

SCHOOL LUNCH AND CHILD NUTRITION PROGRAMS

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HEARINGS
BEFORE THE
COMMITTEE ON
AGRICULTURE AND FORESTRY
UNITED STATES SENATE
NINETY-FIRST CONGRESS
FIRST SESSION

ON

S. 2152, S. 2548, S. 2595, H.R. 515,
and H.R. 11651

BILLS TO AMEND THE NATIONAL SCHOOL LUNCH ACT
AND THE CHILD NUTRITION ACT OF 1966

SEPTEMBER 29, 30, AND OCTOBER 1, 1969

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SCHOOL LUNCH AND CHILD NUTRITION PROGRAMS

MONDAY, SEPTEMBER 29, 1969

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

The committee met, pursuant to notice, at 10:05 a.m., in room 324, Old Senate Office Building, Senator Allen J. Ellender (chairman) presiding.

Present: Senators Ellender (presiding), Holland, Talmadge, Miller, Dole, and Bellmon.

The CHAIRMAN. The committee will please come to order.

The purpose of this meeting is to hear testimony on various bills to amend the School Lunch Act. We have before us S. 2152, S. 2548, S. 2595, H.R. 515, and H.R. 11651. All of these bills are designed to improve our child-feeding programs, and particularly to advance our efforts to provide free or reduced price meals to needy children.

S. 2548 and H.R. 515 are similar in many respects. They both provide for matching from State revenues, transfer of funds from one program to another, extension of these programs to the Trust Territory of the Pacific, earlier appropriation, and apportionment on the basis of earlier data.

In addition, S. 2548 increases the Federal share of school lunch program costs, limits the price of reduced cost lunches to 20 cents, increases the authorization for nonfood assistance, and envisions expanded special assistance to needy children under Section 11 of the National School Lunch Act.

S. 2152 and S. 2595 provide for increased Federal donation of dairy products to nonprofit school lunch programs.

H.R. 11651 is applicable only to the current fiscal year 1970. It provides for the use of up to \$100 million of section 32 funds to improve the nutrition of needy children in nonresidential group situations. These funds would be apportioned among States on the basis of the number of children aged 3 to 17 in 1960 in families with incomes of less than \$3,000 in 1959, plus the number of children of those ages in families which received more than \$3,000 in aid to families with dependent children in 1968.

There will be inserted in the record at this point copies of the bills, committee staff analyses of them, a committee staff comparison of the major provisions of S. 2548 and H.R. 515, and reports on them from the Department of Agriculture.

(The material follows:)

[S. 2152, 91st Cong., first Sess.]

A BILL To amend the National School Lunch Act with regard to surplus dairy products, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 9 of the National School Lunch Act (42 U.S.C. 1758) be amended by adding at the end thereof the following:

"Dairy products acquired by the Commodity Credit Corporation through price-support operations shall, insofar as they can be used in domestic nonprofit school lunch programs, be accorded top priority for that purpose over any other disposition and so donated and used without regard to the possibility of domestic or export sale. To the extent that Commodity Credit Corporation stocks of dairy products are not adequate to supply the full needs of the domestic nonprofit school lunch program additional supplies shall be provided through purchases at market prices."

SENATE COMMITTEE ON AGRICULTURE AND FORESTRY

STAFF EXPLANATION OF S. 2152 (SUBCOMMITTEE NO. 3)

This bill requires that—

(1) dairy products acquired through price support operations be donated for use in domestic nonprofit school lunch programs to the maximum amount so usable in preference to any other donation or sale, and

(2) additional supplies shall be provided at market prices where Commodity Credit Corporation stocks are inadequate to supply the full needs of such programs.

The bill would apply to nonprofit school lunch programs, whether under the National School Lunch Act, or otherwise.

Section 416 of the Agricultural Act of 1949 now provides for the donation of food commodities acquired by the CCC through price support operations for use in domestic nonprofit school lunch programs and for other specified purposes, in order to prevent the waste of such commodities before they can be sold domestically or for export. The bill would have the effect of superseding the priority given by section 416 to sale, and give donation to school lunch programs priority over sale and over donation for any other use.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., September 29, 1969.

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

DEAR MR. CHAIRMAN: This is in reply to your requests on May 15 and July 12 for reports on S. 2152 and S. 2595.

S. 2152, a bill "To amend the National School Lunch Act with regard to surplus dairy products, and for other purposes", introduced by Senator Nelson on May 13, 1969, would provide that "Dairy products acquired by the Commodity Credit Corporation through price support operations shall, insofar as they can be used in domestic nonprofit school lunch programs, be accorded top priority for that purpose over any other disposition and so donated and used without regard to the possibility of domestic or export sale." It also would provide that "To the extent that Commodity Credit Corporation stocks of dairy products are not adequate to supply the full needs of the domestic nonprofit school lunch program additional supplies shall be provided through purchases at market prices."

S. 2595, a bill "To amend the Agricultural Act of 1949 with regard to the use of dairy products, and for other purposes", also introduced by Senator Nelson on July 11, would amend Section 416 of that Act to provide that "Dairy products acquired by the Commodity Credit Corporation through price support operations may, insofar as they can be used in nonprofit school lunch and other nonprofit child feeding programs, in the assistance of needy persons, and in charitable institutions, including hospitals to the extent that needy persons are served, be donated for any such use without regard to any limitation or priority contained in this section or in any other provision of law."

Subject to the minor changes indicated below, we recommend enactment of S. 2595.

Section 416 of the Agricultural Act of 1949 in effect provides for priority of sales over donations in the disposition of food commodities acquired under support programs. Section 416 authorizes donations of such food commodities for non-profit school lunch uses, to needy persons, and other uses in order to prevent the waste of the commodities "before they can be disposed of in normal domestic channels without impairment of the price support program or sold abroad at competitive world prices"

Dairy products have played a very important role in the school lunch, needy persons, and other food assistance programs for many years. Such products can contribute greatly toward the objective of eliminating hunger and malnutrition of the Nation's poor.

Usually supplies of dairy products acquired under the dairy price support program have been adequate for both sales and food assistance uses. Occasionally, however, CCC's inventories of dairy products have declined to such low levels that their use in some programs has had to be curtailed or temporarily interrupted.

Enactment of S. 2595 would help to assure continuing supplies of dairy products in the food assistance programs, at less cost to the Government than would be the case if CCC's inventories were completely exhausted through sales and then other authority were used to buy supplies in the market at higher prices for program uses. In order to be consistent with the punctuation of the language earlier in the section, a comma should be inserted after the word "Hospitals" in line 10. Also, in order to avoid the possibility of a broader effect than intended by the proposed amendment, we believe that the language at the end of the bill reading "without regard to any limitation or priority contained in this section or in any other provision of law" should be changed to read "prior to any other use or disposition."

S. 2595 is preferable to S. 2152 in several respects. It would more appropriately amend Section 416 of the Agricultural Act of 1949 which related to priority uses of commodities acquired through price support operations. It would include other food assistance programs as well as the school lunch program. It would be permissive rather than mandatory. S. 2595 would appropriately leave to administrative determination the priorities to be accorded from time to time to sales and donation uses of different products in the light of developments in relative nutritional needs in different products, available supplies of different foods, and market conditions.

The authority to purchase dairy products contained in S. 2152 is not needed, as section 709 of the Food and Agriculture Act of 1965 authorizes purchases at market prices for program uses when CCC's supplies are insufficient for such programs. This is continuing authority which is not contingent upon extension of other provisions of the Act beyond December 31, 1970.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of Administration's program.

Sincerely,

J. PHIL CAMPBELL, *Under Secretary.*

[S. 2548, 91st Cong., first sess.]

A BILL To amend the National School Lunch Act and the Child Nutrition Act of 1966 to strengthen and improve the food service programs provided for children under such Acts

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

AUTHORIZATION FOR ADVANCE APPROPRIATIONS; CARRYOVER AUTHORIZATION

SECTION 1. (a) Section 3 of the National School Lunch Act is amended by inserting at the end thereof the following: "Appropriations to carry out the provisions of this Act and of the Child Nutrition Act of 1966 for any fiscal year are authorized to be made a year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of this Act shall remain available for the purposes of this Act for which appropriated until expended.

(b) The first sentence of section 10 of the National School Lunch Act and the first sentence of section 12(d) (5) of such Act are each amended by striking the words "preceding fiscal year" and inserting in lieu thereof the following: "the fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated".

NONFOOD ASSISTANCE

SEC. 2. Section 5 of the National School Lunch Act is amended to read as follows:

"SEC. 5. There shall be available to the Secretary, out of funds appropriated pursuant to section 3 of this Act, for the purpose of providing nonfood assistance for the school lunch program provided for under this Act—

"(1) the sum of \$38,000,000 for use during the fiscal year beginning July 1, 1970, from funds appropriated for such fiscal year;

"(2) the sum of \$33,000,000 for use during the fiscal year beginning July 1, 1971, from funds appropriated for such fiscal year;

"(3) the sum of \$15,000,000 for use during the fiscal year beginning July 1, 1972, from funds appropriated for such fiscal year; and

"(4) the sum of \$10,000,000 for use during each succeeding fiscal year, from funds appropriated for such fiscal year.

Funds available to the Secretary under this section for any fiscal year shall be apportioned among the States as follows: Each State shall be entitled to an amount which bears the same ratio to the total amount to be apportioned among all the States as the number of schools programed for new or replacement food preparation facilities in such State bears to the total number of schools which need new or replacement food preparation facilities in all the States."

ADMINISTRATIVE EXPENSES, NUTRITION EDUCATION, AND DIRECT EXPENDITURES

SEC. 3. (a) The first sentence of section 6 of the National School Lunch Act is amended to read as follows: "The funds provided by appropriation or transfer from other accounts for any fiscal year for carrying out the provisions of this Act, and for carrying out the provisions of the Child Nutrition Act of 1966, other than section 3 thereof, less

"(1) not to exceed 3½ per centum thereof which per centum is hereby made available to the Secretary for his administrative expenses under this Act and under the Child Nutrition Act of 1966;

"(2) the amount apportioned by him pursuant to sections 4 and 5 of this Act and the amount appropriated pursuant to sections 11 and 13 of this Act and sections 4, 5, and 7 of the Child Nutrition Act of 1966; and

"(3) not to exceed 1 per centum of the funds provided for carrying out the programs under this Act and the programs under the Child Nutrition Act of 1966, other than section 3, which per centum is hereby made available to the Secretary to supplement the nutritional benefits of these programs through grants to States and other means for nutritional training and education for workers, cooperators, and participants in these programs and for necessary surveys and studies of requirements for food service programs in furtherance of the purposes expressed in section 2 of this Act and section 2 of the Child Nutrition Act of 1966.

shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools and service institutions participating in the food service programs under this Act and under the Child Nutrition Act of 1966 in accordance with the needs as determined by the local school and service institution authorities."

(b) Section 6 of the National School Lunch Act is further amended by inserting before the last sentence of such section a new sentence as follows: "The Secretary shall, to the maximum extent practicable, use his authority under this section to purchase highly nutritious foods, especially those foods with a high content of vitamin A or vitamin C."

STATE MATCHING REQUIREMENTS

SEC. 4. (a) The third sentence of section 7 of the National School Lunch Act is amended by striking out "\$3" and inserting in lieu thereof "\$1".

(b) Section 7 of the National School Lunch Act is further amended by inserting immediately before the last sentence of such section the following: "For the fiscal year beginning July 1, 1971, and the fiscal year beginning July 1, 1972, State revenues (other than revenues derived from the program) appropriated or utilized specifically for program purposes (other than salaries and administrative expenses at the State, as distinguished from local, level) shall constitute at least 10 per centum of the matching requirement; for each of the three succeeding fiscal years, at least 20 per centum of the matching requirement; for each of the subsequent three fiscal years, at least 30 per centum of the matching requirement; for each of the next subsequent succeeding three fiscal years, at least 40 per centum of the matching requirement; and for each fiscal year thereafter, at least 50 per centum of the matching requirement. The State revenues made available pursuant to the preceding sentence shall be disbursed to schools, to the extent the State deems practicable, in such manner that each school receives the same proportionate share of such revenues as it receives of the funds apportioned to the State for the same year under sections 4 and 11 of the National School Lunch Act and sections 4 and 5 of the Child Nutrition Act of 1966."

STATE ADMINISTRATIVE EXPENSES

SEC. 5. The first sentence of section 7 of the Child Nutrition Act of 1966 is amended (1) by inserting "or for the administrative expenses of any other designated State agency" immediately after "its administrative expenses"; and (2) by inserting "and service institutions" immediately after "local school districts".

ADDITIONAL PROGRAM REQUIREMENTS AND AUTHORITY

SEC. 6. (a) The second sentence of section 9 of the National School Lunch Act is amended by inserting "not exceeding 20 cents per meal" immediately after "or at a reduced cost".

(b) The third sentence of section 9 of the National School Lunch Act and the fourth sentence of section 13(f) of such Act and the fourth sentence of section 4(e) of the Child Nutrition Act of 1966 are each amended by striking out the period at the end of the sentence and inserting in lieu thereof a comma and the following: "nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or other means."

