it, it gets hold of you and you want to make it more perfect, but it will never be perfect. It is a wonderful way to see to it that needy people do get a better diet. In having low-income families buying, as they do now, through the local retail stores, we are certainly helping farmers, at least indirectly, by using more food and getting the people to enjoy a more adequate diet.

The CHAIRMAN. Thank you, Mrs. Sullivan. I know that the members want to ask you questions.

I do not know whether the members want to move along expeditiously with these bills or not—that is up to the committee entirely—and we do not want to cut anybody off, but I would hope when you ask questions you will ask them expeditiously and that they will be answered as shortly as is possible, because we have several more witnesses to hear this morning, and we should like to hear these witnesses, and if we have the opportunity we will have an executive session. If we take too much time, we will have to come back again. So, it is entirely up to the committee as to the amount of time that we spend on this.

Mr. Gathings?

Mr. GATHINGS. Mr. Chairman, I just want to commend the gentlery for her splendid work which has been very successful.

I believe you introduced the first bill?

Mrs. SULLIVAN. Yes, in 1954.

Mr. GATHINGS. You have been before this committee a number of times. It would be interesting to make a determination, it would seem to me, in those instances where these families have increased their income and have moved out of the food stamp program.

The program has been in effect now for almost 3 years. You may not have any figures in that regard at this time. It might be a little early to have those figures.

Mrs. SULLIVAN. I could not tell you, Mr. Gathings, how many have graduated out of it in St. Louis. I could not give you that figure. Employment has risen substantially in St. Louis since our program began in 1963, so a lot of people got jobs and went off the program. We know that. I have some figures for Detroit. When the program started

there in 1961, there was 12 percent unemployment, and 80,000 people signed up for food stamps. With unemployment down to 6 percent in 1964, there were 57,000 on food stamps. Now, with the entire county included, only 45,000 get the stamps.

Could I ask: Before you proceed, Mr. Chairman, I wonder if you are going to have any of the food store people, or food manufacturers, up here to talk to you on this?

The CHAIRMAN. None of them have asked for an opportunity to be heard.

Mrs. SULLIVAN. The reason that I ask is that these gentleman were a great help in getting this program started. Their sales in low-income neighborhoods increased substantially. I think you will remember that people in the food industry came before the committee to express their interest in this legislation in previous years, because, of course, it does help the individual grocer to have the people who benefit from food stamps come in and buy food, rather than getting a direct handout of commodities from some municipal warehouse.

The CHAIRMAN. I do not know if it is possible; I do not know how the committee will vote on it. I am not cutting anybody off, as I have already stated, and if they want to come in we will try to hear them, but I had the thought that it would be quite advantageous to the proponents of this legislation to let us get to a vote on it.

Mr. GATHINGS. That is all, Mr. Chairman.

The CHAIRMAN. Mr. Brasco.

Mr. BRASCO. Mrs. Sullivan, some moments ago you recalled the situation where there was a merchant who, apparently, abused the purpose with respect to trading in stamps. Are there any provisions for criminal prosecution with respect to this type of situation?

Mrs. SULLIVAN. Yes; they were written into the law in 1964. This is one of the things that the subcommittee went over very carefully when they were working on the bill in the first place.

Mr. BRASCO. Are civil sanctions contained in it, too?

Mrs. SULLIVAN. Let me quote from section 14(b) of Public Law 88-525:

Whoever knowingly uses, transfers, acquires, or possesses coupons in any manner not authorized by this Act or the regulations issued pursuant to this Act shall, if such coupons are of the value of \$100 or more, be guilty of a felony and shall, upon conviction thereof, be fined not more than \$10,000 or imprisoned for not more than five years, or both, or, if such coupons are of a value of less of \$100, shall be guilty of a misdemeanor and shall, upon conviction thereof, be fined not more than \$5,000 or imprisoned for not more than one year or both.

That is in the law now. There are similar penalties for fraudulently presenting the stamps for payment.

Mr. BRASCO. Is there any other way that has been introduced in the case of St. Louis, other than having someone inform on a merchant, whereby someone can watch or see whether or not the merchant's sales since the food program has been in is out of proportion, that he might thereby be an individual who is abusing the purpose of it?

Mrs. SULLIVAN. To my knowledge, I do not know the extent of the enforcement machinery. Federal money is involved, and so it should be checked. I imagine that they could only spot check individual stores, and not go into every one of the 50,000 grocery stores that are accepting stamps. Mr. Holstein reminds me that it is to the store's

advantage to "play ball," because when this flagrant violation occurred in St. Louis, it was written up in the newspapers and given quite a bit of publicity. It was a store near a big public housing development and the storeowner was not allowed to participate again, even though it would have been more convenience for the people who had the stamps to shop there. But the owner lost his customers. That made quite an impression on others tempted to cheat.

Mr. BRASCO. Thank you.

The CHAIRMAN. Are there any other questions?

Mrs. MAY?

Mrs. MAY. I want to congratulate you on a very fine statement. I just did want to point out in connection with the previous colloquy, the Secretary said that since the act was passed they have found it necessary to disqualify only 57 stores. That is a pretty good record.

Mrs. SULLIVAN. I think the Secretary of Agriculture said there are some 50,000 stores now participating in the program nationally.

Mrs. MAY. Yes. And that they did send warnings to 189 stores for minor violations. And that they then investigated another 239 stores, but all of them were acquitted of any wrongdoing.

And I would like to say also that they stated there has been spot checking through the local people, and when I asked about this, it was stated that many violations had been brought to the attention of the authorities by someone who was trading in the stores.

Mr. TEAGUE of California. Will you yield there?

Mrs. MAY. Yes.

Mr. TEAGUE of California. I wonder whether you know whether or not any of these were what you call owners who were guilty of dishonesty were prosecuted by the Department of Justice?

Mrs. SULLIVAN. I do not know. I can only cite the one case that I am very familiar with, where this man was depending upon residents in the housing project and other neighbors to buy in his store, and he was prohibited from participating any longer. He learned a very, very sad lesson.

I think that this punishment was worse than any fine that you could have given him, because there were not enough people in that neighborhood who would or could trade with him to make it worthwhile to continue in the business in that area. I believe he finally gave up and the store changed hands. Let me say that his violations were flagrant and repeated ones and he was ruled as incorrigible as far as this program was concerned. It was an unusual case.

Mr. TEAGUE of California. Thank you.

The CHAIRMAN. Are there any further questions?

Mr. MYERS?

Mr. MYERS. How much, if I may use the word, "policing" or supervision is there over the grocery stores to see if there is more of this than we realize?

Is there any plan or program on that?

Mrs. SULLIVAN. I think that you would have to ask the Department on that. I could not answer that.

Mr. MYERS. Thank you.

The CHAIRMAN. Mr. Goodling?

Mr. GOODLING. I would like to read one statement from your paper and ask you to elaborate on it just a bit.

You stated:

I was surprised to discover that 16 of the 35 members of this committee do not have the food stamp program operating anywhere in their districts.

Mrs. SULLIVAN. Yes; and I said I am sorry, because I think that it is one of the most wonderful opportunities that a member can have, to go through some of the agonies of the poor people in their district who need help, and then to see how this has given them an uplift and a chance to feed their children properly. Before, they had to go out and get a handout once a month from some warehouse; today, through this food stamp program, they are taught how to budget their food money so that they can buy the stamps once a month and so that the food they buy will carry them through a whole month. We arranged for them to buy their stamps twice a month instead of monthly, and that has been even better. They go in and do their grocery shopping on a regular basis just as you and I do.

Mr. GOODLING. Are you saying that every district in the United States should have this program?

Mrs. SULLIVAN. I do not know many congressional districts in the United States that do not have poor people. Do you know of any?

Mr. GOODLING. We do, and if we believe the Good Book, we always will have.

The CHAIRMAN. Mr. Jones?

Mr. JONES of Missouri. I only have one comment, and it is with reference to following up the comment about the number of congressional districts that do not have this program in operation.

Of course, as you point this out in your statement, we only have this program in St. Louis, but I think that it could be pointed out that we have had a rather unique situation there in Missouri, because of our State laws. We have had a number of bills on this in the State legislature. I think that the leadership has come from the representatives of counties in the 10th District that I represent and that at least one if not two of the Senators from the district have legislation pending which will make it easier for these counties or these communities to put this program into effect.

It has been very difficult in this area. I do not know exactly the reason that has made it so difficult, but it has not been operated there. However, I understand now that the director of welfare, Mr. Carter, has given his approval to this legislation that has been introduced by Representative Downing and Senator Tinnin and others down in the district, and I think that before the year is out we will probably see other operations in that area.

Mrs. SULLIVAN. I mention in my statement, Mr. Jones, that it is because of the State legislatures in many instances that some of the States do not have it. That is the reason why in our State only St. Louis has the program. The State must pay part of the certification costs, et cetera, so it requires State cooperation.

The States with no food stamp projects are: Arizona, Delaware, Florida, Idaho, Massachusetts—but this will soon start there—Nevada, New Hampshire, Oklahoma, South Dakota. All of the other States have food stamp projects. But I know that some of the State representatives and senators in Missouri have complained, "Well, we cannot get any interest among enough of our State legislators," and I said,

"Well, it took 10 years to interest enough of the Members of the Congress in it. I think that you have to do a selling job."

Even many Members of Congress just do not know what this program means. This program has been in operation on a pilot basis in some areas of the country since 1961. Members still ask: "What is it?" They have not taken the trouble to find out. When you start to tell them about it they are ready to go to some other subject before they hear the whole story. It is only when the people that you represent become involved, and you take enough trouble to find out what it is all about, that you get deeply involved. And when you do find out what it is all about, and how you can help and what you can do to make it better, that you become enthusiastic about it.

This is the reason I said, Mr. Goodling, that Members who do not have the food stamp plan in their districts are missing a wonderful experience.

The CHAIRMAN. Mr. Kleppe?

Mr. KLEPPE. Mrs. Sullivan, I would like to follow up, if I may, just a little bit along the line of thought that Representative Gathings started. It has to do with this one sentence in here which says:

Just remember that when economic conditions improve, many beneficiaries automatically go off the program; and as retraining programs succeed, and also our many educational opportunity programs, persons or families now eligible for food stamps will increase their incomes and leave the food stamp program for good.

I think that I understand correctly that those people automatically going off the food stamp program are those that reach a certain economic income level; is that correct?

Mrs. SULLIVAN. Yes, that is correct.

Mr. KLEPPE. The question I have is as to your last clause here which says "and leave the food stamp program for good."

Are you suggesting here that maybe the appropriations in the future for this food stamp program may be decreased?

Mrs. SULLIVAN. They could be, or they could be increased.

Just let me carry your thought one step further. If a family is not on welfare, the certification for that family's eligibility must be done every 3 months, so that when a family's income increases, it is known very quickly and their purchase requirements are changed; and if it increases above the maximum, then they do not receive any more food stamps.

Mr. KLEPPE. Is that not true, that whenever you have a program like this that gets started, it usually increases; it never decreases.

Mrs. SULLIVAN. Well, if we should have an increase in the number of poor people in the areas where the plan operates, it will increase, yes; but in a program of this sort this is why the periodic certification is so necessary so that a person just cannot come in and apply and give an inadequate account of his income. And this certification is the function of the States. Sometimes they object because they feel that it is too expensive for them to certify the people who are eligible. But if they want the program, then they are going to have to pay to help do this part of the job.

The program will certainly increase in cost as we extend it to more areas—hundreds of areas are waiting for the program to start. It

started with eight areas and it is now operating in more than 650. They plan to expand it to 875 by the end of this fiscal year.

Mr. KLEPPE. Thank you. I was interested in your observation regarding the projection of this program for the future. Thank you.

The CHAIRMAN. Mr. Burke?

Mr. BURKE. I am not too familiar with the general operation of this program. After the family is certified and it is determined that they are eligible, is a record turned in by the grocery that he has received so many stamps?

Mrs. SULLIVAN. No. The family goes to wherever the stamps are issued—in most places there is a little food stamp office somewhere in the city.

Mr. BURKE. I understand that, but when they are certified, and if they want to give the stamps to somebody else, let us say for \$1 or for some other reason, what would prevent that? How would anybody know that?

Mrs. SULLIVAN. Because the stamps must be in the book. They may not be removed except by the grocer.

Mr. BURKE. There is no record kept by the grocer when he redeems the stamps for the groceries; is there?

How would you know whether these people were actually using their stamps for food?

Mrs. SULLIVAN. The store manager usually knows the people using the stamps in their particular grocery. It is up to him to make sure that he sells them food only, and nothing else, in return for the stamps.

Mr. BURKE. Let me ask you another question.

The grocer has knowledge of that in the sense of those who receive stamps?

Mrs. SULLIVAN. Yes, he usually knows his customers.

Mr. BURKE. Thank you.

Mrs. SULLIVAN. I am now told—I had forgotten—that they also carry a card of identification when they buy and use these stamps. They have a card of identification with their signature on it, and upon request they have to present this card. The regulations cover that point very strictly.

The CHAIRMAN. Are there any further questions?

If not, we are very much obliged to you, Mrs. Sullivan.

Mrs. SULLIVAN. Thank you.

The CHAIRMAN. Our next witness will be Mr. Sisk from California.

Mr. Sisk has two bills before us on this subject.

We will be glad to hear from you now.

STATEMENT OF HON. B. F. SISK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. SISK. Thank you, Mr. Chairman, for the opportunity to appear and to make some comments on the two bills which I have introduced.

With your permission, I have a very brief statement which I would like to have inserted into the record.

The CHAIRMAN. Without objection, it will be made a part of the record at this point.

(The prepared statement submitted by Mr. Sisk reads as follows:)

STATEMENT OF HON. B. F. SISK, A REPRESENTATIVE IN CONGRESS FROM THE
STATE OF CALIFORNIA

Mr. Chairman, I appreciate the opportunity to appear before your committee today to discuss two bills which are pending before your committee, H.R. 1268 and 1269, which are two approaches to provide both the surplus commodity program and the food stamp program to those counties which may require them.

I introduced these bills, Mr. Chairman, because of problems in my district as brought to my attention by our welfare directors. It appears that a number of these directors are staying with the surplus commodity program in order to handle the emergency cases that arise primarily in the farm labor field. Since introducing these bills, I find that those responsible for the administration of the Food Stamp Act claim that most of these emergency cases can and should be handled. However, this is contrary to the regulations issued to the welfare directors in my area. Consequently, I hope that introduction of these bills will help to correct the problem administratively and can clarify the misunderstanding that now exists.

I leave up to this distinguished committee the question of whether or not the greater flexibility of my bills is necessary or not. I would hope that in any case, Mr. Chairman, the committee, by resolution or otherwise, would request that the Department of Agriculture, through its food stamp division, would mount a campaign throughout the country to these counties using the surplus commodity program, explaining the possibilities and benefits under the emergency clause of the Food Stamp Act. This is needed because many of the welfare directors are not aware of these benefits and how the program can meet the needs of their people.

Again, Mr. Chairman, I thank you for the privilege of presenting my views.

Mr. SISK. Also I have a letter from the director of my Public Welfare Department in Fresno County, Calif., which I would like to make a part of the record.

The CHAIRMAN. Without objection, it will be made a part of the record at this point.

(The letter dated March 7, 1967 follows:)

COUNTY OF FRESNO,
DEPARTMENT OF PUBLIC WELFARE,
Fresno, Calif., March 7, 1967.

Hon. B. F. SISK,
U.S. Congress,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN SISK: Thank you for giving me the opportunity to comment on the Food Stamp Act and particularly the amendments to it which you are proposing.

Although Fresno County has a large population of low income families, it has not been able to implement the Food Stamp Plan. This is primarily a result of provisions of the Act which prohibit the Food Stamp Plan to operate in areas engaged in the distribution of federally owned foods.

Fresno County is the center of a large agricultural valley. Farm labor is its largest single group of employees. Agricultural labor in this area, as you know, is featured by seasonal demands and area fluctuations. Farm work is also particularly sensitive to inclement weather.

To assist in meeting emergencies which arise without warning as a result of sudden unemployment, Fresno County has operated a Commissary. Federally owned foods and items purchased locally are distributed. This has made it possible for us to assist a large number of people on an immediate basis. If we were to discontinue the operation of the Commissary utilizing federally owned foods, our emergency obligations would continue. If the volume of emergency obligations remained constant and federally owned foods were not available for distribution, our costs would increase \$750,000.00 annually.

This emergency program, however, does not solve the problem for the low income employed person and the public assistance family, both of whom need to increase their consumption of nutritious foods. In Fresno County, in my opinion, we need both the Food Stamp Plan and the opportunity to distribute federally owned foods.

H.R. 1268 in my opinion would be a most workable measure. I see no abuses which would arise under its provisions, but on the contrary, I would view it as being of great assistance to low income families in this area.

HR 1269 while of some assistance would be limited in its application to the migratory worker. The vast majority of farm workers in this area no longer migrate to an extent. They are seasonally employed and in the low income classification but they have established residence and are a part of our communities.

Both HR 1268 and HR 1269 demonstrate an admirable understanding of the needs of low income persons in this area. I commend you highly for your interest and your insight.

Please advise me if I can provide you with further information which will assist in an understanding of the need for these measures which you have introduced.

Cordially yours,

REED K. CLEGG, *Director.*

Mr. SISK. Thank you.

I would like to make a very few brief comments about the problem which I have encountered in my own district. I happen to represent a district in which the food stamp plan has not been used. I am one who has supported Mrs. Sullivan in her long effort to bring about the adoption of the food stamp plan. I voted for it, and have voted for the appropriations for it, to carry on the program.

I do want to say, basically, that the reports and the information that I have lead me to believe that the program is doing a very good job, particularly, in supplementing the diets of a great many people who do have incomes that are so limited that they need supplemental diet.

The two bills which I have introduced, Mr. Chairman, goes to the subject of distribution of federally owned foods.

We operate a commissary in Fresno County. It is a county of just under one-half million people. We distribute a substantial amount of food through that commissary, so-called surplus foods, plus certain supplements which are purchased by the county and added to that.

I have been talking to the director of my welfare department and to members of the board of supervisors about the food stamp plan for several years, because we do have those who are on very small incomes who certainly need supplements if available. The attitude has been that they did not feel that they could fit into their program.

The letter which I have just asked to be made a part of the record is from Mr. Reed M. Clegg, director, indicates a very strong support and desire for the food stamp plan. However, based upon the regulations, they have said to me—and I might say as late as yesterday by telephone—that the regulations which are in their hands at the present time, put out by the Department of Agriculture relating to the food stamp plan, simply makes it impossible for them to meet the needs of many indigent families, and by that I mean families at this particular time of the year who are solely without any income whatever, without some kind of a distribution program, and I would just like to cite briefly a couple of comments made by our director out there bringing into focus the problem, and it may be that it is a matter that can be handled, Mr. Chairman, somehow or in some way. We have not been able to handle it up to this point, and that is the reason I say there is need for these two particular bills.

I might elaborate: first, the two bills, very simply, would permit the distribution of surplus foods and the food stamp plan to operate simultaneously within a county. They are two different approaches.

One would make it discretionary with the Secretary, subject to a condition that might exist in which he would feel that it would be advisable.

The second would actually repeal the prohibition against the use of these programs in any county.

Now, if I might just briefly comment. From this letter, Mr. Clegg makes this statement:

To assist in meeting emergencies which arise without warning as a result of sudden unemployment, Fresno County has operated a commissary. Federally-owned foods and items purchased locally are distributed. This has made it possible for us to assist a large number of people on an immediate basis. If we were to discontinue the operation of the commissary utilizing Federally-owned foods, our emergency obligation would continue. If the volume of emergency obligations remained constant and Federally-owned foods were not available for distribution, our costs would increase \$750,000 annually.

This emergency program, however, does not solve the problem for the low-income employed person and the public assistance family, both of whom need to increase their consumption of nutritious foods. In Fresno County, in my opinion, we need both the food stamp plan and the opportunity to distribute Federally-owned foods.

I simply wanted to call to your attention for your consideration these facts, and I understand, probably, it has been considered before, because I seem to remember some debate which occurred on the floor some 2 or 3 years ago, a discussion by my good friend and colleague, Mr. Jones of Missouri and this committee, I think, on this very subject in which we were discussing some of the problems with reference to the distribution of surplus foods to needy families, and the extent to which the food stamp plan might include that program.

As I say, Mr. Chairman, I appreciate this opportunity to explain some of the difficulties which we have had and the rather strong feeling on the part of the welfare people and the members of the board of supervisors in my own area, that these two programs could work simultaneously to the benefit not only of those receiving some money but also for the benefit of the individuals who, in many instances, do not have a penny, some indigent family without residential requirements which would normally qualify for the normal welfare type of thing, and they simply have to be fed.

Of course, this is a concern which the county has and which the director has, that is, that if we gave up our commissary facilities, our distribution of surplus foods and went 100 percent to the food stamp plan, we could find ourselves in substantial difficulty which could substantially increase the costs within the county.

I appreciate very much this opportunity.

These two bills which I have mentioned are H.R. 1268 and H.R. 1269. It may be that those bills are not needed, if administrative changes could be brought about. I might just close by citing the figure which my administrator tells me was given to him very recently as the very minimum on which stamps could be purchased, and that was \$22, that that was the lowest amount that was permissible in the purchase of stamps at the present time. Where he got the regulations, I do not know, whether they came through the normal channels of the regional office or the department in California. But, certainly, if that be true, there is no question but what it would be impossible to take care of a great many indigent families.

Thank you.

The CHAIRMAN. You were not here yesterday morning?

Mr. SISK. Unfortunately, I was not here.

The CHAIRMAN. There was no reason why you should be.

But on yesterday morning we heard testimony of one Dr. Wiley, accompanied by Mr. Carl Rachlin and Mrs. Etta Horn, who raised the question that this program was unsound, because it required the individual to put up money. They seemed to suggest that rather than to hand out food that we should hand out cash to these indigent people.

In fact, I gathered that they felt that they should be given greenbacks rather than food because greenbacks are more—well, shall I say—flexible than food stamps. They made such a good case against your proposal that I thought that you should familiarize yourself with their arguments.

(Laughter.)

The CHAIRMAN. They are arguing in favor of your proposal, but they convinced me that I just could not go along with this sort of double-barreled handout with each hand.

Mr. SISK. If I could just comment. I do not know how much I missed by missing that testimony. Let me say as one who happens to believe very strongly that all able-bodied people should work for their income, and as one who does not believe—in fact, I might say that maybe I am getting on the record a little bit early with this. I am not in favor of a guaranteed income, believing that people should, if able, work for their living and should not be provided with handouts.

I certainly have no intention, in the legislation which we propose, to propose any such situation as that. The only situation in which we are involved is that we have some 3 or 4 months in what we call our rainy season in which we have a great many farm families—in fact, right now, we are feeding in Fresno County alone somewhere close to 2,000 families, 2,000 indigent families, as I understand of yesterday, are on the rolls. These are people who generally do farm labor work of one kind or another. And because of the rainy weather at this particular period of the year, these people are totally without income. They do go out and work when the weather is permissible and when work is available, and they earn some money. We know that in many cases particularly where you have one or two in the family working, maybe a family of seven or eight people, where their income they have in the summer months or in the fall dissipates rather rapidly. I am not advocating, let us say, any additional free handouts; I am simply seeking to supplement the income of a great many people who, because of the smallness of the amount that they receive do need food supplements provided in the food stamp plan. We have not used the plan before, as I say, basically, because our people have thought that it would leave them in a very serious situation with reference to this other situation.