(c) Section 9 of the National School Lunch Act is further amended by inserting at the end thereof a new sentence as follows: "The Secretary is authorized to prescribe terms and conditions respecting the use of commodities donated under such section 32 and under section 416 of the Agricultural Act of 1949, as amended, as will maximize the nutritional and financial contributions of such donated commodities in such schools and institutions."

SPECIAL ASSISTANCE

SEC. 7. (a) Section 11(a) of the National School Lunch Act is amended by striking out "\$10,000,000 for the fiscal year ending June 30, 1963," and inserting in lieu thereof the following:

- "\$200,000,000 for the fiscal year ending June 30, 1970;
- "\$250,000,000 for the fiscal year ending June 30, 1971; and
- "\$300,000,000 for the fiscal year ending June 30, 1972."

(b) Section 11(e) of the National School Lunch Act is amended—

- (1) by inserting "(1)" immediately after "(e)";
- (2) by inserting in the first sentence, immediately before the period, the following: "and for the purpose of paragraph (2) of this subsection";
- (3) by adding at the end thereof a new sentence as follows: "Such funds shall also be disbursed in such State to schools that are ineligible for such funds under the factors specified in the preceding sentence to assist such schools in providing free or reduced price meals to needy children attending such schools."; and

(4) by adding at the end of such subsection a new paragraph as follows:

"(2) In circumstances of severe need where the rate per meal which the school would otherwise receive is deemed by the Secretary to be insufficient to carry out an effective school lunch program in such school, he may authorize financial assistance up to 80 per centum of the operating costs of such program, including the cost of obtaining, preparing, and serving food. In the selection of schools to receive assistance under this section, the State educational agency

shall require applicant schools to provide justification of the need for such assistance."

REGULATIONS

SEC. 8. Section 10 of the Child Nutrition Act of 1966 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "and the National School Lunch Act, including regulations relating to the service of food in participating schools and service institutions in competition with the programs authorized under this Act and the National School Lunch Act. In such regulations the Secretary may provide for the transfer of funds by any State between the programs authorized under this Act and the National School Lunch Act on the basis of an approved State plan of operation for the use of the funds and may provide for the reserve of up to 1 per centum of the funds available for apportionment to any State to carry out special developmental projects."

RESEARCH AND TRAINING; NUTRITION SPECIALISTS; NATIONAL ADVISORY COUNCIL

SEC. 9. The National School Lunch Act is amended by adding at the end thereof the following new sections:

"RESEARCH AND TRAINING

"SEC. 14. (a) In order to assist State educational agencies in strengthening the leadership resources of State and local educational agencies and to assist such agencies in carrying out more effectively the purposes of this Act, the Secretary is authorized to make grants to State educational agencies for (1) research, surveys, and demonstration projects in the field of school food service, and (2) the dissemination of information obtained from school food service research programs.

"(b) Funds made available under this section may be used for establishing and maintaining research traineeships, planning and evaluation on a statewide basis, internships, personnel exchange programs, and graduate fellowships, and for the payment of stipends and allowances, including travel and subsistence expenses, to persons receiving training pursuant to this section. The amount of stipends and allowances paid in the case of persons receiving training under this section may not exceed maximum amounts prescribed by the Secretary.

"(c) There are hereby authorized to be appropriated for carrying out the provisions of this section in any fiscal year an amount not to exceed 1 per centum of the amount appropriated to carry out the provisions of this Act (not including this section) for such fiscal year and to carry out the Child Nutrition Act of 1966.

"NUTRITION SPECIALISTS

"SEC. 15. The Secretary may utilize funds appropriated under this section to assist local school districts under this Act and under the Child Nutrition Act of 1966 to employ personnel specially trained or educated in matters relating to the diet and nutrition of children. The Secretary is authorized to pay to the State educational agency of any State an amount not to exceed one-half of the expenses incurred by the local school districts of such State in employing such personnel. The Secretary shall prescribe by regulation the total number of such personnel which may be employed in any State, for purposes of assistance under this section, taking into consideration the school population of such State, the need for such personnel, and such other factors as the Secretary deems appropriate. There are hereby authorized to be appropriated such sums as may be necessary for the purposes of this section.

"NATIONAL ADVISORY COUNCIL

"SEC. 16. (a) There is hereby established a council to be known as the National Advisory Council on Child Nutrition (hereinafter in this section referred to as the 'Council') which shall be composed of thirteen members appointed by the Secretary. One member shall be a school administrator, one member shall be a person engaged in child welfare work, one member shall be a person engaged in vocational education work, one member shall be a nutrition expert, one member shall be a school food service management expert, one member shall be a State superintendent of schools (or the equivalent thereof), one member shall be a State school lunch director (or the equivalent thereof), one member shall

be a person serving on a school board, and five members shall be officers or employees of the Department of Agriculture especially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to child food programs.

"(b) The eight members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that such members first appointed to the Council shall be appointed; three members shall be appointed for terms of three years, three members shall be appointed for terms of two years, and two members shall be appointed for terms of one year. Thereafter all appointments shall be for a term of three years except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

"(c) The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

"(d) The Council shall meet at the call of the Chairman but shall meet at least once a year.

"(e) Seven members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

"(f) It shall be the function of the Council to make a continuing study of the operation of programs carried out under the National School Lunch Act, the Child Nutrition Act of 1966, and any related Act under which meals are provided for children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

"(g) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

"(h) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council."

INCLUSION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 10. (a) The third sentence of section 4 of the National School Lunch Act is amended by striking the parenthetical phrase, "(exclusive of American Samoa for periods ending before July 1, 1967)" and inserting in lieu thereof the phrase, "(exclusive of the Trust Territory of the Pacific Islands for periods ending before July 1, 1974)".

(b) The fifth sentence of section 4 of the National School Lunch Act is further amended by striking clause (4) in the last sentence thereof, and inserting in lieu thereof the following: "(4) for the five fiscal years in the period beginning July 1, 1969, and ending June 30, 1974, the amount apportioned to the Trust Territory of the Pacific Islands shall be \$125,000 each year, which amount shall be first deducted from the funds available for apportionment in determining the amounts to be apportioned to the other States."

(c) The first sentence of section 11(b) and the first sentence of section 11(c) of the National School Lunch Act are each amended by striking the word "and" before the term "American Samoa" and by inserting ", and the Trust Territory of the Pacific Islands" after the term "American Samoa".

(d) The second sentence of section 11(b) of the National School Lunch Act is amended by revising the proviso at the end thereof to read as follows: "Provided, That for the fiscal year ending June 30, 1970, \$25,000 shall be apportioned to the Trust Territory of the Pacific Islands, which amount shall be first deducted from the total amount available for apportionment under this subsection."

(e) Section 12(d)(1) of the National School Lunch Act is amended by striking the word "or" that precedes the term "American Samoa" and by adding at the end of the sentence the following: ", or the Trust Territory of the Pacific Islands".

(f) The second sentence of section 12(d)(6) of the National School Lunch Act is amended by revising clause (ii) at the end thereof to read as follows: "(ii) the average annual per capita income for the Trust Territory of the Pacific Islands shall be disregarded in determining the average annual per capita income for all the States for periods ending before July 1, 1974."

(g) Section 4(b) of the Child Nutrition Act of 1966 is amended (1) by striking the word "and" before the term "American Samoa" wherever it appears, and inserting ", and the Trust Territory of the Pacific Islands" after the term "American Samoa" wherever it appears; and (2) by striking "\$45,000" and inserting "\$60,000".

(h) Section 5(b) of the Child Nutrition Act of 1966 is amended by striking the term "American Samoa" and inserting in lieu thereof "the Trust Territory of the Pacific Islands".

(i) Section 15(a) of the Child Nutrition Act of 1966 is amended by striking the word "or" that precedes the term "American Samoa" and by adding at the end of the sentence the following: ", or the Trust Territory of the Pacific Islands".

SENATE COMMITTEE ON AGRICULTURE AND FORESTRY

STAFF EXPLANATION OF S. 2548 (SUBCOMMITTEE NO. 3)

This bill would amend the National School Lunch Act and the Child Nutrition Act of 1966 to—

(1) reduce the local to Federal school lunch matching ratio from 3 to 1 to 1 to 1 (section 4);

(2) require that State revenues represent a percentage of the local matching requirements (beginning at 10 percent and rising to 50 percent) (section 4);

(3) authorize the Secretary to permit funds appropriated for any program under those Acts to be used by the States for any other such programs (section 8);

(4) authorize the use of up to 1 percent of school lunch and child nutrition Act funds for nutritional training and education and studies of food service requirements (section 3);

(5) provide for Federal grants to State educational agencies for (i) research, surveys, demonstrations, and information dissemination in the field of school food service, and (ii) employment of a limited number of personnel specially trained in matters relating to the diet of children (section 9);

(6) authorize use of up to 1 percent of the funds available for apportionment to States under those Acts for special developmental projects (section 8);

(7) increase appropriation authorizations for nonfood assistance under the school lunch Act and provide for apportionment on the basis of schools programmed for new or replacement facilities, instead of on basis of participation rate multiplied by assistance need rate (section 2);

(8) suggest increased appropriations for special assistance, provide for apportionment of such funds to all schools, and provide up to 80 percent of the cost of the program in certain cases of severe need (section 7);

(9) extend those Acts to the Trust Territory of the Pacific (section 10);

(10) authorize direct distribution of foods under section 6 of the school lunch Act to schools and service institutions participating in food service programs under the child nutrition Act and section 13 of the school lunch Act (section 3);

(11) limit price of "reduced cost" lunches to 20 cents (section 6);

(12) prohibit overt identification of children receiving free or reduced cost meals (section 3);

(13) authorize appropriations one year in advance of the fiscal year in which they will become available and make them remain available until expended (section 1);

(14) base the school lunch fund apportionment on the number of lunches served during "the fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated" rather than the "preceding fiscal year" (section 1);

(15) provide for a National Advisory Council on Child Nutrition (section 9); and

(16) make other minor amendments.

SECTION BY SECTION ANALYSIS

Section 1. *Advance Appropriations, Carryover, Participation Rate.* This section deals with the periods during which appropriations shall be made and shall be available and the period to be used in computing participation rates.

Subsection (a) authorizes the making of appropriations to carry out the National School Lunch Act and the Child Nutrition Act of 1966 up to one year in

advance of the beginning of the fiscal year in which they are to become available for disbursement to the States. It also provides that such appropriations shall remain available until expended.

Subsection (b) provides that the number of lunches to be taken into account in determining the "participation rate" under section 12 (5) (d), or the amount to be withheld and distributed to nonprofit private schools under section 10, of the National School Lunch Act shall be the number served during the "fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated" rather than the "preceding fiscal year". Use of data for the "preceding fiscal year" does not allow time for the data to be collected.

The objective of the section is to provide better planning by giving the States advance information as to the over-all amount of funds available and the amount available to each State.

Section 2. *Increased Nonfood Assistance For Fiscal 1971-1973. Apportionment on Basis of Need.*—This section increases the amounts authorized for nonfood assistance by section 5 of the National School Lunch Act to \$38 million in the fiscal year beginning July 1, 1970; \$33 million in the fiscal year beginning July 1, 1971; and \$15 million in the fiscal year beginning July 1, 1972. The amount now authorized for each fiscal year is \$10 million, and that amount would continue to be authorized for fiscal years beginning after June 30, 1973.

At present nonfood assistance funds are apportioned to each State upon the basis of its participation rate multiplied by its assistance need rate. Under the bill apportionment would be on the basis of the number of schools programed for new or replacement food preparation facilities.

Section 3. *Administrative Expenses, Nutrition Education, and Direct Expenditures.* This section would—

(1) increase the amount authorized for administrative expenses by section 6 of the National School Lunch Act by $3\frac{1}{2}$ percent of the amount appropriated to carry out section 13 of that Act and $3\frac{1}{2}$ percent of the amount appropriated to carry out the Child Nutrition Act of 1966 (other than section 3 of the latter Act);

(2) make such amount available for the Secretary's administrative expenses under the Child Nutrition Act of 1966 (as well as those under the National School Lunch Act);

(3) authorize use of up to 1 per centum of the funds appropriated for the National School Lunch Act and the Child Nutrition Act of 1966 (other than section 3 of the latter Act) for nutritional training and education and studies of food service requirements in connection with those programs;

(4) reduce (to the extent funds were used under the authority of this section for administrative expenses for other than the National School Lunch Act or nutritional training or education or studies) the share of National School Lunch Act appropriations which may be used for direct expenditure by the Secretary for agricultural commodities and other foods;

(5) authorize distribution of such foods to schools participating in food service programs under the Child Nutrition Act of 1966 (as well as those participating in programs under the National School Lunch Act) and to service institutions participating in programs under section 13 of the National School Lunch Act.

Suggested Amendment: On page 4, line 19, the period should be changed to a comma.

Section 4. *State Matching Requirements.* This section (1) reduces the portion of the cost of the school lunch program which must be met from local sources, and (2) requires State revenues to represent a prescribed minimum of such local funds.

At present each dollar apportioned to States under sections 4 and 5 of the National School Lunch Act must be matched by \$3 from sources within the State. Subsection (a) would reduce this to \$1 from local sources for each \$1 apportioned by the Federal Government.

At present no part of the local matching requirement is required to come from State revenues, and children's payments account for the greater part of the local funds. Subsection (b) would require State revenues to constitute at least 10 per centum of the matching requirement for each of the fiscal years beginning July 1, 1971 and July 1, 1972; 20 per centum for each of the three succeeding fiscal years (beginning in 1973, 1974, and 1975); 30 per centum for each of the next three succeeding fiscal years (beginning in 1976, 1977, and 1978); 40 per centum for each of the next three succeeding fiscal years (beginning in 1979, 1980, and 1981); and 50 per centum for each fiscal year thereafter. Amounts derived by the State from the program, or expended by it for salaries or administrative ex-

penses at the State level, would not count toward meeting the State revenue share of the matching requirement. In order to channel the State funds to schools having the greatest need in terms of numbers of children from low income families, the State funds would be required to be disbursed to each school, to the extent practicable, on the basis of its share of the funds apportioned for (1) the regular school lunch program (under section 4 of the school lunch Act); (2) special assistance to schools drawing from poor economic areas (under section 11 of the school lunch Act); (3) the school breakfast program for needy children (under section 4 of the child nutrition Act); and (4) the nonfood assistance program for schools drawing from poor economic areas (under section 5 of the child nutrition Act).

Section 5, *State Administrative Expenses*. This section authorizes the Secretary to utilize funds appropriated under section 7 of the Child Nutrition Act of 1966 (1) for advances for administrative expenses of any other designated State agency (as well as for those of the State educational agency), and (2) in the case of either State agency, for its administrative expenses in supervising and giving technical assistance to service institutions (as well as to local school districts).

This would permit agencies engaged in the distribution of commodities to local schools or service institutions to get administrative expense assistance for that part of their function which is involved in supervising and giving technical assistance to the local school districts and service institutions. Under the present law, this can be done if the State Educational Agency is also the State distributing agency, but in some States, the State distributing agency to schools and service institutions is the State Department of Agriculture or other agency outside of the educational agency. There are differences among States based purely on organizational differences rather than on functions performed in relation to these programs. This section would correct the present inequitable treatment as among the States.

The addition of the phrase "and service institutions" in the first sentence of section 7, as described in (2) above, serves merely to clarify the present law.

Section 6, *Maximum Price of Reduced Cost Lunch, Overt Identification, Maximum Utilization of Donated Commodities*.—This section (1) imposes a maximum price of 20 cents on reduced cost school lunches; (2) prohibits overt identification of children receiving free or reduced cost meals; and (3) specifically authorizes the Secretary to require commodities donated under section 32 of P.L. 74-320 and section 416 of the Agricultural Act of 1949 to be so used as to maximize their nutritional and financial contribution.

Section 9 of the National School Lunch Act requires school lunches to be served without cost or at a reduced cost to children unable to pay the full cost. Subsection (a) of this section of the bill provides that where lunches are so made available at reduced cost, the reduced cost shall not exceed 20 cents per meal.

Sections 9 and 13 (f) of the National School Lunch Act and section 4 (e) of the Child Nutrition Act of 1966 provide, respectively, in the case of the school lunch, special food service, and school breakfast programs, that no physical segregation of, or other discrimination against, any child shall be made because of his inability to pay. Subsection (b) of this section of the bill in each of these cases adds the further prohibition that there shall be no overt identification of the child by special tokens, lists of names, or other means.

Subsection (c) amends section 9 of the National School Lunch Act to authorize the Secretary specifically to prescribe terms and conditions respecting the use of commodities donated under section 32 of the Act of August 24, 1935 and section 416 of the Agricultural Act of 1949 to maximize the nutritional and financial contributions of such commodities in schools and other institutions receiving them. The Secretary already has this authority under section 12(b) of the National School Lunch Act with regard to school lunch programs under that Act. With regard to other schools receiving Federally donated commodities the authority may not be as clear. No requirements have been prescribed over the many years of commodity distribution, for example, with regard to the nutritional balance of meals served in schools utilizing donated commodities other than in those schools which are also under the National School Lunch Program. The purpose of this section therefore appears to be to emphasize that the Secretary is authorized to prescribe such terms and conditions for food service in the non-National School Lunch schools which are receiving Federal assistance in the form of commodities.

Section 7, *Increased Special Lunch Program Assistance*.—This section—

(1) authorizes appropriations of \$200 million for fiscal 1970, \$250 million for fiscal 1971, and \$300 million for fiscal 1972 for special lunch program assistance under section 11 of the National School Lunch Act;

(2) extends the special assistance program to all schools; and

(3) authorizes special assistance up to 80 percent of the operating costs of the program in circumstances of severe need where the rate per meal which the school would receive is deemed insufficient for an effective school lunch program.

Section 11(a) of the National School Lunch Act authorizes unlimited appropriations to provide special assistance to schools drawing attendance from poor areas to help them meet their obligation to provide free or reduced cost lunches to poor children. Subsection (a) of this section of the bill limits such appropriations to \$200 million for fiscal 1970, \$250 million for fiscal 1971, and \$300 million for fiscal 1972. The limits which would be imposed by the bill are far in excess of past appropriations, so that the purpose of the bill would appear to be to suggest a higher level of appropriation, rather than to limit appropriations. Past appropriations for section 11 have been \$2 million for fiscal 1967, \$5 million for fiscal 1968, and \$10 million for fiscal 1969. Both Houses have approved \$44.8 million for fiscal 1970, but the appropriation Act for fiscal 1970 has not yet been finally passed and approved.

Section 11(e) of the National School Lunch Act provides that the selection of schools to receive special assistance funds and the amounts to be received by each (within a maximum amount per lunch established by the Secretary for all States) shall be determined by the State educational agency on the basis of five factors set out therein. Subsection (b) (3) of this section of the bill provides that special assistance funds shall also be disbursed in such State to schools that are ineligible on the basis of such five factors. The author of the bill stated at the time of introducing the bill that this provision requires that special assistance funds follow the needy child regardless of the school attended.

Subsections (b) (1), (2), and (3) of this section of the bill authorize the Secretary to use special assistance funds to finance up to 80 percent of the operating costs of the school lunch program in circumstances of severe need where the rate per meal which the school would otherwise receive is insufficient to carry out an effective school lunch program.

Suggested Amendment: Subsection (b) (3), which provides special assistance funds for "schools that are ineligible for such funds" under the factors now contained in section 11(e) of the Act, is inconsistent with section 11(e) and with section 11(a) (which limits the section to "schools drawing attendance from areas in which poor economic conditions exist"); and is not entirely clear as to the amount of funds such "ineligible" schools are to receive. If this provision is adopted, (1) section 11(a) should be amended to make the section applicable to all schools, (2) section 11(e) (1) and (2) (as added by the bill) should be amended to omit provision for the "selection" of schools; and (3) a formula should be provided for determining the amount of funds each school should receive.

Section 8. *Transfer of Funds From One Program to Another. Special Projects.*— This section—

(1) amends the Child Nutrition Act to provide specific authority for regulations under the National School Lunch Act,

(2) specifically provides that such regulations and regulations under the Child Nutrition Act may include provisions relating to the service of food in participating schools and service institutions in competition with programs under those Acts, and

(3) provides that regulations under those Acts may provide for—

(A) transfer of funds by any State between programs authorized under those two Acts, and

(B) the reserve of up to 1 per centum of the funds available for apportionment to any State to carry out special developmental projects.

Under the present School Lunch Act, regulations have been issued pursuant to the authority to enter into agreements with the States which incorporate such program requirements as are reasonably necessary to effect the purposes of the Act. The Child Nutrition Act provides direct authority for issuance of regulations. This section is intended to make it clear that in both instances the regulations may include restrictions or limitations on types of food service in participating schools and service institutions that may be in competition with the National School Lunch program or the School Breakfast program under the Child Nutrition

Act. Such limitations might restrict the selling of candy, pop, or other food or beverage items which compete for the child's appetite and available lunch money during, for example, the lunch and breakfast periods.

The provision for transfer of funds provides for flexibility in the use of the Federal funds granted to the States as between the several programs authorized under these Acts, as for example: between the regular lunch program, the breakfast program, the non-school program, the nutrition training program, and the equipment assistance program. In order best to meet the nutritional needs of children, the amount of funds required in a State as between the several different programs may be difficult to pre-determine with precision. As a State gets food service programs established in its schools it will, for example, need less equipment assistance than a State which has many schools without food service. However, under the apportionment formulas, that State would still be provided with equipment assistance funds, when the real need may be for funds for serving additional lunches or breakfasts. Therefore, the bill would provide authority to the Secretary to develop and issue regulations that would permit funds apportioned to a State for one program (such as the school lunch program) to be used by it for an entirely different program (such as the non-school feeding program) on the basis of an approved State plan of operation.

The developmental projects referred to are not defined, and this provision contains broad authority. We understand that it contemplates pilot projects for improving the methods and facilities for providing food service to children. It might involve, for example, utilization of special fabricated food items; equipment, packaging, or delivery systems specially designed for school feeding, methods for providing greater choice in food selection or attaining increased participation; systems for accounting for free and reduced price lunches; or use of variable or incentive meal pricing for reimbursement rates. The objective would be to try out new approaches to improving these programs on a limited basis before they are incorporated into nationwide regulations or into statewide requirements. Generally, it is contemplated that such projects would be in specific localities selected cooperatively by Federal and State school lunch staffs. The initiative for a project might come from local, State, or Federal levels. The financing might be confined to a percentage of the Federal funds available for reimbursement to that locality, or to one percent or less of the funds apportioned to that State, or might consist of a joint financing arrangement from funds apportioned to more than one State, particularly if the contemplated improvement needs to be tried in more than one locality. In all instances it is intended that projects would be consistent with the objectives of the school lunch and child nutrition Acts.

Section 9. Research and Training, Nutrition Specialists, National Advisory Council.—This section adds new sections 14, 15, and 16 to the National School Lunch Act to provide for—

(1) Federal grants to State educational agencies for research, surveys, demonstrations, and dissemination of information in the field of school food service. Grant funds could be used for research traineeships, planning and evaluation, internships, personnel exchanges, and graduate fellowships. Appropriations for this purpose could not exceed one percent of the amounts appropriated for other purposes under the School Lunch Act and the Child Nutrition Act of 1966;

(2) Federal grants to State educational agencies to pay up to half the expenses incurred by local school districts in employing a limited number of personnel specially trained in matters relating to the diet of children; and

(3) a National Advisory Council on Child Nutrition to consist of 13 members (8 from specified fields related to children, education, and nutrition, and 5 from the Department). The Council would make a continuing study of programs under Acts under which meals are served to children and report annually to the President and Congress, recommending improvements.

Section 10. Trust Territory of the Pacific Islands. This section extends the National School Lunch Act and the Child Nutrition Act of 1966 to the Trust Territory of the Pacific Islands as follows:

Subsections (a) and (b) provide for apportioning \$125,000 annually of regular school lunch program funds to the Trust Territory until July 1, 1974. The formula applicable to other States, which is based on past participation, will not work for the Trust Territory until it has acquired a history of participation. Subsection (a) therefore excludes the Trust Territory from the formula applicable to other States until July 1, 1974.

Subsections (c) and (d) provide that the Trust Territory shall (1) share in 3 percent of the funds available for special assistance under section 11 of the school lunch act along with Puerto Rico, the Virgin Islands, Guam, and American Samoa; and (2) receive \$25,000 from the total funds available for section 11 for fiscal 1970, since the Trust Territory has no participation history as yet.

Subsection (e) amends the definition of "State" in the National School Lunch Act to include the Trust Territory.

Subsection (f) excludes the average annual per capita income for the Trust Territory from the computation of the "assistance need rate" for periods prior to July 1, 1974, since that rate would not be used in computing the Trust Territory's share of school lunch funds during such periods.

Subsection (g) provides that the Trust Territory will receive \$15,000 of the funds available each year for the school breakfast program, the same amount as that received by Guam, the Virgin Islands, and American Samoa.

Subsection (h) provides that funds for nonfood assistance under section 5(b) of the Child Nutrition Act of 1966 shall be apportioned to the Trust Territory in the same manner as to other States; but this will not work since the Trust Territory has no participation history and subsection (h) should be amended.

Subsection (i) redefines "State" in the Child Nutrition Act of 1966 to include the Trust Territory.

The special food service program under section 13 of the school lunch act already applies to the Trust Territory. The special milk program under section 3 of the child nutrition act would not be extended to the Trust Territory, since that section contains its own definition of "State".

Suggested Amendment: Amend subsection (h) for the reason stated above to read as follows (the figure "20,000" being suggested informally by the Department of Agriculture):

"(h) The first sentence of section 5(b) of the Child Nutrition Act of 1966 is amended by striking everything after the words 'except that' and inserting 'apportionment to the Trust Territory of the Pacific Islands for any fiscal year prior to the fiscal year beginning July 1, 1974, shall be in the amount of \$20,000.'"

SENATE COMMITTEE ON AGRICULTURE AND FORESTRY

STAFF COMPARISON OF MAJOR PROVISIONS OF S. 2548 AND H.R. 515

I. Provisions in both bills

The language and substance of the provisions of S. 2548 in many cases represent revisions of H.R. 515 which appear necessary to accomplish the purpose of H.R. 515. For instance, both bills have the objective of extending certain programs to the Trust Territory of the Pacific, but S. 2548 provides the detail necessary to accomplish that objective.