So, as I say, maybe these matters could be worked out administratively, but so far we have not been able to do so.

The CHAIRMAN. Mr. Abernethy.

Mr. ABERNETHY. Some sections of the food industry of America supported this legislation 2 years ago, but some objected, in that it

was doling out commodities. They argued that the program was taking business from them, that it was cutting in on their field of operation in selling food. I think this had some effect on acceptance of the legislation.

Mr. SISK. I think that you are right.

Mr. ABERNETHY. As I understand you, Mr. Sisk, you would more or less set the idea aside and make food stamps and surplus food available; is that right?

Mr. SISK. Not to the same people, no.

Mr. ABERNETHY. You would still make it available in the same county?

Mr. SISK. Yes, that is true.

Mr. ABERNETHY. It seems to me you are proposing to put us right back where we were.

Mr. SISK. Well, I may say that maybe it does. I might say to my good friend from Mississippi, I do not necessarily see it that way. I support the food stamp plan I think, probably, for the same general reason that many others do, to get away from the so-called handout; it was to get away from that.

Mr. ABERNETHY. I do not think that you can get away from that when that food will be available, that the Government will continue to purchase this food. They are not just going to hide it; they will give it away.

If we have a food stamp plan in every county in the United States, this surplus food—although the Secretary said yesterday that there is not any surplus, there is bound to be. That food is going to be given away, and it ought to be. We cannot let it decay or destroy it.

Mr. SISK. Let me say that at the present time we have available to our commissary flour, rice, beans, peanut butter, lard or shortening, and canned meats.

Mr. ABERNETHY. You heard the testimony that there was no surplus.

Mr. SISK. I was pretty busy in the Rules Committee and I was not able to be here, I will say to my good friend.

Mr. ABERNETHY. That is all. Thank you.

The CHAIRMAN. Mr. Brasco.

Mr. BRASCO. To my good friend, Mr. Sisk, if I understand you correctly, are you saying in a certain portion of the year there are a number of people in your district who do not make any money so that they cannot participate in the food stamp program by purchasing stamps or that they prefer to get the food directly; is that basically what you are saying?

Mr. SISK. Well—in other words, yes. There are times in the year when we have a substantial group of people who have absolutely no income of any kind.

Mr. BRASCO. So that they cannot participate for that reason?

Mr. SISK. Yes; to the extent that cash is required to purchase the stamps. And, as I say, maybe this could be cured administratively, but we do not have information that it can be, but at the present time to the extent that any cash would be required they would not be able to purchase these stamps and, naturally, they would not be in a position to participate in the food stamp plan, so that they ought to have some type of direct aid plan or else they will go hungry.

Mr. ABERNETHY. Will you yield to me?

Mr. BRASCO. Yes.

Mr. ABERNETHY. I think that that is a good argument, that there are people to whom the surplus commodities would be available were it not for the fact that in their county they have a stamp plan available, and, therefore, they cannot get the commodities and they are not able to buy the stamps.

Mr. SISK. That is right. This is exactly the situation that I am in. We do not, of course, have a stamp plan. I want to make that clear. I have three counties in my district which are basically rural counties in which we have a great deal of farm labor, and these people, you know, are out of work particularly in the rainy season. I recognize it as being a peculiar situation, particularly different from the cities or other urban areas. There are times when these people do not have one dime of income, because, at the present time, there is no unemployment insurance for farmworkers. They have no income, period. And, of course, we have to feed them, and we are doing the best we can in feeding them. At the same time we desire the food stamp plan.

The problem is such as I hope can be worked out where we can have the plan but at the same time not deprive these people the right to eat during that period in which they do not have one dime with which to purchase stamps.

Mr. BRASCO. Mr. Sisk, I take it then that other than the direct distribution program, your county has no means of assisting these families during the period that they are not able to work, because of conditions that apparently involve the weather which is not in their control?

Mr. SISK. I am sure that California has a substantial welfare program; I am sure that you know that. Here we are talking about people who are able to meet residential requirements, who are receiving money payments, aid to dependent children, and a variety of other things.

I do not have the figures before me, and I do not wish to get into an argument with any of the other States but I am inclined to think that probably California has one of the largest welfare rolls in America, and that we are going to great lengths to take care of our poor people through the actual payment of money. I am talking here about what we call emergency in many instances where they do not meet the residential requirements, where they are not on the welfare roll. We have a great deal of what we call migrant labor. I am sure that my friend is familiar with this. This is in the farming areas. This is the area in which we find ourselves in a very serious situation. These people would have to be fed in some manner. Of course, naturally, it is more economical to feed them with surplus foods as long as surplus foods are available, and, therefore, they simply hate to take on a program which would deny them the availability of these surplus foods which, as I say, we have used substantially over the years to meet these emergency needs.

Mr. BRASCO. Thank you.

The CHAIRMAN. Are there further questions?

Mr. BURKE. We have the same problem in my county of indigent migrants in the area when because of bad weather they do not have money. However, the county, ordinarily, takes care of programs such

as this. In other words, the State will take over after the county has given aid in the emergency and additional funds are provided if they are residents. I was wondering, in that direction, what your county does. Your county can enter into it. We have, at least, done so in our county strictly as a county program under the county welfare program.

Mr. SISK. We have a very substantial county welfare program running over \$20 million—strictly county, separate and apart from the State. And, of course, as I read from the letter of the Director, we figure that there would be a difference in the cost to the county of somewhere between \$750,000 and \$1 million if they lose the use of the surplus foods. This has to do with county budgeting and the county's part of the welfare load separate and apart from the State.

Mr. BURKE. Then, the food stamp program would take the burden off the county, also, under ordinary local programs?

Mr. SISK. It would not if it required any cash to purchase the stamps.

You would still have to take care of these totally indigent.

Mr. BURKE. I am talking about those that would be on the welfare program who have cash, but not to take care of these others. The county could step in on these migrant workers and handle them on other programs, under the surplus food program, where there is enough for them to do it.

Mr. SISK. They do not have to do that. As I say, they are doing this to a substantial extent now. Of course, our welfare load, so far as the county is concerned—and our basic tax load, as I recall, is somewhere between \$20 and \$25 million annually in one country—this is only in Fresno County. We carry at the local level a substantial load of direct welfare.

Mr. BURKE. And it is your thought, more or less, that the Federal Government should take part of the load off?

Mr. SISK. We are not asking that at all, because I see nothing in this about that. As I say, the Director here in this case and the Board of Supervisors and others that I have discussed this with simply felt that as long as there are surplus foods available to people, in their opinion it is a little ridiculous and I agree with them, not to make these surplus foods available to the extent possible.

Mr. BURKE. I agree with that. Thank you.

The CHAIRMAN: You would confine that to the foods which actually are surplus in the hands of the Department of Agriculture, because in the list that is now available, it does not contain some of the articles that you mention. We are buying rice and are paying cash money for some of these products.

Mr. SISK. I recognize that. Some of the items mentioned here, I am sure that the Department is actually buying with cash.

The CHAIRMAN. You would confine yourself to those which are actually in surplus and which we actually have in stock, without purchasing for this purpose.

Mr. SISK. I certainly would, because, as the legislation which I propose is written, of course, I think it would be in the hands of the Secretary and the Department, as to what commodities would be available through the surplus disposal program for surpluses. They could hold it exclusively to those items which are in surplus at the present time.

The CHAIRMAN. Mrs. May.

Mrs. MAY. Mr. Sisk, in the Food Stamp Act of 1964, under section 4(b), it reads:

In areas where the food stamp program is in effect there shall be no distribution of Federally-owned foods to households under the authority of any other law except during the emergency situation caused by a national or other disaster as determined by the Secretary.

Would this be determined as to the emergency situation by the Department of Agriculture, under this section of the law?

Mr. SISK. We have discussed it very thoroughly, and I might say, Mrs. May, we would not qualify. We could qualify if we had a sudden flood, if a couple of the dams broke up in the mountains. My friend from Washington is generally familiar with the contour of my area in which for 8 or 9 months we have to depend upon that water. If we had a flood which might be determined a disaster, which has happened, then I do not think that there is any question but that this would apply and we could receive help under it, but we could not, I think, and would not qualify under this, under the normal procedures which I have explained here having to do with the ebb and flow of labor in the wintertime, in the rainy season, sometimes as much as a month at a time where families depend primarily on pruning vines or pruning trees, doing certain types of work that we do out there, and they cannot do any work at all and would have no income. It still would not be a disaster type of an emergency. It is not like an earthquake or a great flood. It is an emergency to the person involved in it, but not an emergency that would be applicable under the law.

Mrs. MAY. A definition of "disaster" would not go to an emergency situation as to the number of people out of work.

Mr. SISK. That is right. This is the information that has been given to us, yes.

Mrs. MAY. This is the determination that you have had?

Mr. SISK. Yes.

Mrs. MAY. Thank you.

The CHAIRMAN. Mr. Rarick?

Mr. RARICK. Mr. Sisk, we received information yesterday from a group that indicated they were an organization of welfare recipients. They passed out a pamphlet on their history establishing their so-called legal rights as welfare recipients.

They handed out a little booklet to all of the members of this committee, of their various organizations.

I wonder, sir, if you know that in Fresno County, your district, the welfare recipients are organized?

Mr. SISK. Yes, along with some other problems we have in California, I am familiar with some of these problems also.

Mr. RARICK. I was quite amazed that they came into the hearing accompanied by a lawyer quite national in repute, whose office is on Park Avenue in New York. And their spokesman was well dressed, and he had the title of "Doctor." It would indicate that there are quite a few people who are preying upon the impoverished and unfortunate citizens in our country.

I just wondered if you were aware of that.

Mr. SISK. Yes, I will comment on that. I might say that I believe that in California there is a statewide organization of this type, and

one of the concerns of some of us from California is to see to it that the Federal funds under the antipoverty program or any other program is not used, let us say, for organization expenditures. I might say that this is one of the problems that has caused some real concern.

I am aware of the existence of the attempt to organize these people. I recognize the concern that the gentleman might have, which we share.

Mr. RARICK. They indicated that they hold national conventions. Apparently, they are well attended by thousands of people.

I wonder whether these people who were assigned to speak are misleading the welfare recipients into using their food money to support such an organization.

Last week there was a legislative investigation by the House Un-American Activities Committee, and they turned up three people who were on the Federal payroll who had poverty grants. Of course, the gentleman yesterday denied that he was a member of the Lawyers Guild.

I think that in dealing with less fortunate citizens we should realize that they are being preyed upon by folks who are definitely not in this to help them feed people and return to the status of productive citizens. I just wanted to get that in the record.

Mr. SISK. If I can comment on that: I think that this is one of the most tragic developments of recent years. Unfortunately, we do have those vultures—and that is what I call them—who prey upon many of our poor and who distort and mislead a great many people and, actually, take from them the few dollars they have.

I think that is one of the real tragedies that we are faced with. I think that is something that we should take all care possible to try to guard against so as to not permit these same things to be possible at the present time.

Mr. RARICK. Thank you.

The CHAIRMAN. Are there any further questions?

If there are no further questions, Mr. Sisk, we are very much obliged to you.

Mr. SISK. Thank you, Mr. Chairman, for the opportunity to discuss this matter.

The CHAIRMAN. We are always very glad to have you before the committee.

Our next witness will be our own colleague, Mr. Joseph P. Vigorito, from Pennsylvania. He has a bill before us, H.R. 3817.

We will be glad to hear from you now, Mr. Vigorito.