Both bills would amend the National School Lunch Act and the Child Nutrition Act of 1966 to—

(1) require that State revenues represent a percentage of the State matching requirements (beginning at 4 percent and rising to 10 percent in the case of H.R. 515; beginning at 10 percent and rising to 50 percent (of a smaller matching requirement) in the case of S. 2548);

(2) authorize the Secretary to permit funds appropriated for any programs under those Acts to be used by the States for any other such programs;

(3) authorize use of up to 1 percent of school lunch and child nutrition Act funds for nutritional training and education and studies of food service requirements;

(4) authorize use of up to 1 percent of available funds for "special development projects";

(5) extend those Acts to the Trust Territory of the Pacific;

(6) authorize direct distribution of foods under section 6 of the school lunch Act to schools and service institutions participating in food service programs under the child nutrition Act and section 13 of the school lunch Act;

(7) prohibit overt identification of children receiving free or reduced price meals;

(8) authorize appropriations one year in advance of the fiscal year in which they will become available; and

(9) use earlier data in computing the "participation rate" used in apportioning school lunch funds, in order to allow adequate time for the data to be collected.

II. Provisions in H.R. 515 only

H.R. 515 (but not S. 2548) would further amend those Acts to—

(1) provide for use of equitable, publicly announced policies for determining which children receive free or reduced price meals (as now provided by regulation); and

(2) require the Secretaries of Agriculture and Health, Education, and Welfare to cooperate in developing nutrition education materials and evaluating child feeding programs.

III. Provisions in S. 2548 only

S. 2548, (but not H.R. 515) would further amend those Acts to—

(1) reduce the local to Federal school lunch matching ratio to 1 to 1 (from 3 to 1);

(2) provide for Federal grants to State educational agencies for (i) research, surveys, demonstrations, and information dissemination in the field of school food service, and (ii) employment of a limited number of personnel specially trained in matters relating to the diet of children;

(3) increase appropriation authorizations for nonfood assistance under the school lunch Act and provide for apportionment on the basis of schools programed for new or replacement facilities (instead of on the basis of the participation rate multiplied by the assistance need rate);

(4) suggest increased appropriations for special assistance, provide for apportionment of such funds to all schools, and provide up to 80 percent of the cost of the program in certain cases of severe need;

(5) limit the price of "reduced cost" lunches to 20 cents; and

(6) provide for a National Advisory Council on Child Nutrition.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., September 29, 1969.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry,
U.S. Senate.

DEAR MR. CHAIRMAN: Your letter of July 8, 1969, requested a report on S. 2548 to amend the National School Lunch and Child Nutrition Acts in a number of respects.

The Department does not favor enactment of this bill in its present form. Although this Department believes steps should be taken to improve the child nutrition programs, and we favor many of the concepts in this bill, a number of the provisions of S. 2548 would present serious administrative and operational problems.

1. The first section of the bill provides that appropriations for the child food service programs may be made a year in advance and that the data upon which State apportionments are calculated shall be the program year completed two years immediately prior to the fiscal year for which the appropriation is requested. This section also provides that funds appropriated shall remain available until expended.

The Department does not object to the provisions of this section.

2. Section 2 provides for funding of section 5 or the nonfood assistance phase of the National School Lunch Act in the amounts of \$38 million for fiscal year 1970; \$33 million for fiscal year 1971; \$15 million for fiscal year 1972 and \$10 million for each succeeding fiscal year. The funds are to be apportioned to the States in amounts "which bear the same ratio to the total amount to be apportioned among all the States as the number of schools programed for new or replacement food preparation facilities in all the States."

The Department does not favor enactment of this provision.

Section 5 of the National School Lunch Act has not been funded since the first year after enactment and the appropriation bills for the Department of Agriculture have for many years carried an explicit prohibition against the use for section 5 purposes of any of the funds appropriated for the National School Lunch Program. On the other hand, section 5 of the Child Nutrition Act of 1966 authorizes assistance in the acquisition of food service equipment by low-income area

schools and carries permanent authorization authority. It also provides that States shall finance at least one-fourth of the cost of any equipment financed.

The Department believes this provision of the Child Nutrition Act is preferable to that contained in S. 2548, particularly since the latter in no way differentiates between those schools that can well afford to finance equipment and those that cannot. The use of the number of schools in the apportionment of funds rather than enrollment would also result in serious inequities in the disbursement of funds. Generally, we feel that the factor of enrollment or average daily attendance in schools without a food service combined with a need factor would better reflect the relative magnitude of need in each state.

3. Section 3(a) would authorize the Secretary to provide foods acquired by direct purchase under section 6 of this Act for use in school breakfast programs and to service institutions such as day-care centers, settlement houses and summer recreational projects.

This section also provides for a program of nutritional training and education for workers, cooperators and participants in the broadest sense.

The Department favors this provision.

Section 3(d) states that the Secretary shall, to the maximum extent practicable, use this authority to purchase "highly nutritious foods, especially those foods with a high content of vitamin A or vitamin C."

Both vitamins A and C are essential nutrients. However, as a practical matter, the greatest need lies in assisting schools in meeting the protein requirement. Meat and meat alternates are the most expensive elements of the meal and the most difficult for the schools to finance day-in and day-out. Foods with a good vitamin A content are, for the most part, more palatable to children when served raw rather than cooked. This means that procurement locally is more practical in many instances than a nation-wide purchase program. As for vitamin C, the recommended daily allowances for school-age children were substantially reduced by the Food and Nutrition Board of the National Research Council in 1968.

The Department does not believe that it is either necessary or advisable to designate in legislation specific nutrients for special attention. However, we will continue to place emphasis in the section 6 procurement program on foods rich in vitamins A and C as well as those including other important nutrients.

4. Section 4(a) provides for amending State matching requirements by gradually substituting a one-to-one State-Federal matching for the present three-to-one basis. Section 4(b) provides that State tax funds must be used to meet a portion of the matching requirement.

The Department favors utilizing State revenues in financing the National School Lunch Program. At present the States are more than achieving the existing matching requirement by relying on children's payments and local contributions. The Department believes that State revenues should bear at least a portion of what has always been designated the "State share" of National School Lunch costs. If the "State share" is properly borne by State revenues, children's payments and local contributions there will be no need to alter the present three-to-one matching requirement.

5. Section 5 is a technical and clarifying amendment with reference to assistance to State agencies for administrative expenses where more than one State agency is providing direct services to child food service programs.

The Department has no objection to this section.

6. Section 6(a) would place a ceiling of 20 cents on any reduced price meal offered under the School Lunch Program.

The Department does not favor this provision because it imposes a restriction that many schools may not be able to meet until the time comes that fully adequate funding from Federal, State and local sources is assured. This concept could more effectively be fulfilled through program regulations that can be adapted to changing situations.

Section 6(b) provides that in the child food service programs there shall be no overt identification of those children who receive free and reduced price meals.

The Department favors this approach but believes it should be strengthened by requiring that each school's policy and procedures with respect to eligibility for free and reduced price meals should be a publicly announced policy setting forth the specific criteria for eligibility. Only in this way can there be assurance that everyone in the community knows and understands the rules.

Section 6(c) provides a legislative base for strengthening regulations related to the donation of price support and Section 32 foods to schools that do not participate in the National School Lunch Program. The provisions of section 6(c)

would enable the Secretary to establish standards for these schools similar to the policies with respect to free meals and nutritional requirements as now apply to schools in the National School Lunch Program.

The Department favors this provision.

7. Section 7 proposes substantial changes in the administration of section 11 of the National School Lunch Act with respect to special financial assistance to particularly needy schools.

Section 7(a) authorizes \$200 million for section 11 in fiscal year 1970; \$250 million for fiscal year 1971 and \$300 million for fiscal year 1972.

Section 7(b) would, in effect, permit section 11 money to follow the child rather than restricting assistance to reach only eligible schools. Section 7(b) would also authorize reimbursement for up to 80 percent of the cost of operating a lunch program in situations of severe need.

The Department is sympathetic to the intent of these proposals. However, we believe it would be preferable to have an appropriation authority but to eliminate specific authorizations and to amend section 11 to eliminate the criteria involving school eligibility and substitute a simple, direct authority for the Secretary to provide additional assistance for any needy child in any participating school.

8. Section 8 authorizes the issuance of standards relating to the operation of separate food services in a school that are in direct competition with the non-profit programs assisted under the National School Lunch and Child Nutrition Acts.

The Department favors this provision.

9. Section 9 provides for assistance in a variety of ways to strengthen State and local administration and training in child food service programs.

At the present time, funds are available to assist in strengthening State administration of the food service programs directed primarily to needy children. The Department does not favor the extension of this type of assistance to the local level. Basically, this would involve the Department in financing a part of local administrative costs in thousands of individual school districts throughout the country.

Section 9 would also establish a National Advisory Council on child food programs. Although the Department does not object to the formation of such a Council, it is felt that the proposal should not specify in detail, as it does, the membership of such a Council. As the provision now stands, Council membership would draw from a very limited group of experts.

10. Section 10 extends school food service participation to the Trust Territory of the Pacific Islands. This is consistent with the authority in P.L. 90-392 to assist food service operations in the Trust Territories for children in pre-school and summer recreation programs.

There was not sufficient time prior to the hearing of this bill to obtain the advice of the Bureau of the Budget.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

[S. 2595, 91st Cong., first sess.]

A BILL To amend the Agricultural Act of 1949 with regard to the use of dairy products, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431), is amended by adding at the end thereof the following:

"Dairy products acquired by the Commodity Credit Corporation through price support operations may, insofar as they can be used in nonprofit school lunch and other nonprofit child feeding programs, in the assistance of needy persons, and in charitable institutions, including hospitals to the extent that needy persons are served, be donated for any such use without regard to any limitation or priority contained in this section or in any other provision of law."

(Note.—For departmental report on S.2595, see p. 2.)

[H.R. 515, 91st Cong., first sess.]

AN ACT To amend the National School Lunch Act and the Child Nutrition Act of 1966 to clarify responsibilities related to providing free and reduced-price meals and preventing discrimination against children, to revise program matching requirements, to strengthen the nutrition training and education benefits of the programs, and otherwise to strengthen the food service programs for children in schools and service institutions

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

FREE AND REDUCED-PRICE MEALS

(a) Section 9 of the National School Lunch Act (42 U.S.C. 1751) and section 4(e) of the Child Nutrition Act of 1966 (42 U.S.C. 1771) are each amended by inserting after the second sentence, a new sentence: "Such determinations shall be made by local school authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions."

(b) Section 9 of the National School Lunch Act is further amended by inserting before the period at the end of the former third sentence, and section 4(e) of the Child Nutrition Act of 1966 and section 13(f) of the National School Lunch Act are further amended by inserting before the period at the end of the former fourth sentences of each the following: "nor shall there be any overt identification of any such child by means such as special tokens or tickets or by announced or published lists of names".

(c) Section 13(f) of the National School Lunch Act is amended by inserting after the second sentence, a new sentence: "Such determinations shall be made by the service institution authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions."

APPROPRIATIONS AND MATCHING

Sec. 2. (a) Section 3 of the National School Lunch Act is amended by inserting at the end thereof: "Appropriations to carry out the provisions of this Act and of the Child Nutrition Act of 1966 for any fiscal year are authorized to be made a year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States."

(b) Section 7 of the National School Lunch Act is amended by inserting immediately before the last sentence of the section the following:

"For each of the two fiscal years beginning July 1, 1970, State tax revenues appropriated or utilized specifically for program purposes in the schools or to defray the cost of intrastate distribution of federally-donated commodities to the schools shall equal at least 4 per centum of the matching requirement; for each of the two succeeding fiscal years, at least 6 per centum of the matching requirement; for each of the subsequent succeeding two years, at least 8 per centum of the matching requirement; and for each fiscal year thereafter, at least 10 per centum of the matching requirement. The State tax revenues, made available pursuant to the preceding sentence, shall be expended, to the extent the State deems practicable, proportionate to the State's allocation of Federal funds for programs authorized under sections 4 and 11 of the National School Lunch Act, section 4(a) as amended, and section 5 of the Child Nutrition Act of 1966."

(c) The first sentence of section 10 and section 12(d) (5) of the National School Lunch Act are amended by striking the words "preceding fiscal year" and inserting in lieu thereof the following: "latest completed program year immediately prior to the fiscal year in which the Federal appropriation is requested".

NUTRITION TRAINING AND EDUCATION

Sec. 3. Section 6 of the National School Lunch Act (42 U.S.C. 1755) is amended by striking the entire first sentence and inserting in lieu thereof the following: "The funds appropriated directly or by transfer from other accounts for any fiscal year for carrying out the provisions of this Act, and for carrying out the provisions of the Child Nutrition Act of 1966, other than section 3 thereof, less not

to exceed 3½ per centum thereof which per centum is hereby made available to the Secretary for his administrative expenses under this Act and under the Child Nutrition Act of 1966, less the amount apportioned by him pursuant to sections 4, 5, and 10 of this Act less the amount appropriated pursuant to section 11 and section 13 of this Act and sections 4, 5, and 7 of the Child Nutrition Act, and less not to exceed 1 per centum of the funds appropriated for carrying out the programs under this Act and the programs under the Child Nutrition Act of 1966 other than section 3 which per centum is hereby made available to the Secretary to supplement the nutritional benefits of these programs through grants to States and other means for nutritional training and education for workers, cooperators, and participants in these programs and for necessary surveys and studies of requirements for food service programs in furtherance of the purposes expressed in section 2 of this Act and section 2 of the Child Nutrition Act of 1966, shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools and service institutions participating in the food service programs under this Act and under the Child Nutrition Act in accordance with the needs as determined by the local school and service institution authorities."

INCLUSION OF TRUST TERRITORY

SEC. 4. (a) Section 12(d) (1) of the National School Lunch Act is amended by striking the word "or" that precedes the term "American Samoa" and by adding at the end of the sentence the following: "or the Trust Territory of the Pacific Islands."

(b) Section 15(a) of the Child Nutrition Act of 1966 is amended by striking the word "or" that precedes the term "American Samoa" and by adding at the end of the sentence the following: "or the Trust Territory of the Pacific Islands".

(c) The National School Lunch Act and Child Nutrition Act of 1966 are amended by inserting the phrase, "and the Trust Territory of the Pacific Islands" after the term "American Samoa" wherever that term appears in such Acts other than in the sections amended by subsection (a) and (b) of this section and other than the proviso in section 11(b) and in section 4 of the National School Lunch Act.

EQUIPMENT RENTAL

SEC. 5. Section 5(c) of the Child Nutrition Act of 1966 is amended by striking the period at the end of the first sentence and inserting at the end thereof "through purchase or rental."

STATE ADMINISTRATIVE EXPENSES

Sec. 6 (a) Section 7 of the Child Nutrition Act of 1966 is amended by inserting in the first sentence following the phrase "its administrative expenses", the following: "or for the administrative expenses of any other designated State agency", and by inserting after the phrase "the local school districts", the words "and service institutions".

(b) Section 7 of the Child Nutrition Act of 1966 is further amended by inserting at the end of the second sentence the following: "including additional activities undertaken in the distribution of donated commodities."

REGULATIONS

SEC. 7. (a) Section 9 of the National School Lunch Act is amended by inserting at the end thereof a new sentence: "The Secretary is authorized to prescribe terms and conditions respecting the use of commodities donated under said section 32 and section 416 of the Agricultural Act of 1949 as will maximize the nutritional and financial contributions of such donated commodities in schools receiving such commodities."

(b) Section 10 of the Child Nutrition Act of 1966 is amended by striking the period at the end thereof and inserting the following: "and the National School Lunch Act, including regulations relating to the service of food in participating school and service institutions in competition with the programs authorized under this Act and the National School Lunch Act. In such regulations the Secretary may provide for interchange of funds by any State between the programs authorized under this Act and the National School Lunch Act on the basis of an approved State plan of operation for the use of the funds and may provide for

the reserve from the apportionments to the States of not to exceed 1 per centum of available funds for special developmental projects."

COORDINATION OF EFFORT

SEC. 8. Section 6 of the National School Lunch Act is amended by inserting at the end thereof the following: "The Secretary of Agriculture and the Secretary of Health, Education, and Welfare shall cooperate in a coordinated effort: (1) to develop curricula, training programs, and materials to be made available to educational institutions for the improvement of training and education in nutrition for professional and para-professional persons engaged in school food service, and to be made available to State and local school systems upon their request for use in nutrition education and training for students; and (2) to evaluate the adequacy and effectiveness of food programs conducted under the authority of various Acts administered by the Department of Agriculture and the Department of Health, Education, and Welfare in meeting the nutritional and health needs of school children (including children in preschool programs)."

Passed the House of Representatives March 20, 1969.

Attest:

W. PAT JENNINGS,

Clerk.

SENATE COMMITTEE ON AGRICULTURE AND FORESTRY

STAFF EXPLANATION OF H.R. 515—SHORT EXPLANATION

This bill would amend the National School Lunch Act and the Child Nutrition Act of 1966 to—

- (1) require that State tax revenues represent a percentage of the State matching requirements (beginning at 4 percent and rising to 10 percent);
- (2) authorize the Secretary to permit funds appropriated for any programs under those Acts to be used by the States for any other such programs;
- (3) authorize use of up to 1 percent of school lunch and child nutrition Act funds for nutritional training and education and studies of food service requirements;
- (4) authorize use of up to 1 percent of available funds for "special developmental projects";
- (5) extend those Acts to the Trust Territory of the Pacific;
- (6) authorize direct distribution of foods under section 6 of the school lunch Act to schools and service institutions participating in food service programs under the child nutrition Act and section 13 of the school lunch Act;
- (7) provide for use of equitable, publicly announced policies for determining which children receive free or reduced price meals (as now provided by regulation),
- (8) prohibit overt identification of such children;
- (9) authorize appropriations one year in advance of the fiscal year in which they will become available;
- (10) base the school lunch apportionment on the number of lunches served in the "program year" completed last before the fiscal year in which the appropriation is requested, instead of those served in the fiscal year preceding the fiscal year for which apportionment is to be made;
- (11) require the Secretaries of Agriculture and Health, Education, and Welfare to cooperate in developing nutrition education materials and evaluating child feeding programs; and
- (12) make other minor changes.

SECTION-BY-SECTION ANALYSIS

Section 1. *Determination and Non-Identification of Free or Reduced Price Meal Recipients.* The first section of the bill provides for use of equitable, publicly announced policies for determining which children are unable to pay the full cost of school lunches, school breakfasts, and service institution meals served under the National School Lunch Act and the Child Nutrition Act of 1966. The substance and objectives of this section have already been adopted by administrative regulation.

Subsection (a) prescribes that determination of children unable to pay the full cost of school lunches and school breakfasts "shall be made by local school authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level

of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions." *Subsection (c)* makes identical provision for determination by "service institution authorities" of children unable to pay the full cost of meals served in service institutions (day care centers, etc.) under section 13 of the National School Lunch Act.

Subsection (b) prohibits "overt identification . . . by means such as special tokens or tickets or by announced or published lists of names" of children unable to pay under the above mentioned programs.

Section 2. Advance Appropriation—Matching from State Tax Revenues.

Subsection (a) authorizes appropriation of funds for the National School Lunch Act and the Child Nutrition Act of 1966 a year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States. As a precedent for this action, the House Committee report points to the Vocational Education Act Amendments of 1968, which granted advance funding authority to all programs administered by the Office of Education.

Subsection (b) requires that a percentage of the local matching requirements for each fiscal year be met from State tax revenues as follows:

For fiscal years ending June 30 :	The percent of the Matching Requirement met by State Tax Revenues must be at least—
1971 and 1972	4 percent
1973 and 1974	6 percent
1975 and 1976	8 percent
1977 and thereafter	10 percent

At present the law requires matching "from any sources within the State determined by the Secretary to have been expended in connection with the school lunch program," and specifically permits inclusion of donated services, supplies, facilities, and equipment. Children's payments have provided the bulk of the matching requirements, accounting for 56 percent of the cost of the program in 1967. Present matching requirements provide for \$3 from State sources (decreased by the percentage by which the State per capita income is below the per capita income of the United States).

Subsection (b) further requires that such State tax revenues (1) be "appropriated or utilized specifically for program purposes in the schools or to defray the cost of intrastate distribution of federally-donated commodities to the schools"; and (2) be expended, "to the extent the State deems practicable, proportionate to the State's allocation of Federal funds for programs authorized under sections 4 and 11 of the National School Lunch Act, section 4(a) as amended, and section 5 of the Child Nutrition Act of 1966". These provisions are further discussed in connection with suggested amendments (2) and (3).

The House report states that the requirement of this subsection "would not apply in the case of programs conducted in nonprofit private and parochial schools." This is not entirely correct. This subsection requires that State revenues represent a portion of the matching required by section 7 of the National School Lunch Act, which in turn requires matching of funds apportioned to the State under sections 4 and 5 of that Act. In some States part of the funds so apportioned are disbursed by the State to nonprofit private schools and the State revenue matching requirement would apply to the Federal funds disbursed by the State to such nonprofit private schools just as it would to Federal funds disbursed to other schools. In other States, the Secretary, pursuant to section 10 of the National School Lunch Act, withholds funds from apportionment to the State for disbursement by the Secretary to private schools; and the State is not required to match funds so withheld. The schools are required by section 10 in such case, to match "in the proportion specified in section 7"; but they could not, of course, be required to use State revenues for that purpose. The State revenue matching provision would consequently not apply in the case of nonprofit private schools in States where section 10 is applicable.

Subsection (c) amends the definition of "participation rate" in section 12(d) of the National School Lunch Act and a somewhat similar provision in section 10 of that Act (relating to funds for nonprofit private schools) to take into account lunches served in the "latest completed program year immediately prior to the fiscal year in which the Federal appropriation is requested", rather than those served in the "preceding fiscal year". The House report does not indicate the reason for this change or what is meant by "program year"; but we under-

stand that (1) use, as at present, of the figures for the preceding fiscal year does not allow time for the data to be collected; and (2) "program year" is intended to correspond generally to the normal school year.

Suggested Amendments: (1) To make it clear that the State tax revenue matching requirement is intended to be part of, rather than in addition to, the existing matching requirement by which it is measured, the word "equal" on page 3, line 19, should be changed to "constitute".

(2) The provision that State tax funds shall be appropriated or utilized specifically for program purposes "in the schools" would appear to prevent their use for central food preparation, commodity purchase, and other activities occurring outside the schools. We do not believe that this was intended. Presumably, the objective of requiring that a part of the matching be met from State tax revenues is to substitute State tax funds for children's payments. At present, in most States, State administrative expenses are already provided by State tax funds, while most other costs are charged to the local school lunch account and financed largely from children's payments. The objective would appear, therefore, to be to include State tax funds expended for State administrative expenses from the new matching requirement, and to include only those expended for purposes which would otherwise be met from the local school lunch accounts.

The following amendment would accomplish this purpose, making it clear that the State tax funds could be used for obtaining commodities; transporting them, whether federally donated or not, to the schools; preparation inside or outside the school; and all other program purposes, whether performed inside or outside the school, except salaries and administrative expenses at the State level:

On page 3, beginning in line 17, with the word "in" strike out all through the word "schools" in line 19, and insert "(other than salaries and administrative expenses at the State, as distinguished from local, level)"

(3) Subsection (b) also requires that the State tax revenues be expended "to the extent the State deems practicable, proportionate to the State's allocation of Federal funds for programs authorized under sections 4 and 11 of the National School Lunch Act, section 4(a) as amended, and section 5 of the Child Nutrition Act of 1966". Expenditure of these funds for programs under the Child Nutrition Act of 1966 would be inconsistent with the earlier provision of subsection (b) that these funds be used specifically for program purposes (i.e. school lunch program purposes) and with the existing provision of section 7 of the National School Lunch Act that the matching funds be expended "in connection with the school-lunch program under this Act." There may also be some inconsistency in using them for section 11 purposes, since section 11 does not require matching. The House report and debate suggest that the basic intent of this provision may have been to channel the State tax funds to those schools with the greatest need in terms of numbers of children from low income families, and to do this by allocating these funds among schools in the same proportion that the schools share in funds apportioned pursuant to sections 4 and 11 of the School Lunch Act and sections 4 and 5 of the Child Nutrition Act of 1966. If this was the intention, the following amendment might be effective to carry it out:

Beginning on page 3 with line 25, strike out all through line 5 on page 4, and insert: "The State tax revenues made available pursuant to the preceding sentence shall be disbursed to schools, to the extent the State deems practicable, in such manner that each school receives the same proportionate share of such revenues as it receives of the funds apportioned to the State for the same year under sections 4 and 11 of the National School Lunch Act and sections 4 and 5 of the Child Nutrition Act of 1966."

(4) The term "program year" should be defined if it is to be used. Tying the participation rate to the program year completed last before the fiscal year in which the appropriation is requested makes the participation rate depend upon the time the appropriation is requested. Thus an appropriation for fiscal 1971 might be requested for advance appropriation in fiscal 1969, or in accordance with current practice in fiscal 1970, or as a supplemental in fiscal 1971. In order to provide a more definite rule consideration might be given to tying the participation rate to the fiscal year for which the funds are appropriated as follows:

On page 4, strike out the quoted material in lines 9 through 11 and insert the following: "the fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated".

(5) The requirement with respect to State tax funds would be effective with the fiscal year beginning July 1, 1970. In view of the fact that many States ap-

propriate on a biennial basis, the Committee may wish to consider deferring this provision for an additional year. This could be done by the following amendment:

On page 3, line 15, strike out "1970" and insert "1971".

(6) We are advised that in some States, State revenues other than tax revenues are used for program purposes. An example is revenues from land rentals. The Committee may want to consider broadening the new matching provision to permit the use of any State revenues (other than revenues derived from the program). The following amendment would accomplish this purpose:

On page 3, line 16, strike "State tax revenues" and insert "State revenues (other than revenues derived from the program)".

On page 3, line 25, strike out "tax".