STATEMENT OF HON. JOSEPH P. VIGORITO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. VIGORITO. Thank you very much, Mr. Chairman. I must apologize to my colleagues on the committee that I do not have sufficient copies of my statement for each and every one of you. It will be part of the record, anyway; and I am sure that you will go over the record before you cast a vote on these bills.

Mr. Chairman, I appreciate this opportunity the committee has given me to testify before you today on behalf of my bill, H.R. 3817,

which would provide for fuller and broader participation by our senior citizens in the Department of Agriculture's food stamp and surplus food distribution programs.

In the middle of 1966 I realized the need for this legislation and introduced in the 89th Congress a bill which would have achieved this end. However, the large number of pending bills at the end of the second session prevented scheduling hearings on my measure.

I now feel that the need is even more urgent and I have, therefore, reintroduced my bill in the 90th Congress.

Briefly, what this bill would do, Mr. Chairman, is to make available to retired persons 65 years of age or over surplus food without recourse to the present means test. Federal regulations now state that eligibility standards set by a State have to be approved by the U.S. Department of Agriculture. The State surplus food standards bear a direct relationship to each State's welfare standards. For example, in Pennsylvania, eligibility criteria for public assistance includes consideration of income and assets available to the household.

Unless the Department of Agriculture allows liberalization of the State public welfare standard to make eligible all retired persons without recourse to an examination into assets and income, the eligibility of retired persons to receive surplus food without a means test is impossible.

Therefore, after consultations with local and State officials and with persons in the Department of Agriculture, I have introduced the measure we are considering today. The only requirement for eligibility would be that if a person is 65 or over his income should not exceed \$3,000 a year, and if there is a household of two or more persons 65 years of age or over, their combined income should not exceed \$4,000 a year.

The 89th Congress made great strides in recognizing the plight of our senior citizens and we passed much milestone legislation designed to work to their benefit. However, we must all admit that more remains to be done. With modern medicine and health care, more and more persons are living longer than before. We have a responsibility to these persons, many of whom are barely subsisting on limited or fixed incomes that do not allow them to live out their lives with a measure of dignity.

All of us read with great interest President Johnson's message to the Congress of January 23 which dealt with the problems of our senior citizens. As he pointed out, today there are more than 19 million Americans 65 or older; a number equal to the combined populations of 20 States. One out of every 10 citizens is in this age group—more than twice as many as 50 years ago.

The President's message is 10 pages long, yet there are two facts that stick out among all others:

First, 5.3 million older Americans have annual incomes below the poverty level.

Second, nearly 40 percent—and I repeat—nearly 40 percent—of our single older citizens have total assets of less than \$1,000.

There is a role for the Federal Government in this problem. A solution is possible. It is a proven fact that our senior citizens could benefit from legislation such as the bill I have introduced. Mr. Chair-

man, I would respectfully urge the committee give this matter serious thought and consideration.

Mr. Chairman, in closing, I would like to add that this bill has received widespread support. It has obtained the full backing of the Pennsylvania Brigade, Association of Retired Persons, and the National Council of Senior Citizens, located here in Washington, D.C. I believe that we have here today a representative of its national council willing to testify in favor of this measure. I would like to make part of the record of this hearing the following documents:

1. House Resolution 74, passed by the General Assembly of Pennsylvania, session of 1966, stating: "*Resolved*, That the House of Representatives urges the U.S. Secretary of Agriculture to explore every possibility to adapt and liberalize Federal regulations governing distribution of surplus foods to retired persons receiving social security," and so forth.

Mr. DOLE. Will you yield?

Mr. VIGORITO. Yes, sir.

Mr. DOLE. Does it say anything about the State paying any of the costs?

Mr. VIGORITO. No.

Mr. DOLE. They want to liberalize it with Federal money?

Mr. VIGORITO. The resolution is House Resolution No. 75, which briefly relates to Federal money available for Pennsylvania. What they really state here is that they want continued surplus food program and the stamp program, too.

They are very much in favor of it.

Mr. BELCHER. If you will yield?

Mr. VIGORITO. Yes, sir.

Mr. BELCHER. I am wondering whether with these State legislatures continuously memorializing the Congress as they do, whether the Congress should be permitted to memorialize them to do that in their own system?

Mr. VIGORITO. I think that is a good idea; I think that would be a shot in the arm.

I also have a brief statement from the City Council of Erie, Pa., which is in general agreement that senior citizens should participate to a greater extent in surplus foods and the food stamp programs.

And I also have a short statement here from the Senior Citizens Group in Erie, Pa., which I, too, would like to have included, which is for a better distribution of surplus foods.

I would like to state at this point that three counties which make up my congressional district all participate in the distribution of surplus foods. One county, as of the first of February this year, will now participate under the stamp plan, and the other two counties are to participate in the stamp program in the very near future, which I am very happy to hear, because I think that the stamp program is a very good program and is very convenient and helpful for everyone concerned. It gives our senior citizens a choice and selection of food.

I would like further to state that as long as this country can produce more food than we can consume, that there should be no one in the country going hungry.

I remember the day after the last election, November of 1966, as I was coming out of my house, a little old lady came up to me, and she said:

Mr. Vigorito, see what you can do for our older citizens so that we can improve our diets. We live on such a small limited income that we cannot eat what we would like to eat, or the way that we used to eat.

I do not believe that we should only dole out surplus foods, because we have a capacity to produce more food than we can possibly consume; we should produce and consume the food that this Nation needs.

I also have another statement here, Mr. Chairman, from Max Rosen, Secretary of the Department of Public Welfare. I would like also to have that made a part of the record.

The income exclusion, it points out, for financial eligibility for surplus foods or food stamps is \$110 a month for elderly persons—\$110. If you make \$111, you cannot participate in the surplus food and food stamp programs.

I believe that it should be more liberal than that, and that we have it within the jurisdiction of this committee in this Congress to see to it that our senior citizens can have a proper diet.

Thank you, gentlemen.

The CHAIRMAN. You want to include all of these articles and resolutions in the record?

Mr. VIGORITO. Yes, sir; I would like to have all of them included.

The CHAIRMAN. Without objection, all five of them will be made a part of the record at this point.

(The documents referred to follow:)

[Printer's No. 445]

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION No. 74, SESSION OF 1966

(Adopted by the House Tuesday July 12th)

INTRODUCED BY MESSRS. POLASKI, BELLOMINI, E. L. MURRAY, O'DELL, BLAIR, DWYER, HARTLEY, BENNETT, LUTTY, MEHOLCHICK, DONNELLY, SHUMAN, MRS. JONES, MESSRS. PEZAK, HETRICK, RENWICK, MURPHY, SCHMITT, J. K. K. SMITH, WILT, RIGBY, CIOFFI, TIBERI, SHELHAMER, PERRY, WISE, HANKINS, SHELTON, EMERSON, BRUNNER, SUCHKO, HOMER, ARMSTRONG, WILLARD, BACHMAN, MORLEY, KRADEL, STEMMLER, WELSH, OTTO, DAVIS, KESTER AND MRS. KERNAGHAN, JUNE 7, 1966

REFERRED TO COMMITTEE ON RULES, JUNE 8, 1966

In the House of Representatives, June 7, 1966.

Retired persons receiving social security are eligible to receive surplus foods distributed under Federal legislation and regulations. However, in order to be eligible they must qualify under a means test establishing need based on State welfare standards.

In this Commonwealth, such standards involve net income and liquid assets and have been made as liberal as Federal regulations permit.

Nevertheless, retired persons receiving social security are in a position of hardship due to their fixed income and the constant rising cost of living; therefore be it

RESOLVED, That the House of Representatives urges the United States Secretary of Agriculture to explore every possibility to adapt and liberalize Federal regulations governing distribution of surplus foods to retired persons receiving social security so as to take into consideration their position of need due to their fixed incomes and the impact thereon of the rising cost of living; and be it further

RESOLVED, That a copy of this resolution be sent to the United States Secretary of Agriculture.

[Printer's No. 446]

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION No. 75, SESSION OF 1966

(Adopted by the House Tuesday July 12th)

INTRODUCED BY MESSRS. POLASKI, O'DELL, BLAIR, DWYER, BELLOMINI, BENNETT, DONNELLY, SHUMAN, PEZAK, HETRICK, RENWICK, MURPHY, MEHOLCHICK, SCHMITT, LUTTY, E. L. MURRAY, HARTLEY, J. K. K. SMITH, WILT, WELSH, KESTER, MRS. KERNAGHAN, MESSRS. MARKOVITZ, RIGBY, CIOFFI, TIBERI, SHELHAMER, PERRY, WISE, HANKINS, SHELTON, EMERSON, J. J. ARMSTRONG, BRUNNER, SUCHKO, WILLARD, BACHMAN, MORLEY, KRADEL, STEMMLER, HOMER, MRS. JONES, MESSRS. OTTO AND DAVIS, JUNE 7, 1966

REFERRED TO COMMITTEE ON RULES JUNE 8, 1966

In the House of Representatives, June 7, 1966.

The Federal Government, through the Department of Agriculture, has been providing funds for State participation in the Food Stamp Program. This program was designed to provide all needy persons with better diets and increased food purchases.

In this Commonwealth, the program is operational in only a portion of the counties although legislation has been enacted providing for participation by all interested counties and although some counties which are in favor of participation cannot qualify because of Federal requirements as to eligibility for the funds available.

There is only a specified amount of Federal money available for Pennsylvania for this program and the United States Department of Agriculture requires that as to its distribution, priorities among the sixty-seven counties be established on the basis of public assistance dependency ratios, the percentage of people on public assistance in relation to the total population.

Thus, in order that more counties desiring to participate may do so, additional Federal funds must be made available. The United States Department of Agriculture has requested additional funds for fiscal 1966-67; therefore be it

RESOLVED (the Senate concurring), That the General Assembly of the Commonwealth of Pennsylvania memorialize the Congress of the United States to approve and, if possible, add to the increased funds proposed for the 1966-67 Budget of the Department of Agriculture for the Food Stamp Program so that funds for participation of all counties in Pennsylvania desiring to participate in the Food Stamp Program will be available; and be it further

RESOLVED, That a copy of this resolution be sent to each member of Congress from Pennsylvania.

COUNCIL CHAMBERS, ERIE, PA., MARCH 2, 1966

By Mr. Harkins, seconded by Mr. Scheffner

Resolved, by the Council of the City of Erie, That:

Whereas a large segment of our citizenry are persons who after decades of useful and productive labor are living in well merited retirement on fixed pensions, and

Whereas the increasing cost of living, in all fields, has trapped an overwhelming portion of these individuals in an ever worsening financial bind, and

Whereas through Divine Providence, and the aid of modern application of the sciences of agriculture, the farms of America are each year producing greater quantities of all type of crops, and

Whereas a great country such as our own, that has and will continue to export immense amounts of foods to the entire world, can and shall certainly do likewise for its own Senior Citizens, so therefore, be it

Resolved by the Council of the City of Erie, Pa., That they call upon the proper officials of the Federal Government of the United States and of the Common-

wealth of Pennsylvania to make Surplus Food available to all those on retirement, including those individuals on 100% Social Security Disability, without recourse to any form of a "MEANS TEST", as one method of alleviating their financial stringency, and be it further

Resolved, That copies of this resolution be forwarded to the Secretary of the United States Department of Agriculture and to Robert J. Freiler, Director, Bureau of Surplus Foods, Department of Property and Supplies, Harrisburg, Pennsylvania.

March 2, 1966. City Council adopt by yeas Messrs. Brabender, Cappabianca, Feehley, Glowacki, Kinter, Scheffner and Harkins. 7. Nays. 0.

March 2, 1966. Signed by the President. Attested by the City Clerk.
Signed March 2, 1966.

BERNARD J. HARKINS,
President of City Council.

A true copy.

Attest: March 2, 1966.

EUGENE GRANNEY, *City Clerk.*

[From the Erie Churchman, July 1966]

RETIRED NEED HELP

The problem of the aged are many. Most persons past 65 are retired and living on fixed incomes, often extremely limited ones. Although personal exemptions for federal income tax purposes are doubled for those over 65, very few other concessions are made to the elderly. Some states provide property tax exemptions up to a certain level, and there are other scattered instances of token concession, such as forgiveness of per capita tax payment. But with relatively few exceptions, our retired elderly are caught in an economic squeeze.

The basic Medicare program, together with additional coverage available at nominal cost, has removed much of the fear the older people once felt about mounting medical costs, but they are still faced with the hard problem of making their money stretch far enough to provide basic needs, chief of which is sufficient food.

The Pennsylvania Brigade, Association of Retired Persons, has launched a campaign to allow retired persons to obtain surplus food without submitting to the "means test" required of those young enough to be considered still a part of the labor market. In this effort, they seem to have garnered the support of newspapers and most government officials. But so far, no concrete move of any official standing has been made, such as passing a new law or amending the old one.

If the elderly are in genuine need, why should they be reluctant to affirm that need through the standard means test? Here's how the Pennsylvania Brigade answers:

It's a matter of personal pride and human dignity. They spend their productive years working hard, earning, providing, paying taxes, contributing to the total economy, without ever having asked for charity. Now that they're beyond the productive stage, they feel they still should not be subjected to the humility of declaring themselves poverty-stricken in order to obtain a little help thru surplus food, which they maintain is available in huge quantities, and for which the government is hard put to find outlets—much of it, they say, goes to foreign countries, in addition to that provided the younger needy and various non-profit institutions. And in the absence of any other concessions to the elderly in Pennsylvania, they feel that opening the surplus food bins to the retired, thus freeing a few more of their limited dollars for other needs and comforts, is logical and justified.

There seems to be much merit in the Brigade's position. If there are some among the elderly who do not really need the help, is not the same thing true of social security? The Brigade feels that "policing" the program to prevent abuses would be more costly than the amount of food taken by those not in real need. After all, how many retired people would even accept government surplus food if they were perfectly capable of providing for their own wants?

An examination of the needs of the elderly is indeed in order. Our legislators should determine what, if any, tax exemptions might be instituted on their behalf. And certainly careful consideration should be given to eliminating, or

at least modifying, the means test in the case of the elderly seeking surplus food. (For further information, contact H. A. Swedenhjelm, 3322 Elliot Road, Pennsylvania Brigade, Association of Retired Persons.)

—J.E.D.

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF PUBLIC WELFARE,
Harrisburg, June 23, 1966.

Hon. JOSEPH P. VIGORITO,
Congress of the United States,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN VIGORITO: I appreciate your request for recommendations on Federal legislation to accomplish the aim of the various Erie County citizens groups to make surplus foods available to all retired persons without a means test.

Federal legislation establishing the surplus food and food stamp programs authorizes granting such food to the *needy*. Therefore, the United States Department of Agriculture requires that, to be financially eligible for surplus foods or food stamps, a person's financial means must be roughly comparable to the top amount of public assistance that a needy person can get in the State.

Since Pennsylvania's income and assets criteria for eligibility for surplus food and food stamps are among the most liberal in the nation, there are among the 440,000 needy persons now receiving surplus foods or food stamps in Pennsylvania large numbers of retired persons who are Social Security beneficiaries. The income exclusion point for financial eligibility for surplus foods or food stamps is \$110 a month for the elderly person. Emergency or special circumstances are also recognized.

Since the requirements of the United States Department of Agriculture are based on federal legislation, you may wish, if you agree with the proposals of the Erie County citizens groups, to introduce legislation to amend the present law so as to make all retired persons eligible for surplus foods, *regardless* of their means.

Since our Department's focus in this area is on needy persons receiving public assistance, we feel that legislation is also needed to increase the Federal Government's financial participation in States' Public assistance grants. Pennsylvania's allowances for elderly citizens are something under 90% of the cost of a minimum standard of health and decency; for all others, the allowances are less than 70% of the cost of a minimum decent standard. Higher assistance grants would enable needy elderly and other persons to buy more food and clothing, decent housing, household goods, etc. that they so desperately need.

In our experience in administering the food stamp program (in operation in seventeen counties in Pennsylvania, not including Erie County), we have found, on the whole, that this program is preferred to the surplus food program. In contrast with the surplus food program, the food stamp program leaves the choice of foods up to the individual; he is able to buy a greater variety of foods and have a more balanced diet; he can buy the food in community stores at times convenient to him rather than wait in line at special hours for food distribution; and, it benefits the business in the home communities by increasing the volume of trade at regular retail outlets. As you probably know, in the counties where the food stamp program operates, it replaces the surplus food program. I am enclosing a leaflet that briefly describes the food stamp program.

I should add, that some families with low income have found it a hardship to spend the amount of money they are required to spend for food stamps. (For example, a family of two with \$100 net monthly income must buy \$16 worth of coupons twice a month to get \$8 worth of coupons free each time.)

I greatly appreciate your interest in improving the living standards of retired persons who must live on low pensions, social security, and old age assistance.

Please feel free to write me again at any time that I can be of service.

Sincerely yours,

MAX ROSENN, *Secretary*.

The CHAIRMAN. Are there any questions of Mr. Vigorito?

Mr. GOODLING. I want to be absolutely certain that I am reading what I think I am reading. You say you want the Secretary of Agri-

culture to distribute agricultural products to people over 65 years of age without reference to their personal needs or income——

Is that what you are saying?

Mr. VIGORITO. No, no, no. If you go on further it states that the income must be no greater than \$3,000 per single individual or \$4,000 for a couple.

Mr. GOODLING. That is in another section of the bill, is it not?

Mr. VIGORITO. Yes.

Mr. GOODLING. In other words, what you are saying on the first page of your bill is not what I have just said, is that correct?

Mr. VIGORITO. That is correct.

Mr. GOODLING. Thank you.

The CHAIRMAN. There is a limitation in another section of the bill referring to \$3,000 and \$4,000.

Are there any further questions of Mr. Vigorito?

If not, we are very much obliged to you, Mr. Vigorito.

Mr. VIGORITO. Thank you very much.

The CHAIRMAN. Thank you.

Our next witness is Mr. Harry Graham, legislative representative of the National Grange. We will be delighted to hear from you now.

STATEMENT OF HARRY L. GRAHAM, LEGISLATIVE REPRESENTATIVE, NATIONAL GRANGE

Mr. GRAHAM. Mr. Chairman and members of the committee, I had hoped this morning that since this was an area that deals with consumers and with children that we would have the time for Miss Boukalis to read the statement; however, since we are pressed for time, I will just take the opportunity to introduce her to you, because sometimes you are going to have the privilege of looking at someone besides myself when the Grange presents its testimony.

She is Miss Mary Boukalis.

And then let me summarize very quickly the statement in the interest of saving time.

The CHAIRMAN. Do not summarize it if she is going to read the paper.

Mr. GRAHAM. She is not going to read it. When we have more time, we will let her do that.

The CHAIRMAN. We will be glad to have her do that.

Mr. GRAHAM. We would say, first of all, that Mrs. Sullivan's bill on food stamps has our hearty approval. And as to Mr. Vigorito's bill, we think the objectives are commendable, but we would like to see a price tag on that. It is pretty indefinite at the present time. Therefore, if he will bring that back in another year with a little more refinement it, we will be more happy to support it, Congressman Vigorito.

In terms of Mr. Sisk's bill, we think that in some way we must have some adequate provision for the migratory people. This has been a sticky problem all along. We all recognize that one. They do not stay any place long enough to get residency established, and yet they are very essential to our agriculture economy. After all, they are people with families.

I do not believe that all of the evidence used to justify this in Fresno County would impress me any more than, apparently, it has the chairman.

In the statement we have prepared here, I think it was modified a little bit, because the witness almost talked himself out of his position. Primarily, we should remember that even where there is relief provisions made such as in Fresno County, which is, incidentally, according to their chamber of commerce, the richest agricultural county in the Nation, with farm sales exceeding \$1 million a day, where there is a cash welfare law that participation in the food stamp fund is a practical way of reducing the cash welfare loan, because otherwise they are furnishing them enough money for all of their foods, to participate in the food stamp plan, and the welfare department can do that if they want to do so. That is my understanding. They can enable the recipients to receive about four or five times as much food for the same amount of money. So, this one, with the exception of trying to provide some way of handling the migratory people, is one that we could not support.

Briefly, Mr. Chairman, that is the position of the testimony that I will file with your permission.

The CHAIRMAN. Thank you very much. Your statement will be made a part of the record at this point.

(The prepared statement submitted by Mr. Harry Graham follows:)

STATEMENT OF HARRY L. GRAHAM, LEGISLATIVE REPRESENTATIVE, NATIONAL GRANGE

Mr. Chairman and members of the committee, the Food Stamp Act of 1964 was originally passed as somewhat of a pilot program and it, of course, had a termination date which is in 1967. It was anticipated that a number of states would want to use the program, but the requests for sharing in the program have exceeded original estimates, indicating the general approval of the operation of this program.

H.R. 1318 by Mrs. Sullivan properly puts the program on the basis that it is not to be terminated until specifically done by the Congress, allowing for the orderly programming and budgeting not only by the Federal Government but by the state and local governments involved.

At the same time, it provides for an expansion of the program on an orderly basis to cover the needs of those who are in the income brackets which properly and legally qualify them for receiving this assistance.

The Grange supported the original pilot project, we supported the Food Stamp Act of 1964 and we are happy to support H.R. 1318 to put this on an expanded and more permanent basis.

We urge this Committee to approve this bill and that appropriate action by the Congress should follow.

One of the concerns of the Grange as it has surveyed this and previous programs was that the Nation was dependent upon the distribution of "surplus commodities." These were purchased by the government at "support levels", far below a fair price to the producers.

The Food Stamp Program has brought the procurement of food into the regular market channels where the recipients have access to the same food available to others in our society. The dual results upgrading the diets by making essential foods available, and the normalizing of the market system for food distribution were and are commendable and worthwhile objectives.

As Under Secretary Schnittker said this week in a speech before the Texas and Southwestern Cattle Raisers Association, "The steady expansion of the Food Stamp Program is an important force in expanding markets. By the end of the current fiscal year, nearly two million persons will be involved. Much of the increase in spending for food will be for meat and other livestock products."

While we are in sympathy with the general thrust of the legislation introduced by Mr. Vigorito, H.R. 3817, we would prefer to delay our approval of this bill until the program has been expanded to the limit of its original objectives and until we have a rather accurate estimate of the costs involved in this proposal.

This bill has a further disadvantage against it at this time in that the surpluses of foods which were in such abundance in the original food distribution program are no longer available and we would prefer to wait until it becomes evident that we have food beyond our regular commitments for this surplus food distribution before we expand to the territory with which Mr. Vigorito is properly and commendably concerned.

Regarding the two bills introduced by Mr. Sisk, H.R. 1268 and H.R. 1269, which are designed to serve the same purpose, we would hope that the provisions for the distribution of government-owned foodstuffs in cases of national emergency and disaster would be covered under the present legislation. If there is need to clarify the right of the Federal Government to distribute surplus commodities in disaster areas where food stamps are also being used and if this proposal is necessary in the opinion of the counsel of the Committee or other legal experts, we would support the proposal.

A problem exists in trying to provide for the migratory people who do not live in one locality long enough to qualify on the basis of residence for the distribution of either surplus foods or food stamps. Certainly there are instances when these migratory laborers who are an essential part of the agricultural structure are in situations where they are unemployed temporarily and where it appears that some assistance is necessary, and, in many instances, vital to the health and welfare of the families involved.