Section 3. *Administrative Expenses, Nutrition Education, and Direct Expenditures*. This section would—

(1) increase the amount authorized for administrative expenses by section 6 of the National School Lunch Act by 3½ percent of the amount appropriated to carry out section 13 of that Act and 3½ percent of the amount appropriated to carry out the Child Nutrition Act of 1966 (other than section 3 of the latter Act);

(2) make such amount available for the Secretary's administrative expenses under the Child Nutrition Act of 1966 (as well as those under the National School Lunch Act);

(3) authorize use of up to 1 per centum of the funds appropriated for the National School Lunch Act and the Child Nutrition Act of 1966 (other than section 3 of the latter Act) for nutritional training and education and studies of food service requirements in connection with those programs;

(4) reduce (to the extent funds were used under the authority of this section for administrative expenses for other than the National School Lunch Act or nutritional training or education or studies) the share of National School Lunch Act appropriations which may be used for direct expenditure by the Secretary for agricultural commodities and other foods;

(5) authorize distribution of such foods to schools participating in food service programs under the Child Nutrition Act of 1966 (as well as those participating in programs under the National School Lunch Act) and to service institutions participating in programs under section 13 of the National School Lunch Act.

Suggested amendments: There should either be a comma on page 4, line 24, before the word "less", or the word "less" should be changed to "and". Also the reference to section 10 in this section (although included in the existing law) appears to be incorrect technically and should be deleted. Section 10 does not provide for apportionment of funds but merely for withholding a part of the apportionment established under section 4 of the National School Lunch Act. In addition, the section refers to funds "appropriated directly or by transfer from other accounts." We understand that the objective is to make section 6 applicable to funds provided for the program without regard to whether the funds were appropriated for that purpose or were transferred from other accounts such as that for funds appropriated under section 32 of P.L. 320, 74th Cong. To accomplish this objective, the language "appropriated directly or by transfer from other accounts" should be changed to "provided by appropriation or transfer from other accounts."

Since the entire sentence is a complicated one containing several grants of authority, it might be well to simplify it by dividing it into its component parts as follows:

"The funds provided by appropriation or transfer from other accounts for any fiscal year for carrying out the provisions of this Act, and for carrying out the provisions of the Child Nutrition Act of 1966, other than section 3 thereof, less

(1) not to exceed 3½ per centum thereof which per centum is hereby made available to the Secretary for his administrative expenses under this Act and under the Child Nutrition Act of 1966.

(2) the amount apportioned by him pursuant to sections 4 and 5 of this Act and the amount appropriated pursuant to sections 11 and 13 of this Act and sections 4, 5, and 7 of the Child Nutrition Act, and

(3) not to exceed 1 per centum of the funds provided for carrying out the programs under this Act and the programs under the Child Nutrition Act of 1966, other than section 3, which per centum is hereby made available to the

Secretary to supplement the nutritional benefits of these programs through grants to States and other means for nutritional training and education for workers, cooperators, and participants in these programs and for necessary surveys and studies of requirements for food service programs in furtherance of the purposes expressed in section 2 of this Act and section 2 of the Child Nutrition Act of 1966, shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools and service institutions participating in the food service programs under this Act and under the Child Nutrition Act in accordance with the needs as determined by the local school and service institution authorities."

Section 4. *Trust Territory of the Pacific Islands.* This section purports to extend the National School Lunch Act and the Child Nutrition Act of 1966 to the Trust Territory of the Pacific Islands, but does not achieve that objective. The formula for apportionment of funds set out in section 4 of the National School Lunch Act involves use of a "participation rate" reflecting the number of lunches served during a prescribed prior year by schools participating "in the program under this Act in the State". Since the Trust Territory has not been covered by the Act in past years, its participation rate would be zero unless special provision is made therefor. Several other provisions of the School Lunch and Child Nutrition Act programs also tie to this participation rate.

The Trust Territory of the Pacific is now covered by section 13 of the National School Lunch Act, which provides for the special food service program for children in day care centers and similar institutions and therefore can receive funds for State administrative expenses under section 7 of the Child Nutrition Act of 1966.

If the intention is to extend all phases of the school lunch and Child Nutrition Act programs to the Trust Territory of the Pacific as has been done to other off-shore territories, it is suggested that special provisions be included to do so. This was done when the programs were extended to American Samoa.

It should be noted that the "Changes in Existing Law" in the House Committee report does not conform to the House bill, since it (1) shows Trust Territory insertions in section 4 and in the proviso in section 11 (b) of the National School Lunch Act contrary to section 4 (c) of the bill and (2) does not show such insertions in section 13 of the National School Lunch Act, contrary to section 4 (c) of the bill.

Suggested amendment: The following amendment, which incorporates amounts suggested informally by the Department of Agriculture, would accomplish the objective of this section:

Strike section 4 of the bill in its entirety, beginning with line 21 on page 5 through line 12 on page 6, and substitute the following:

Sec. 4. (a) Section 4 of the National School Lunch Act is amended by striking the parenthetical phrase, "(exclusive of American Samoa for periods ending before July 1, 1967)" and inserting in lieu thereof the phrase, "(exclusive of the Trust Territory of the Pacific Islands for periods ending before July 1, 1974)".

(b) Section 4 of the National School Lunch Act is further amended by striking clause (4) in the last sentence thereof, and inserting in lieu thereof the following: "(4) for the five fiscal years in the period beginning July 1, 1969, and ending June 30, 1974, the amount apportioned to the Trust Territory of the Pacific Islands shall be \$125,000 each year, which amount shall be first deducted from the funds available for apportionment in determining the amounts to be apportioned to the other States."

(c) The first sentence of section 11(b) and the first sentence of section 11(c) of the National School Lunch Act are each amended by striking the word "and" before the term "American Samoa" and by inserting the phrase, ", and the Trust Territory of the Pacific Islands" after the term "American Samoa".

(d) The second sentence of section 11(b) of the National School Lunch Act is amended by revising the proviso at the end thereof to read as follows: "Provided, That for the fiscal year ending June 30, 1970, \$25,000 shall be apportioned to the Trust Territory of the Pacific Islands, which amount shall be first deducted from the total amount available for apportionment under this subsection."

(e) Section 12(d) (1) of the National School Lunch Act is amended by striking the word "or" that precedes the term "American Samoa" and by adding at the end of the sentence the phrase, ", or the Trust Territory of the Pacific Islands".

(f) Section 12(d) (6) of the National School Lunch Act is amended by revising clause (ii) at the end thereof to read as follows: "(ii) the average annual per capita income for the Trust Territory of the Pacific Islands shall be disregarded

in determining the average annual per capita income for all the States for periods ending before July 1, 1974."

(g) Section 4(b) of the Child Nutrition Act of 1966 is amended (1) by striking the word "and" before the term "American Samoa" wherever it appears, and inserting the phrase, ", and the Trust Territory of the Pacific Islands" after the term "American Samoa" wherever it appears; and (2) by striking "\$45,000" and inserting "\$60,000".

(h) Section 5(b) of the Child Nutrition Act of 1966 is amended by striking the term "American Samoa" and inserting in lieu thereof the phrase, "the Trust Territory of the Pacific Islands".

(i) Section 15(a) of the Child Nutrition Act of 1966 is amended by striking the word "or" that precedes the term "American Samoa" and by adding at the end of the sentence the phrase, ", or the Trust Territory of the Pacific Islands".

Section 5. *Equipment Rental*. This section makes it clear that funds disbursed to a school under section 5(c) of the Child Nutrition Act for nonfood assistance may be used for equipment rental as well as equipment purchase.

Section 6. *State Administrative Expenses*.

Subsection (a) authorizes the Secretary to utilize funds appropriated under section 7 of the Child Nutrition Act of 1966 (1) for advances for administrative expenses of any other designated State agency (as well as for those of the State educational agency), and (2) in the case of either State agency, for its administrative expenses in supervising and giving technical assistance to service institutions (as well as to local school districts).

This would permit agencies engaged in the distribution of commodities to local schools or service institutions to get administrative expense assistance for that part of their function which is involved in supervising and giving technical assistance to the local school districts and service institutions. Under the present law, this can be done if the State Educational Agency is also the State distributing agency, but in some States, the State distributing agency to schools and service institutions is the State Department of Agriculture or other agency outside of the educational agency. There are differences among States based purely on organizational differences rather than on functions performed in relation to these programs. This subsection would correct the present inequitable treatment as among the States.

The addition of the phrase "and service institutions" in the first sentence of section 7, as described in (2) above, serves merely to clarify the present law.

Subsection (b) provides that the additional activities under sections 11 and 13 of the National School Lunch Act and sections 4 and 5 of the Child Nutrition Act of 1966 for which administrative expenses may be advanced shall include additional activities undertaken in the distribution of donated commodities. The House report does not explain the purpose of this provision. Section 13(c) (1) of the National School Lunch Act and section 4(c) of the Child Nutrition Act of 1966 provide for obtaining and distributing commodities. Section 7 of the Child Nutrition Act now authorizes advances for administrative expenses in supervising and giving technical assistance in the conduct of programs under those sections. Subsection (b) therefore does not appear to make any substantive change in the law.

Suggested amendment: Subsection (b) is ambiguous and constitutes surplusage which the Committee might wish to consider striking. If subsection (b) is retained, its form should be corrected to avoid insertion of a second period in the sentence being amended. This could be done by striking the first line on page 7 and the first word of the second line and substituting the following: "is further amended by striking the period at the end of the second sentence and inserting".

Section 7. *Regulations*.

Subsection (a) amends section 9 of the National School Lunch Act to authorize the Secretary to prescribe terms and conditions respecting the use of commodities donated under section 32 of the Act of August 24, 1935 and section 416 of the Agricultural Act of 1949 to maximize the nutritional and financial contributions of such commodities. The House report does not indicate the need for, or objective of, this provision and misdescribes the section being amended. The Secretary would already appear to have this authority under section 12 (b) of the National School Lunch Act with regard to school lunch programs under that Act. With regard to other schools receiving Federally donated commodities the authority may not be as clear. No requirements have been prescribed over the many years of commodity distribution, for example, with regard to the nutritional balance of meals served in schools utilizing donated commodities

other than in those schools which are also under the National School Lunch Program. The purpose of this section therefore appears to be to emphasize that the Secretary is authorized to prescribe such terms and conditions for food service in the non-National School Lunch schools which nevertheless are receiving Federal assistance in the form of commodities.

Suggested amendment: The language of the House bill refers only to schools. Under section 13 of the School Lunch Act, service institutions are also eligible for commodities. If the Committee sees fit to retain this subsection, it may wish to extend it to cover "service institutions". This could be done as follows:

On page 7, line 11 and 12, strike the words "in schools receiving such commodities" and substitute the following: "in such schools and institutions".

Subsection (b)—

(1) amends the Child Nutrition Act to provide specific authority for regulations under the National School Lunch Act,

(2) specifically provides that such regulations and regulations under the Child Nutrition Act may include provisions relating to the service of food in participating schools and service institutions in competition with programs under those Acts, and

(3) provides that regulations under those Acts may provide for—

(A) interchange of funds by any State between programs authorized under those two Acts, and

(B) reserve from the apportionments to the States of not to exceed 1 per centum of "available funds" for "special developmental projects".

Under the present School Lunch Act, regulations have been issued pursuant to the authority to enter into agreements with the States which incorporate such program requirements as are reasonably necessary to effect the purposes of the Act. The Child Nutrition Act provides direct authority for issuance of regulations. This section is intended to make it clear that in both instances the regulations may include restrictions or limitations on types of food service in participating schools and service institutions that may be in competition with the National School Lunch program or the School Breakfast program under the Child Nutrition Act. Such limitations might restrict the selling of candy, pop, or other food or beverage items which compete for the child's appetite and available lunch money during, for example, the lunch and breakfast periods.

The provision for interchange of funds provides for flexibility in the use of the Federal funds granted to the States as between the several programs authorized under these Acts, as for example: between the regular lunch program, the breakfast program, the non-school program, the nutrition training program, and the equipment assistance program. In order best to meet the nutritional needs of children, the amount of funds required in a State as between the several different programs may be difficult to pre-determine with precision. As a State gets food service programs established in its schools it will, for example, need less equipment assistance than a State which has many schools without food service. However, under the apportionment formulas, that State would still be provided with equipment assistance funds, when the real need may be for funds for serving additional lunches or breakfasts. Therefore, the bill would provide authority to the Secretary to develop and issue regulations that would permit funds apportioned to a State for one program (such as the school lunch program) to be used by it for an entirely different program (such as the non-school feeding program) on the basis of an approved State plan of operation. The specific State plan would presumably be designed as may be determined necessary to meet more adequately the nutritional needs of the children of that State.

The House report does not describe the "special developmental projects" for which up to 1 per cent of "available funds" could be authorized, and it does not appear what they are or whether they would necessarily be restricted to programs involving food, children, or other matters now provided for by the school lunch and child nutrition Acts. "Available funds" are not defined, but use of this term might indicate something different from the apportionments from which the 1 per cent is reserved.

Based on informal inquiry to the Department of Agriculture, it is understood that the developmental projects referred to contemplate pilot projects for improving the methods and facilities for providing food service to children. They might involve, for example, utilization of special fabricated food items; equipment, packaging, or delivery systems specially designed for school feeding; methods for providing greater choice in food selection or attaining increased participation; systems for accounting for free and reduced price lunches; or use of variable or

incentive meal pricing and reimbursement rates. The objective would be to try out new approaches to improving these programs on a limited basis before they are incorporated into nationwide regulations or into statewide requirements. Generally, it is contemplated that such projects would be in specific localities selected cooperatively by Federal and State school lunch staffs. The initiative for a project might come from local, State, or Federal levels. The financing might be confined to a percentage of the Federal funds available for reimbursement to that locality, or to one percent or less of the funds apportioned to that State, or might consist of a joint financing arrangement from funds apportioned to more than one State, particularly if the contemplated improvement needs to be tried in more than one locality. In all instances it is intended that projects would be consistent with the objectives of the school lunch and child nutrition Acts.