If it is possible to cover this situation in a little more specific language, I think we would be more enthusiastic about supporting the proposal of the Congressman from California.

Perhaps, by granting the authority to the Secretary to determine when such distributions are necessary and what procedures should be followed, is as good an answer to the problem as we have, but we would hope that the Committee would direct its attention in its deliberations on these proposals to this problem long enough to ascertain whether or not this proposed legislation has the possibility and potential of accomplishing the worthwhile objectives concerning the distinguished Congressman from California.

We are of the firm conviction that nobody in this United States should be permitted to go hungry as long as there is an abundance of food available and as long as we have the great wealth this Nation so obviously possesses.

The problem of caring for the health and welfare of the families of migratory laborers has been one of the most persistent and most difficult to answer of all the problems we have had relating to farm labor. The plight of the migratory laborer is clear evidence that much still needs to be accomplished in this field.

In summary, the Grange supports the purpose of this legislation and would be pleased to support any refinements to the proposal this Committee might be able to develop.

One of the most beneficial and far-reaching bills passed by the 89th Congress was the Child Nutrition Act of 1966. This legislation brought the whole field of school lunch feeding and Special Milk Programs under one Act and gave it a permanence and stability it properly deserved.

It is not inconsequential to note in regard to the Special Milk Program, that this has probably done more than all of the rest of the promotional campaigns combined to make milk drinkers out of the present generation.

Your witness cannot drink coffee or any drink containing caffeine because of an allergy. On planes, it is usually possible to get a glass of milk, except on those flights where college students are in the majority such as at vacation time. There is never enough milk at those times to go around.

Some of my young friends tell how their fraternity houses limit the amount of milk per person since some of them would drink nothing else. At a time when we have a persistent dairy problem, the development of a new generation of milk drinkers, largely due to the Special Milk Program, is a heartening straw in the wind. It has always had our enthusiastic endorsement.

We are in agreement, however, with critics of the bill in that there are some loopholes that need to be cleared up in fairness to all of the children of the Nation who have an equal right to at least the minimal nutritional requirements for physical and mental growth.

We would propose to the Committee that ways and means be developed to make certain that all children be fed as a part of these programs. If a "means test" is to be used to determine if the children of poor parents should receive this food free, then it should be required that no method be used to differentiate between these children in such a way that the recipients of free food are made an object of scorn or ridicule.

We have heard of instances where different colored tickets were used for those who paid for their lunch, although no one really pays the full value as we all know, and those who received the lunch free. In at least one instance, two small girls did without the lunch rather than display the "blue" tickets contrasted to the "red" tickets of the others.

The purpose of the program is obviously circumvented in these instances and should be forestalled in the future.

The amendment which has been transmitted to the Congress, before this Committee, providing food services for children participating in group situations away from home, such as child day-care centers, settlement houses and day camps, would provide assistance for those children not yet in school and for those who are out of school during the summer months when no other food services are available.

This Committee has heard, I am sure, from more competent witnesses the scientific proof that malnutrition during the first four years of a child's life can seriously affect his learning ability through the rest of his life. The physical effects of inadequate nutrition can sometimes be overcome if a proper nutritional program starts early enough in the pre-adolescent years and is followed in adulthood. However, the damage to the learning capacity seems to be permanent and irrevocable.

In a Nation so committed to a War on Poverty, it would seem incredible not to attack this problem at its root source, namely children. We must provide every opportunity for children to learn the skills necessary to enable them to make a living later in life sufficiently high enough that they are not permanently committed to the poverty group. Therefore, we must not let a lack of feeding programs for children in poverty areas blight their chances for a successful and happy adulthood.

We may urge, and some do, that adults who cannot make a living for themselves may be lacking in initiative, or that there may be something lacking personally to make them efficient wage earners. Mental and emotional instability and the various factors are frequently brought before us. Some of these factors can be corrected and a tremendous amount of money is appropriated to do so.

The sad part of this story is that the children who are placed irrevocably in a poverty situation by malnutrition are the victims of circumstances over which they have absolutely no control. Their options are all closed. Their ability to make decisions has not yet been developed, and if they were made, could not be carried out.

Therefore, we believe that the Administration and this Committee is properly advised to give serious consideration to the amendment of the Child Nutrition Act of 1966 to expand these child feeding programs, to fund them properly, and to designate the means by which they may be administered effectively.

When this witness appeared before this Committee recently to discuss the problem of the possibility of mass starvation of millions of people in India, the gentleman from New York City who sits on the Committee properly raised the question about why we did not take care of feeding our own needy people. We promised him then that when this act came before the Committee, along with the Food Stamp Act, we would give as vigorous support to the attempts made to feed the American needy as we have to provide just a minimal requirement to sustain life in a land such as India.

I have never visited India and seen mass starvation, but it has been described to me by my friends who have been there. I do well remember, though, visiting with small group of people in the slum area of Knoxville, Tennessee, and seeing a mother trying to satisfy the hunger cries of a starving child out of a bottle of water. The picture of that tiny baby with bloated stomach and crooked lips being held by a distraught mother has been forever etched on my mind.

As the Bible so aptly reminds us, "If a man hungered, feed him"; for we shall be judged in the final analysis on whether we have fed him when he visited us in the form of a hungry child.

I do not feel I need to urge this Committee to adopt this legislation. Your concern and responsibility in this field has been amply demonstrated many times. What the Grange is trying to say to you today is that we commend you for what you have done in the past; we appreciate what you are trying to do at present; and we hope that your interest and concern in this field will continue in the future.

The CHAIRMAN. Are there any questions of Mr. Graham?

Mr. BRASCO?

Mr. BRASCO. I have just one question. You said that you did not support Mr. Vigorito's bill, that you would like to see a price tag on it—which would be the giving out of surpluses. And here we are again becoming involved, because I asked the Secretary yesterday whether or not we had surpluses. And I still do not know myself. In the event there are surpluses which, apparently, have been purchased by the Government with the money of the people—the same people who at one stage of their life supported our Government through their tax dollars—the same people that Mr. Vigorito is talking about—you would not agree that this food should be given back to them if there are surpluses?

Mr. GRAHAM. What we are doing, Mr. Brasco, at the present time, is that what surpluses there are are being distributed through institutions that are also needy institutions. So, we are doing that. We really do not have very much surplus. We do have a problem developing in milk, but I would not object to that one. But by the same token, what I am trying to say is that until we get this food stamp program a little better established and more generally acceptable, making substantial exceptions to it, it seems to me to make only something that complicates the problem that we are trying to solve at the present time, and this is more my concern than the other.

They do qualify for food stamps if they come within certain means tests, and Mr. Vigorito has put a means test on it. He just put it high.

Mr. BRASCO. May I ask you this, then, Mr. Graham: You appeared, if I remember correctly, and testified on the food for India program. Is that correct?

Mr. GRAHAM. Yes, sir.

Mr. BRASCO. Was that surplus that went to India?

Mr. GRAHAM. Not all of it; no.

Mr. BRASCO. But some of it was surplus?

Mr. GRAHAM. What has gone in the past was surplus; what is going in the future will not be surplus. I do not think that very much that can be purchased will be at the support price level to go to India.

Mr. BRASCO. But if there is surplus, would you support Mr. Vigorito's bill?

Mr. GRAHAM. Certainly; we supported both the food stamp and the food distribution plans. We prefer the food stamp plan. It gets away from some very sticky problems that we have had in the other.

The food is going to be used that way, too.

We are not in favor of giving away food—it is not that; what we are talking about at the present time is trying to make the program work that we have started that has certain limitations that seem to be reasonable at the present time; and with all of the sympathy that we have for our elderly people, I do not know that we are justified

in making the exception to allow a single person with \$3,000 income to receive surplus foods if he is over 65 years of age, or two people who have \$4,000 income; if it is a mother and a child, the limitation would be much lower. This is the very issue which is of concern.

Mr. BRASCO. What has occurred to me, with all due deference and respect to my colleagues on this committee who represent the farm areas, it seems to me that again I am here in an area of being naive, coming from the city; but it seems to me that what we are saying is that the Government is supporting a lot of these farm programs with the moneys, the public moneys, but when it comes to supporting those people in this country who need food with surpluses, every time I ask this question: Do we have surpluses or do we not have surpluses? it seems to me that the farm people become concerned about the fact that you might destroy the market by giving it out. They are getting it from both ends and protecting themselves; and the people are getting it from both ends. What they give in to the Government, the Government purchases from the farmer—they cannot get it; at least, the needy cannot get it back; and it seems to me, unless I am wrong, that this is a type of a circle that we are traveling in. I do not know that it is the proper approach.

Mr. GRAHAM. May I comment to say that I think that this may appear to be a circle to you, but it does not appear to be to us; because what is really involved here is that we are going to do both for the same people, and whether or not we should have both programs for the same people.

Mr. BRASCO. I do not see much difference.

Mr. GRAHAM. It will make much difference, because it will double the gifts to some people where they are in certain circumstances; and to other people it would be denied, one-half of it.

What we are saying is this: We are not arguing about any limitation on the amount that is used. We would support whatever budget you bring out; but we are saying: Let us do it in fairness to all, to all needy people at the same time. The market has nothing to do with this.

Mr. BRASCO. It does not apply to that—it is to extend the market.

Mr. GRAHAM. We would rather take and use it here. We have always supported the use of the food here. There has not been any change in that. This is generally true of most of the farmer organizations. We have been at this for many years, to get surpluses distributed. It became very sticky, and the food stamp approach seems to be a much more logical and easier way of handling this problem.

Mr. ABERNETHY. Will you yield?

Mr. BRASCO. Yes, sir.

Mr. ABERNETHY. What will we do with the surplus if all areas get food stamps?

Mr. GRAHAM. I think that we have plenty of use for them generally, in institutions.

Mr. ABERNETHY. What will happen to the surplus?

Mr. GRAHAM. For the amount of surpluses that we have at the present time—

Mr. ABERNETHY. In your judgment, would the food used in all of the colleges, the hospitals, and the other institutions such as orphanages, and the like, consume it?

Mr. GRAHAM. That type of thing.

Mr. ABERNETHY. You do not really mean that? Do you?

Mr. GRAHAM. When you apply it to the school lunch program, I do. I hope I am right.

Mr. ABERNETHY. I hope that we are right; but we all know that you are not right, and I think you know that.

Mr. GRAHAM. At the present time we are not plagued with that many surpluses that we have to worry about it.

Mr. ABERNETHY. With all due deference, you do not say that there is no surplus of food in this country, do you?

Mr. GRAHAM. I am not saying that—there is no great abundance.

Mr. ABERNETHY. What about—

Mr. GRAHAM. What I am saying is that they are purchasing this from the market in order to do it.

Mr. ABERNETHY. Oh.

Mr. GRAHAM. Which commodity are we purchasing?

Mr. ABERNETHY. The gentlemen this morning were speaking of flour and cheese and the like.

Mr. GRAHAM. That is a small quantity.

Mr. ABERNETHY. I realize that it is being purchased, not because it is surplus. It is purchased in order to firm up the market. It is not being purchased necessarily to be distributed. It is being purchased for the purpose of firming up the market on our agricultural commodities.

Mr. GRAHAM. We are saying that we do not object to that approach in the areas where it is being used; we support that.

What we do object to, is doing it both for the same people; doing it twice.

Mr. BRASCO. You said that there was a sticky problem that the food stamp program took care of. What was that sticky problem?

Mr. GRAHAM. There were numerous questions in terms of the distribution, but the worst of them was that this was handed out on the basis of what was available instead of on the basis of what was needed. If they had an extra 10 pounds of cornmeal they would give that out when maybe the recipient already had 40 pounds of cornmeal in the house. So, it did not have any relationship much of the time to the need. It was more related to the surpluses. The need is more important than the surplus that was available.