Suggested amendments: (1) On page 7, beginning in line 23 with the word "from", strike all through line 25 and insert "for special developmental projects of up to 1 per centum of the funds available for apportionment to any State."

This would make it clear that the amount which could be reserved for "special developmental projects" could be 1 per centum of the total amount available for apportionment to each or any State.

(2) On page 7, line 20, strike the word "interchange" and insert the word "transfer".

This would make it clear that funds may be transferred from one program to another without any transfer back to the original program.

Section 8, *Coordinated Effort In Nutrition and Program Evaluation*. This section requires the Secretaries of Agriculture and Health, Education and Welfare to cooperate in a coordinated effort (1) to develop curricula, training programs, and materials for the "improvement" of nutrition training for professional and "para-professional" persons engaged in school service and for nutrition training for students; and (2) to evaluate the effectiveness of food programs under various Acts administered by them in meeting the nutritional and health needs of school children (including children in preschool programs).

While the language of this provision with respect to professional and "para-professional" workers is somewhat different from that with respect to "workers, cooperators, and participants" in section 3 of the bill, we would assume that the materials developed under section 8 of the bill could be used in the nutrition education of workers, cooperators, and participants under section 3, and also to students and school food service workers not participating in other programs under the school lunch and child nutrition Act.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., September 8, 1969.

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

DEAR MR. CHAIRMAN: Your letter of March 25, 1969, requested a report on H.R. 515 to amend the National School Lunch and Child Nutrition Acts in a number of respects.

The Department generally favors improvements in the child nutrition programs such as those incorporated in H.R. 515.

1. The first section of the bill clarifies responsibilities relating to providing free and reduced price meals and strengthens the prohibitions against identifying these children in any way. Although the basic child food service legislation—the National School Lunch Act—specifies that local school authorities shall determine those eligible for free and reduced price meals and prohibits any discrimination against any child because of his inability to pay, it has been found that procedures for determining eligibility vary widely as do the procedures followed, not always successfully, to avoid overt identification of these children to their classmates.

Local school authorities will still make the determination as to eligibility, but on the basis of a publicly announced plan and policy applied equitably in line with criteria that shall include as a minimum (1) family income, (2) family size, and (3) the number of children in the family attending school.

The bill expressly prohibits overt identification of children receiving free or reduced price meals and prohibits the use of special tokens or tickets or the announcement or publication of the names of these children.

2. Section 2 provides an improved basis for cooperative Federal-State-local financing of the regular school lunch program. The changes provide that State tax funds must be used to meet a portion of the present matching requirements under the basic school lunch apportionment formula. In the past, States have been able to meet the matching requirement almost entirely from children's payments. The change proposed would gradually increase, on a biennium basis, the level of State tax funds required and would reach the equivalent of 30 cents for each Federal dollar in fiscal year 1977. This level of matching would be adjusted downward for States with per capita incomes below the national average.

Section 2 also proposes that the State matching funds shall be expended, to the extent the State deems practicable, proportionate to the State's allocation of funds for programs authorized under several sections of the National School Lunch and Child Nutrition Acts.

Section 2 provides as well that appropriations for the child food service programs may be made a year in advance and that the data upon which State apportionments are calculated shall be the last completed program year prior to the request for Federal appropriations. Both of these proposals are needed to provide adequate time for State planning and for determining apportionments and the State matching requirements.

3. Section 3 represents an important step forward in a vital area by providing for the use of up to one percent of appropriations for food service, other than the special milk program, in grants to States and through other means, for nutritional training and education of workers, cooperators and participants in child food service programs.

This section also clarifies authority for a merged account for Federal operating expenses under child food service programs and provides authority to donate commodities acquired under Section 6 of the National School Lunch Act to participants in the special food service program under Section 13 of that Act.

4. Section 4 extends school food service participation to the Trust Territory of the Pacific Islands for the first time. This will be consistent with the new authority granted in P.L. 90-302 to assist food service operations in the Trust Territories for children in pre-school and summer recreation programs.

5. Section 5 broadens the present authority to assist low-income area schools in the acquisition of food service equipment by making it clear that such acquisition may be either through rental or purchase.

6. Section 6 is a technical and clarifying amendment with reference to assistance to State agencies for administrative expenses where more than one State agency is providing direct services to child food service programs.

7. Section 7 provides a legislative base for strengthening regulations related to the donation of price support and Section 32 foods to schools that do not participate in the National School Lunch Program. The provisions of Section 7 would enable the Secretary to require of these schools adherence to the same policies with respect to free meals and nutrition standards as is now required of schools in the lunch program. Section 7 also authorizes the issuance of regulations relating to the operation of separate food services in a school that are in direct competition with the nonprofit programs assisted under the National School Lunch and Child Nutrition Acts.

Also, section 7 authorizes the Secretary to provide for the interchange of funds by State agencies between various child food service programs on the basis of an approved plan. We believe that this is a desirable feature which will permit State agencies to make effective division of funds among various child feeding programs as necessary to meet the greatest nutritional needs of children.

Finally, section 7 authorizes the reservation of up to one percent of the funds apportioned to any State for use in special developmental or experimental projects. This type of authority and funding will permit the testing of new approaches to improve child food service programs.

8. Section 8(a) calls for a coordinated effort by the Secretary of Agriculture and the Secretary of Health, Education and Welfare in the development of curricula, training programs, and materials to be offered to educational institutions to strengthen their programs in training and education in nutrition for professional as well as paraprofessional workers. These materials would also be offered to State and local school systems for their use in teaching nutrition to students.

Section 8(a) also provides for a coordinated program to measure the adequacy and effectiveness of food programs conducted under the various authorities administered by the Department of Agriculture and the Department of Health, Education and Welfare.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

J. PHIL CAMPBELL,
Under Secretary.

[H.R. 11651, 91st Cong., first sess.]

AN ACT To amend the National School Lunch Act, as amended, to provide funds and authorities to the Department of Agriculture for the purpose of providing free or reduced-price meals to needy children not now being reached

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National School Lunch Act (42 U.S.C. 1752) is amended by adding at the end of the Act the following new section:

"TEMPORARY EMERGENCY ASSISTANCE TO PROVIDE NUTRITIOUS MEALS TO NEEDY CHILDREN IN SCHOOL AND IN OTHER GROUP ACTIVITIES OUTSIDE OF SCHOOL

"SEC. 14. (a) Notwithstanding any other provision of law, the Secretary of Agriculture is authorized to use during the fiscal year 1970, not to exceed \$100,000,000 per annum in funds from section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to formulate and carry out a program to improve the nutrition of needy children in group situations away from home, excluding situations where children are maintained in residence.

"(b) (1) Of the funds to be used for the purposes of this section for any fiscal year, the Secretary shall reserve 3 per centum for apportionment to Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands. Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall each be paid an amount which bears the same ratio to the total of such reserved funds as the number of children aged three to seventeen, inclusive, in each bears to the total number of children of such ages in all of them. For the purposes of this section "State" includes the Trust Territory of the Pacific Islands.

"(2) From the remainder of the funds to be used for this section for any fiscal year, the Secretary shall pay to each State, other than those listed in paragraph (1) of this subsection, an amount which bears the same ratio to such remaining funds as (1) the number of children in that State aged three to seventeen, inclusive, in families with incomes of less than \$3,000 per annum, and (2) the number of children in that State aged three to seventeen, inclusive, in families receiving an annual income in excess of \$3,000 per annum from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, bears to the total number of such children in all the States. For the purposes of this section, the Secretary shall determine the number of children aged three to seventeen, inclusive, of families having an annual income of less than \$3,000 on the basis of the most recent data available from the Department of Commerce. At any time such data for a State are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary shall determine from data which shall be supplied by the Secretary of Health, Education, and Welfare the number of children of such ages from families receiving an annual income in excess of \$3,000 per annum from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, on the basis of the latest calendar or fiscal year data, whichever is later.

"(c) State educational agencies, or the Secretary as provided for under sections 10 and 13(d) of this Act, shall use the funds authorized in this section to provide meals to children whose parents or guardians do not have the financial ability to provide for the adequate nutrition of the children and to children determined by local officials as in need of improved nutrition. Such funds may be used to finance such children's participation in a nonprofit food service program under this Act or the Child Nutrition Act of 1966; to assist in financing

the purchase or rental of equipment needed to operate such programs; and not to exceed an amount equal to 2 per centum of the total funds to be used for the purposes of this section in any fiscal year may be used in such fiscal year to defray part of the administrative costs of the Department of Agriculture and of the States in carrying out this section.

"(d) The authority contained in this section is intended to supplement the authority and funds available for use under other sections of this Act and the Child Nutrition Act, except that not to exceed 5 per centum of the funds available to any State under this section may be used for the purposes of section 13 of this Act.

"(e) The Secretary of Agriculture is authorized to issue regulations for the operation of the program under this section.

"(f) The withholding of funds for and disbursement to nonprofit private schools will be effected in accordance with section 10 of this Act, exclusive of the matching provisions thereof.

"(g) The withholding of funds and disbursement to service institutions will be effected in accordance with section 13(d) of this Act."

Passed the House of Representatives July 21, 1969.

Attest:

W. PAT JENNINGS,
Clerk.

SENATE COMMITTEE ON AGRICULTURE AND FORESTRY

STAFF EXPLANATION OF H.R. 11651 (SUBCOMMITTEE NO. 3)—SHORT EXPLANATION

This bill is applicable to fiscal 1970 only. It authorizes the Secretary of Agriculture to use up \$100 million of section 32 funds to improve the nutrition of needy children in nonresidential group situations.

SUBSECTION BY SUBSECTION EXPLANATION

This bill adds a new section 14 to the National School Lunch Act.

Subsection (a) authorizes the Secretary in fiscal 1970 to use up to \$100 million of section 32 funds (7 U.S.C. 612c) to formulate and carry out a program to improve the nutrition of needy children in group situations away from home, excluding situations where children are maintained in residence.

Subsection (b) provides that—

(1) 3 percent of the funds to be used are to be apportioned to Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands on the basis of the number of children aged 3 through 17 in each of those areas; and

(2) the balance shall be apportioned to the remaining States on the basis of the number of children aged 3 through 17 in (a) families with annual incomes of less than \$3,000, and (b) families with annual incomes in excess of \$3,000 from aid for dependent children under title IV of the Social Security Act.

The number of children in families with income of less than \$3,000 is to be determined on the basis of the most recent data available from the Department of Commerce. This is the 1960 census data, based on 1959 incomes. The number of families receiving aid for dependent children assistance of more than \$3,000 per year is to be determined on the basis of the latest calendar or fiscal year data, whichever is later. There is therefore a lag of a number of years between the times these two types of data are collected. Dependent children included in the 1960 data may be the parents of dependent children in the later aid for dependent children data. However, we understand that very few States pay more than \$3,000 per annum to any one family for aid for dependent children.

The apportionment formula described in clause (2) above appears to be derived from that contained in section 103(a)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241c (a) (2)). However, by virtue of section 108(2)(A) of that Act (20 U.S.C. 241h (2) (A)) the effective low-income factor under that Act has been \$2,000, rather than the \$3,000 provided by the bill. The age of the children covered by that formula also differs from the bill, being 5 to 17.

Suggested Amendments to Subsection (b):

(1) On page 3, line 6, strike "all the States" and insert "all such States". This would limit the apportionment formula in paragraph (2) to the States that are to share in that apportionment (those other than Guam, etc.). Use of data for all the States in determining the shares of some of the States, as pro-

vided by the bill, would result in apportionment of less than the full amount to be apportioned.

(2) On page 2, line 25, strike "less" and insert "not more". The bill follows the language of section 103(a)(2)(A) of the Elementary and Secondary Education Act of 1965. However, we understand that the only statistics available are those for families with incomes of "not more" than \$3,000. This amendment would therefore correctly provide for use of the statistics that are available.

(3) Consideration should be given to striking out, as surplusage, the sentence which begins on page 3, line 10, which provides for use of Department of Commerce data for a State when available. The preceding sentence requires use of such data, and the repetition of this requirement is confusing. Section 103(d) of the Elementary and Secondary Education Act of 1965 contains a similar sentence with respect to county data, and we are advised that the purpose was to provide for use of data compiled by the Department of Commerce at the request and expense of someone other than the Federal government.

(4) Consideration should be given to striking out of line 20 on page 3 "latest calendar year or fiscal year data, whichever is later" and inserting "caseload data for the month of January of the preceding fiscal year". Section 103(d) of the Elementary and Secondary Education Act of 1965 was amended in this manner by section 105 of P.L. 90-247.