Mr. BRASCO. It seems to me that what we are doing—I agree with my colleague, Mr. Abernethy, that this is being purchased to support the market. It seems to me that the farm people would rather have the Federal Government get into an area and give out money again so that what is on the market can be purchased, without giving it to the people; that is, these commodities. And it seems to me further that it is sort of a double type of subsidy, in effect, if that is what it is, and that we should then say that instead of going around in a circle, we should call it what it is. I do not understand that whatever the Government purchases with public funds to support the market in any way—I do not know why it should not go back to the needy people in this country without any question, without any sticky problem, or anything else.

Mr. GRAHAM. May I, in reply to that, ask you a question?

In the areas that have food stamps only, that they also could have surplus foods made available to them on the same basis as in areas that do not have the food stamp program?

Mr. BRASCO. I would say this, that obviously, the surpluses would not be the type of commodities or products that people could live on or that we would want them to live on. And I think that the one would balance the other. You would have the food stamp program for those things that were necessary, but those things that we have in surplus I would think that we should let the people have them, and then pick up with any other kind of program that you want to use to implement. I think it is about time that we started to support ourselves and those people in our country who need it, particularly when the American public is paying for it, rather than sending it all over and having people coming in with their problems. I agree that there are people in the world who are less fortunate than we are, but I think that in this case charity should begin at home. I would like to see one time when we have our own needs taken care of first, and then be concerned with some of the other problems that arise all over the world.

I do not understand all of the intricacies of the agriculture problem. I think it is a question of dollars and cents. Since I have been here, that whole thing has never made any sense to me. No one has ever been able to explain it to my satisfaction.

Mr. GRAHAM. This is not an inconsequential operation or appropriation that is being considered in terms of the total food stamp program, food lunch, and the like. This runs up to a very large appropriation. On top of that is the welfare appropriation which, in total, runs some \$6 or \$7 billion, so that we are not, really, neglecting too many people. This is a choice of how you are going to do it, and this is what we say about it.

Again, I say to you: As to the level, we are not questioning that; we are questioning the duplication where there is an unnecessary duplication, and we are questioning that. If the committee wants to hold hearings on surpluses this probably is not the time, but basically, we have three commodities that we are purchasing at the present time: one is orange juice from Florida to take care of an extremely heavy glut in Florida. They are purchasing modest amounts of canned pork and of boneless beef. They are purchasing some milk. These are the four commodities that are being purchased by the Commodity Credit Corporation at the the present time.

If we are going to depend upon that for an adequate diet, it is completely inadequate, of course. But, again, most of this is purchased in terms of their obligation and confinement to the programs already in existence, so that this, really, is not a lot of extra available food at this time. It is an entirely different situation from 5 years ago when we would have been talking a different language there. We are in a different situation. We all realize that.

The CHAIRMAN. Are there any further questions?

If not, we are very much obliged to you and thank you so much for your cooperation this morning.

Our colleague, Mr. Saylor, of Pennsylvania, is with us and wants to be heard on some phase of this matter. We will be delighted to hear from you now, Mr. Saylor.

STATEMENT OF HON. JOHN P. SAYLOR, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. SAYLOR. Thank you, Mr. Chairman, and members of the committee.

I appear here in support of legislation introduced by my colleague, Mrs. Sullivan, to remove from the present food stamp plan the provision in section 16 which will expire on the 30th of June this year. As the members of this committee know—and I believe my memory serves me correctly—it was in 1955 when our colleague, the Representative from Missouri, offered an amendment to what is now Public Law 480 which would have amounted to the initiation of the food stamp plan.

As a matter of hindsight, I can tell the members of this committee that while she received support on her own side of the aisle, the lone member who stood up on the Republican side was myself. I did it, because I had discussed this matter with Mrs. Sullivan and people in my district and I knew the manner in which surplus foods were being handled, not only in Pennsylvania but in other areas. Information had come to my attention where they were used recklessly, were being wasted, and some new plan had to be devised.

When, as an experimental plan, this food stamp program was enacted, I was fortunate enough to have the Secretary of Agriculture pick Cambria County, of my home district, as one of the original counties where the plan would be placed into effect.

I can tell you that in an area where food had not only been wasted but had been pilfered, and used for illegal purposes, we have now realized one of the best distribution systems that I believe exists, anywhere in the country, and that is the food stamp plan.

As you know, the General Accounting Office made a survey in Pennsylvania, and they picked out three counties. They have determined that anywhere from a low of 21 percent to a high of 51 percent of the people who are receiving surplus foods, where there is no food stamp plan, are not eligible under any standards which the State or anybody else has put into effect.

If this provision is removed, I believe that it will not only be to the benefit of the entire country, but to everyone, that this food stamp plan be made available where wanted throughout the length and breadth of our land. It would enable people who are handling relief in the various States to provide real benefits to the people.

I can tell you that as a result of a telephone call to the man who has charge of the relief agency in my district that he has stated if there is any one thing that has assisted the people in Cambria County to improve themselves, it has been the food stamp plan.

I certainly hope that this committee in its wisdom will remove the limitation of the present law and see to it that the plan will have broad application in the future.

The CHAIRMAN. Thank you very much, Mr. Saylor. We appreciate your good endorsement on this food stamp plan.

Are there any questions of Mr. Saylor?

If there are no questions, we appreciate your attendance and thank you.

Mr. SAYLOR. Thank you, Mr. Chairman.

Thank you for permitting me to appear before this committee this morning.

(The following statements and letters were also submitted to the committee:)

STATEMENT OF HON. JOHN M. SLACK, JR., A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF WEST VIRGINIA

The proposal to extend authorization for the Food Stamp Program affords a welcome opportunity to express my strong support for a program which has enjoyed outstanding success among the people of my district.

My experience with this program dates back to November 1, 1962, when a county in my district became one of the first designated Food Stamp outlets on a pilot basis. It was, frankly, experimental in the beginning and the program was viewed with some doubt by those who were first eligible. The program originally served primarily the long-term unemployed who had exhausted their unemployment compensation benefits and were subsisting on welfare or direct relief payments.

In a situation of this kind it is the family relationship and the children which suffer most. These families with unemployed breadwinners had been receiving surplus agricultural commodities in quantities which permitted them to avoid starvation but failed to meet even the minimum dietary requirements for growing children.

The introduction of the Food Stamp Program marked a pronounced change in the outlook of all who are concerned with the problem. There was a noticeable increase in the general health and alertness of the children. Many school teachers and principals have so stated this in letters to my office.

There was a general betterment of the environment prevailing in the home. It became possible to plan meals and to present a certain variety of foods. This helped to re-orient the young people toward the home.

But the most important accomplishment, in my opinion, was the demonstration of a technique which removed the pervading fear that bad nourishment among the children of the unemployed would make them unfit to participate in full citizenship and would automatically condemn them to unemployment themselves in later years.

When legislation was proposed in 1964 to establish the Food Stamp Program on a permanent basis, I supported the bill enthusiastically because I had received from the people of my district nothing but praise for the results obtained from the pilot projects.

I have seldom experienced a Federal program which enjoys more broad-based support. Not only public officials and specialists in the welfare field, but teachers, school administrators, ministers and spokesmen for both merchants and civic organizations have gone on record with their strong support. During the past three years the program has been extended to cover all five counties in my district, and I have yet to hear of a major complaint against its operation or administration.

During the past three years unemployment has been drastically reduced in the coal-field areas where the Food Stamp Program has been installed but I like to think that we have pioneered a method whereby the bounty of this nation can be administered to a constructive purpose and can be made synonymous with hope. Today there is less need to assist the technological unemployed in the coal fields but what we have learned can be readily adapted to the needs of the disadvantaged anywhere in this country.

In 1962 when one of the first pilot counties was established in West Virginia, there were 14,051 persons participating in the Food Stamp Program and stamps of a total value of \$2.8 million were disbursed. During the years 1963-1965 there were four West Virginia counties dispersing Food Stamps with an average of 30,000 participants and stamps valued at about \$5.5 million were disbursed annually. In Fiscal Year 1966, 18 counties in West Virginia were involved in the program, 72,500 participants and stamps with a value of \$10.7 million were distributed. During the first six months of the current fiscal year operations have continued at approximately that same level.

In my own Congressional District, as of January, 1967, there were 21,300 participants in five counties and Food Stamps to the value of \$372,976 were disbursed.

The record of operation verifies the fact that this is a balanced program which meets an established need and at the same time contributes to prospects for individual and family betterment. From an administrative standpoint, complaints have been negligible. Any impartial analysis of the results achieved, as measured against the cost involved, must conclude that the program is one of the wisest investments in the future development of our citizens which we have undertaken in recent years.

I urge, therefore, that the program be continued and expanded through passage of H.R. 1318 and I hope the Committee will act favorably on this proposal at an early date so that there will be no interruption of the service which would otherwise terminate in July.

STATEMENT OF REUBEN L. JOHNSON, DIRECTOR OF LEGISLATIVE SERVICES, 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 the National Farmers Union on the Child Nutrition Act and the Food Stamp Act.

The 65th Convention of National Farmers Union was held March 12th to 15th in Oklahoma City, Okla. The traditional and historic position of National Farmers Union was re-affirmed in the action of the delegates to urge "extension and expansion" of the Food Stamp and School Lunch Programs which the bills before the Committee provide for.

First, let me comment on the Child Nutrition Act.

In January of this year, Dr. Carl Hansen, Superintendent of Schools for the District of Columbia incurred the wrath on February 7th of many working mothers in Washington, D.C. because he did not announce whether or not schools would be closed that day because of snow and consequent road conditions until 8 a.m. that morning. The storm of protest because of this delay in making the announcement was so great that Dr. Hansen was forced to make a statement as to why he had delayed until 8 a.m. He said, "14,000 children in the District of Columbia rely on the hot meal they receive under the School Lunch Program for their only hot meal of the day." Dr. Hansen knew how much this meal is looked forward to by so many Washington children and he disliked depriving them of this nourishing, satisfying meal unless absolutely necessary.

If the need for the winter time school lunch is so great in the shadow of the nation's capitol, it is not difficult to imagine what it means to children living in the depressed areas of our country.

What happens to these children during the summer months? A hot dog and a "coke", a box of Cracker-Jacks or another "jelly sandwich" these are the lunches of the child left to make his own menu choices.

Yet the summer is the re-building period for children; a period of growth, exercise and in most regions of our country, of excessive heat . . . all factors which demand good nutrition—balanced nutrition—if the child is to face the winter months in the best physical condition.

This bill will let the recreation departments of the big cities as well as the non-profit institutions in rural areas, care for the needs of these children during the summer months. Some recreational centers at the present time set aside one day each week for a "cook-out" where the children bring food from home and the instructors "cook" the child's hot dog or hamburger but most children come with a "jelly sandwich" just for the thrill of eating outside at the recreation center with other children because most of them have working mothers and an empty house at noon-time.

Providing the wherewithal, the food, the equipment and help necessary to make this mid-day meal one of balanced nutrition and body building foods will meet with great enthusiasm on the part of children and instructor alike.

Another very important provision in this legislation allows the feeding of the pre-school child. It cannot be stressed too strongly the importance of balanced nutrition in the very young child. Permanent physical and in some cases mental damage can occur through malnutrition during these early body building years.

The National Farmers Union feels that there is no more important way to utilize the resources of our Nation than to expand the programs for the nutritional needs of the young people of this Nation. These efforts should be made without regard to the financial status of the parents. The National Farmers Union has long supported legislation in Congress on these needs. We urge that adequate funding be made available to meet the needs of our children, and that the legislation be passed through the Congress so that the program may go into effect in as many areas as possible this summer of 1967.

I turn now to the Food Stamp Act.

The National Farmers Union has watched the progress of the administration of the Food Stamp Act during this trial period and we feel that it is worthy of continuation and support. We strongly urge you to approve Mrs. Leonor Sullivan's bill, H.R. 1318 in which the ceiling on the appropriations for the Food Stamp Act is eliminated. We agree with the Secretary of Agriculture when he states in reference to the Act that, "a solid base has been laid for further progress in the immediate years ahead," to reach low-income families and provide them with better nutrition.

Recognizing needs of the Nation's poor for cotton clothing, white cotton goods and cotton mattresses, the delegates called for a "*market-basket food and clothing program to include cotton mattresses.*"

Mr. Chairman, I would like to propose an amendment to H.R. 1318 to provide for inclusion of the above cotton goods in the Food Stamp program. This inclusion of the program would help put to constructive and worthwhile use our cotton carry-over and besides that would fill an urgent need of low-income families.

In closing, we would like to thank all those dedicated employees and many volunteers who are making possible the effective use of the foods without which the programs would not be the success they are.

STATEMENT OF CLARENCE MITCHELL, DIRECTOR, WASHINGTON BUREAU OF THE
NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE

The Washington Bureau, NAACP, has received a large number of inquiries and comments on the administration of the Food Stamp Program from its branches and members. All of our correspondence indicates concern with the present administration of the program.

Because of the conditions occasioned by the switch from surplus food distribution to the food stamp plan in many counties of Mississippi, correspondence from that state is especially heavy. The gist of this correspondence is that the administration of the program under existing rules and regulations makes it impossible for many persons now receiving surplus food to participate in the food stamp program. We are advised that a recent study shows that literally thousands of Mississippi citizens who received surplus food are not now receiving food stamps. Because the economic factors that prevail in this state exist elsewhere, it is obvious that this same condition will result as other areas adopt the food stamp program.

The rigid regulations now enforced that make a family purchasing stamps devote a large percentage of its income to food stamps and also require the purchase of stamps on a regular basis often defeat the objective of feeding the hungry poor. Those most in need often have little or no cash on hand. What is available must often be budgeted to meet other necessities. Emergency situations often divert income so that regularity in the purchase of stamps becomes an impossibility. Thus, in many instances, the program becomes unrealistic as a method of assisting the needy. We believe that Congress can cure these defects and do so without the necessity of making a hard choice between distribution of surplus foods and the food stamp program.

We urge the Congress to direct those administering the stamp program to authorize the free distribution of food stamps to families who are entitled to governmental assistance. Beyond this, these families should be permitted, on a voluntary basis, to purchase additional stamps in such amounts and at such time their needs require and their income permits. Other persons now eligible for surplus food distribution, but not entitled to direct financial assistance, should be permitted to accept the food and, at their option, purchase food stamps.

We believe that such changes in the law, supported by the necessary Congressional appropriations, would represent significant progress in helping the needy to obtain a more nutritious and satisfying diet.

[Telegram]

Washington, D.C., March 17, 1967.

Hon. BOB POAGE,
*Chairman, House Committee on Agriculture,
Longworth House Office Building, Washington, D.C.:*

The National Association of Wheat Growers wishes to record support for the extension of Food Stamp Program and Child Nutrition Act.

C. ALLEN TOM,
President, National Association of Wheat Growers.

AMERICAN FARM BUREAU FEDERATION,
Washington, D.C., March 20, 1967.

Hon. W. R. POAGE,
*Chairman, House Committee on Agriculture,
U.S. House of Representatives,
Washington, D.C.*

DEAR CONGRESSMAN POAGE: The American Farm Bureau Federation is very much interested in the legislation to extend the Food Stamp Plan.

The Farm Bureau policy on this issue is as follows:

"The government food stamp plan, started in 1961 on a pilot basis, has been expanded to include a number of additional areas. It has not increased food consumption significantly. Instead it has transferred a part of the total cost of food for relief distribution to the federal government. While we recognize that there are some people in this country who need diets with higher nutritional standards, we do not believe that it is the responsibility of the federal government to distribute free food to improve dietary standards through a government food stamp plan. We are opposed to any food stamp plan."

We would appreciate this letter being made a part of the hearing record.

Sincerely yours,

JOHN C. LYNN,
Legislative Director.

NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN THE U.S.A.,
New York, N.Y., March 21, 1967.

Hon. WILLIAM R. POAGE,
*Chairman, Committee on Agriculture,
U.S. House on Agriculture,
Washington, D.C.*

DEAR MR. POAGE: The National Council of the Churches of Christ in the U.S.A., as an agency for cooperative witness and service of thirty-four Protestant and Orthodox Churches in the United States, appreciates this opportunity to bring to the attention of the Committee on Agriculture of the United States House of Representatives its concern for the disadvantaged in the state of Mississippi.

The National Council of Churches operates an extensive mission and service program in Mississippi entitled "The Delta Ministry." Daily contact with scores of the most poor indicate to us that a crisis is impending. A particular problem has arisen in the anticipated changeover from food commodity distribution to the food stamp plan. Although the food stamp plan has much to commend itself, under the present guidelines it would work an undue hardship upon those who have no cash to purchase the stamps.

As was indicated in the directive to us, the National Council of Churches wishes to have entered into the record the accompanying testimony.

Sincerely yours,

Dr. HENRY A. McCANNA.

TESTIMONY TO THE COMMITTEE ON AGRICULTURE OF THE U.S. HOUSE OF REPRESENTATIVES ON THE FOOD STAMP PROGRAM

100,000 more people in Mississippi will be out of work in 1967, according to the noted USDA analyst, Dr. Calvin Beale of Washington, D.C. This loss of work is a result of further mechanization in cotton. Many of those out of work will be permitted to remain on the plantations, but will have no cash income. The projected changeover from the distribution of surplus commodity food to the purchase of food stamps will result in further suffering for the multitudes of the poor in Mississippi. Unless cash is provided or the payment waived, the

people will go hungry. To protest this inequity, a rally of 800 people occurred in January, at Cleveland, Mississippi. During the Week of March 13, Mr. Neil Carter of the USDA Consumer and Marketing Service, Greenwood, Mississippi, heard testimony from more than twelve families in Tallahatchie County to the effect that they, and scores of their neighbors, had no cash to purchase food stamps.

The National Council of the Churches of Christ in the U.S.A. has consistently expressed its concern for public assistance programs. In a policy statement adopted by the General Board on June 4, 1958, it was stated:

"The primary objective of public assistance programs is to furnish monetary assistance to persons in accordance with the determined degree of their economic need.

"For the people dependent on all of these programs there is universal need for an improvement in the standards of assistance so that health and decency may be maintained. The churches have a vital role to play in raising these standards, and churches need to work for the elimination of all inequitable and punitive policies."

Many of the counties in Mississippi that are starting the food stamp program have not told the poor people about it. They are just signing people up when they come to get commodities. And they are not explaining to poor people how the program works. Six counties began the stamp program in January and eight more are scheduled to begin in February and March.

In some counties poor people are being told they will lose their welfare checks if they do not sign up for food stamps. A very bad part of the program is that people must pay for a month's stamps all at one time. Many people do not have that much money together at one time.

Some people who will be buying the food stamps are not asked if they want the program. In many counties people do not even know their county supervisors have voted to have a stamp program.

Some county supervisors want the food stamp program because it does not cost the county as much money to operate as the commodity program does.

Also, many businessmen and store owners want food stamps because they will make much more money if poor people have to buy food at stores rather than getting commodities.

People who have seen the food stamp program in action say that these things sometimes happen:

Store owners sometimes accept stamps only for the most high-priced brands.

Retail prices often are raised on the days when stamps are being traded.

Public meetings to explain the program to poor people are not held as the federal government says they should be.

County supervisors do not tell poor people that they have voted to have food stamps instead of commodities.

People are told they will lose their welfare checks if they do not sign up for stamps.

The *Delta-Democrat Times* of Greenville, Mississippi, indicated in an editorial on September 29, 1966, a reservation on the food stamp plan:

"We have a serious reservation about the adoption of the food stamp program in Washington County. It is: What happens to the people who are so poor that they cannot afford to purchase even the small percentage of stamps which qualifies them for further free stamps? When the food stamp program goes into effect here this winter, the men who run food stores are going to be benefited. The people who usually come to the commodity house to be issued food because they haven't the money to feed themselves will instead be going to county stores, using stamps for money. But what about those who can't afford to pay the minimum cash price necessary for participation in the stamp program? As we understand it, there is a sliding scale which determines the amount of money the stamp buyer must lay out to get his quota of stamps. This varies according to his income and the number of people living off it. But there is the necessity for the person who is receiving stamps to contribute some money. Supervisor Fred Neal of the Fourth (Leland) District is the supervisor in charge of the commodity program which will be replaced by the food stamp program. A reporter asked him how people who had no money at all could buy stamps so they could have something to eat during the winter months. His answer: 'They don't.' Neal said he thought most people living on farms in the county would probably be loaned enough

money so they could purchase the stamps. But there is a large pocket of people living within the city limits of Greenville who have virtually no income. How are they going to manage? 'I don't know,' Neal said. 'They'll have to manage some way.' There are two points to be made here. First, no man who calls himself a Christian can permit another man to go hungry. Second, this program may turn out to benefit only the merchants in the county and not the people who need the help most badly. We think the board of supervisors should take a close look at the program and decide whether or not it will do more harm than good. We originally thought it would be a good thing. Now we are not so sure. People must eat."

Many poor people in Mississippi, and the Delta in particular, cannot participate in this program because they do not have money. With commodities cut off they will not have any food. Alternatives include:

Providing a given amount of free or bonus stamps to people under a certain income. A return to a program providing free commodities to people who need them. An integrated staff at all levels, whatever the program. In counties with food stamps, commodities issued to the very poor under the emergency provisions of the food stamp law; certainly an emergency exists. Strict adherence to the guidelines by management and store owners, with the burden of enforcement, not upon the recipients, but upon the Federal and State agencies.

Desegregation of county welfare offices which, as part of these programs, receive Federal money and are in violation of title VI of the 1964 Civil Rights Act.

The General Board of the National Council of Churches, on December 9, 1960, in a resolution on "Ethical Issue in the International Age of Agriculture," concluded:

Our Lord taught his disciples to pray, "Give us this day our daily bread." Christians should continue to seek to achieve the goal implied in this prayer by breaking the barriers which persist between agricultural abundance and human need. Through their informed and sustained efforts toward this high goal Christians will thereby serve Him who provides and cares for His children everywhere.

The CHAIRMAN. We had thought that might have an executive session this morning, but the hour is late. We have for consideration these bills at our next session. We will also have a resolution presented by Mr. Abernethy's subcommittee for consideration at the meeting which will be held tomorrow morning at 10 o'clock. So, we will have an executive session of the full committee in this room at 10 o'clock tomorrow morning.

Mr. GATHINGS. The Subcommittee on Oilseeds and Rice, Mr. Chairman, also has a bill that was reported out the other day.

The CHAIRMAN. We will take it up then, with the other bills, Mr. O'Neal's subcommittee bill. That will be up for consideration, too, tomorrow morning.

Mr. MONTGOMERY. I notice that we are scheduled next for REA hearings. It seems to me that the chairman should look into this matter. We will recess about Wednesday, as I understand it.

The CHAIRMAN. The schedule is to recess on Thursday. That announcement has been made, that we will recess on Thursday.

Mr. O'NEAL. At the close of business, Thursday.

The CHAIRMAN. That is right. The Congress will be in session, according to the announcement made by the leadership by both parties. The committee stands adjourned.

(Whereupon, at 12 noon, the committee adjourned.)