The Senate Committee report explained the reason for this change as follows (Senate Rept. 726, 90th Cong., page 12):

"The committee has provided that 'caseload data for the month of January of the preceding fiscal year' be acceptable from all States for the calculation of title I entitlements. The committee has fixed this date because—

"(1) It is the latest date upon which it is administratively feasible to calculate entitlement; and

"(2) As the law concerning the determination of the number of children on AFDC . . . currently reads, States may calculate the number on the basis of the latest calendar or fiscal year data. A fixed date will eliminate the uncertainty and avoid the question of which date is to be used for the purposes of the title I entitlements."

Subsection (c) requires the funds to be used—

(1) to provide meals to children whose guardians do not have the financial ability to provide for their adequate nutrition;

(2) to provide meals to children determined by local officials as in need of improved nutrition;

(3) to finance participation by such children in a nonprofit food service program under the school lunch or child nutrition Acts;

(4) to assist in financing the purchase or rental of equipment needed to operate such programs; and

(5) to the extent of not more than 2 percent of such funds, to defray administrative costs of the Department of Agriculture and the States in carrying out this section.

This subsection, together with subsections (a) and (d), set out the purposes for which the funds are to be used, and the three subsections should be read together. Thus, the funds probably could not be used for equipment purchase or rental, as provided by this subsection, unless that would advance a program for needy children as provided by subsection (a). The exact limits of the program authority, however, become less important, if H.R. 515 or S. 2548 is passed, each of which provides for transfer of funds from one program to another and for special development projects.

Subsection (d) provides that the authority contained in this section is intended to supplement the authority and funds available under other sections of the school lunch and child nutrition Acts, except that not to exceed 5 percent of the funds available to any State under this section may be used for the purposes of section 13 of the school lunch Act (the special food service program for children in day-care and other institutions).

Suggested Amendments: (1) The need for or significance of this subsection is not clear. The 5 percent provision appears to be a limitation upon the amount of funds which could be spent on section 13 purposes in carrying out the program authorized by subsection (a), rather than an authorization to spend funds for a purpose not authorized by subsection (a). The 5 percent provision is written as an exception to the provision that the authority in this section is intended to supplement the funds available under other provisions of the school lunch and child nutrition Acts, indicating that an unlimited portion of the funds available under this section would be available to carry out other sections of the school

lunch and child nutrition Acts where such action would be consistent with subsection (a). This section would serve no purpose if H.R. 515 or S. 2548 providing for transfer of funds between programs should pass.

This subsection ought to be clarified or stricken.

(2) On page 4, line 14, "Child Nutrition Act" should be "Child Nutrition Act of 1966".

Subsection (e) authorizes the issuance of regulations for the operation of programs under this section.

Subsections (f) and (g) should be considered together.

Subsection (f) provides that the withholding of funds for and disbursement to nonprofit private schools will be effected in accordance with section 10 of the National School Lunch Act, exclusive of the matching provisions thereof. Section 10 provides as follows:

"Sec. 10. If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to nonprofit private schools in the State, or is not permitted by law to match Federal funds made available for use by such nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State under sections 4 and 5 of this Act an amount which bears the same ratio to such funds as the number of lunches consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the preceding fiscal year by all nonprofit private schools participating in the program under this Act within the State, as determined by the Secretary, bears to the participation rate for the State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within said State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursement to schools within the State by the educational agency . . ."

Subsection (g) provides that the withholding and disbursement to service institutions will be effected in accordance with section 13(d) of the school lunch Act.

Section 13(d) provides as follows:

"(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 service institution in the State, the Secretary shall withhold all funds apportioned under this section and shall disburse the funds so withheld directly to service institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section."

Suggested amendments: These subsections raise a number of questions which should be settled by amendment or legislative history. For instance,

(1) Section 10 provides for partial withholding while section 13(d) provides for complete withholding. Which rule would apply under the bill?

(2) Sections 10 and 13(d) are applicable only in certain States. By their terms subsections (f) and (g) are applicable to all nonprofit private schools and all service institutions. They, undoubtedly, are intended to be applicable only in certain cases, but what are those cases? We take it that inability to match would not be a factor as provided in section 10. We would also assume that inability to disburse section 13 funds to a service institution would not be a factor.

(3) If we assume that section 10 is to apply to the portion going to schools, and section 13(d) is to apply to the portion going to service institutions, who determines what portion goes to schools, what portion goes to service institutions, and what portion will be used in some other manner?

(4) If withholding is made under section 10, is it to be based on participation in the school lunch program as provided by section 10? If so, how does it apply to the Trust Territory, which does not participate in that program?

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., September 29, 1969.

HON. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture, and Forestry,
U.S. Senate.

DEAR MR. CHAIRMAN: Your letter of July 23, 1969, requested a report on H.R. 11651, a bill to amend the National School Lunch Act, as amended, to

provide funds and authorities to the Department of Agriculture for the purpose of providing free and reduced price meals to needy children not being reached.

This Department is in agreement with the objectives of H.R. 11651. The level of funding proposed in the revised budget for 1970 which has been approved by both Houses of Congress, will fulfill the intent of H.R. 11651 by providing free or reduced price meals for the estimated 6.6 million needy children who require this level of assistance during the 1969-70 school year.

The total budget request for child feeding for fiscal 1970 is \$638 million. This includes \$133.8 million for cash grants to States for free and reduced price lunches for needy children, for school breakfasts and for assistance in providing equipment to initiate or expand food service in low-income area schools and for State administrative expenses. And \$10,750,000 (of which \$750,000 would be for State administration) would be available to assist in providing food service to children in nonprofit day-care centers, settlement houses and summer recreational projects.

In addition to the funds directed specifically to low-income area schools and needy children, \$168 million is proposed for cash grants under the regular school lunch program and \$301.6 million in donated foods for child feeding programs.

The budget request also included \$20 million to continue the special milk program on a limited basis and to shift the bulk of these resources to providing complete meals to children that include milk. The House has passed an appropriation bill that includes \$120 million for the milk program this fiscal year and the Senate has passed an appropriation bill that includes \$104 million. Until this difference and others are resolved in conference, the Department of Agriculture is temporarily operating its programs under a joint resolution of the Congress. Under the terms of the resolution, the special milk program will be continued at last year's rate.

Given these circumstances, the Department recommends that the bill not be passed.

There was not sufficient time prior to the hearing of this bill to obtain the advice of the Bureau of the Budget.

Sincerely,

J. PHIL CAMPBELL, *Under Secretary.*

The CHAIRMAN. Now, we have quite a few witnesses present to testify. The first witness is one of the authors of the bill, Senator Talmadge.

You may proceed.

STATEMENT OF HON. HERMAN E. TALMADGE, A U.S. SENATOR FROM THE STATE OF GEORGIA

Senator TALMADGE. Thank you very much, Mr. Chairman. I want to thank you, sir, for the expeditious manner in which you have set these bills down for hearings.

I am delighted to appear on behalf of S. 2548, my bill to amend the National School Lunch Act and the Child Nutrition Act of 1966. I think I may be permitted to express a measure of pride in this legislation for it has broad support from the leading experts in child nutrition and the school lunch program throughout the United States. Some eight Senators have requested permission to cosponsor the bill. I have not solicited cosponsors. I never do, because I think that is not good senatorial practice.

I am especially gratified to see that Senator McGovern has seen fit to join as a cosponsor of this bill. As all of us know, Senator McGovern has been a prime mover in focusing national attention upon the disgrace of hunger and malnutrition in America. Already the Agricultural Committee and the full Senate have taken positive action to eliminate hunger and malnutrition in America. However, I feel that special attention must be focused on the problems of hungry children.

Regardless of improvements in our food stamp program, I feel that it will always be necessary to give special attention to the problems of growing children. In spite of the fact that the bill which passed the Senate will provide for a tremendous liberalization of the food stamp program, I feel that there are many families who would never participate.

Furthermore, we must not ignore the fact that there will always be a small minority of parents who are either unwilling or unable to prepare adequate food for their children even where such food is available.

A more immediate consideration, however, is the fact that under the present system the food stamp program and the commodity distribution program are not adequate to provide minimal nutritional requirements for low-income families. Of course, a food stamp reform bill has been passed by the Senate. However, I believe that an objective appraisal of the situation will convince most observers that chances of this legislation being passed in the House of Representatives are not particularly bright.

On the other hand, I am highly optimistic about the chance of moving forward with amendments to the school lunch programs during the current session of Congress.

One of the bills on which we are holding hearings is H.R. 515, which has already been passed by the House of Representatives under the able leadership of Congressman Perkins. H.R. 515 is an excellent bill. However, upon my examination of this bill, I found that additional improvements were needed. Therefore, I incorporated the best provisions of H.R. 515 in my own bill.

It is my understanding that Congressman Perkins favors S. 2548 and intends to introduce the same bill in the House except for a change in the matching requirements. Since the House has already taken positive action during this session of Congress, I believe that the chances of passing a school lunch bill during the current session are excellent if we can move expeditiously in the Committee on Agriculture to get a bill reported.

It is appropriate that the Senate Committee on Agriculture exert a positive leadership role in providing adequate nutrition for the Nation's schoolchildren, for the committee already has an excellent record in this regard.

As you all know, the national school lunch program was fathered by our chairman, Senator Ellender, and by Senator Russell back in 1946.

For over 20 years the school lunch program has been a boon for millions of hungry schoolchildren. It has encouraged the establishment of school lunch programs in many States and school districts which would not otherwise have had such a program. The subsidy provided under this program has in a vast number of cases made the difference between a good school lunch program and no school lunch program.

I am proud of the way that my own State of Georgia has utilized funds available through the national school lunch program. As a result of aggressive, effective State and local and congressional leadership, Georgia has one of the highest rates of participation in the school lunch program of any State in the Nation. Unfortunately, the picture

is not as rosy as in many of the other States. Some States do not participate in the school lunch program at all. Many States provide no money out of general revenues for school lunches.

There is one problem which seems to be common to every State which does participate in the national school lunch program. In the program of every State, there seems to be a shortage of money to provide free and reduced-price lunches for those children who are too poor to afford the price of a lunch. I believe that recent revelations of hunger and malnutrition in this country have come as a shock to many Americans.

As we become more familiar with the statistics of hunger and human needs, we find that there are startling inadequacies in our present programs to alleviate hunger. Many of these inadequacies were demonstrated to me as I toured the school lunch programs in Georgia last April. I have detected further inadequacies from reading reports and talking to experts in the school lunch program around the Nation.

The cold statistics show us that the job of feeding hungry children is not being accomplished under the status quo. According to an elementary and secondary act statistical study there are six million school-aged children in this country who belong to families in the lowest poverty level—families earning less than \$2,000 a year and/or receiving aid to families with dependent children, but fewer than two million children receive free or reduced-price lunches under the national school lunch program.

Another revealing study shows that of 50 million schoolchildren, fewer than two million, just under 4 percent, are able to get a free or reduced-price school lunch.

My study of the school lunch program has shown me that the major obstacle to providing adequate nutrition for the needy children of the country is inadequate funding. However, there are many administrative problems that need to be changed before we can hope to do an adequate job of providing free and reduced-price lunches to the hungry children of the land.

Section 11(a) of the National School Lunch Act authorizes unlimited appropriations to provide special assistance to schools drawing attendance from poor areas in order to help them meet their obligation to free or reduced-cost lunches to needy children.

Under this section there is no limitation on the amount of money to be appropriated. However, past appropriations for this section have fallen far below the amount needed. Appropriations were \$2 million in fiscal year 1967, \$5 million for fiscal 1968, and \$10 million for fiscal 1969. Prospects for 1970 are better, for both Houses have approved \$44.8 million in the appropriation bill now pending in conference.

I want to commend our distinguished colleague on this committee, Senator Holland, who is Chairman of the Appropriations Subcommittee, for the manner in which he has handled that. However, this figure still falls far short of the amount needed.

In order to suggest a higher figure, I have set a figure of a \$200 million authorization in fiscal year 1970, \$250 million in fiscal 1971, and \$300 million in fiscal year 1972.

In many sections of the country, additional funding for special assistance schools would be of little avail. In many school districts there are no facilities for the preparation of hot lunches. In order to

overcome this unfortunate shortcoming, section 2 of my bill provides for increased nonfood assistance apportioned on the basis of needs. The bill provides for \$38 million for the purchase of food service equipment in fiscal year 1970, with a gradual decrease in funding as the need is met. I provide for \$33 million in fiscal 1971, for \$15 million in fiscal 1972, and for \$10 million every year thereafter.

Although I believe that the Federal Government should assume a greater role in providing funding for school lunches for needy children, I believe that the States should meet their responsibilities in this area also.

As I previously pointed out, many States do not participate in the program at all. Many other States pay no part of the matching requirement out of general revenue. Under the present system, the States match \$1 of Federal money with \$3 of State money. However, there is no requirement that any part of the State money be obtained from State revenue sources. The \$3 matching requirement may be met solely from revenue obtained from child and adult payments for school lunches.

Section 4 of my bill provides a new matching formula of \$1 of State money for every dollar of Federal money. However, the States would be required to meet a percentage of their matching funds from State revenue sources. Initially the States would be required to provide 10 percent of the matching requirement from State sources and eventually this matching requirement would be raised to 50 percent.

Next in importance to providing additional funding for the school lunch program is the need to assure that these funds are properly channeled. Under the present law, a needy child can receive the benefit of special assistance funds for a free- or reduced-price lunch only if he attends a school designated as a special assistance school under section 11 of the School Lunch Act. In today's educational structure we find increasing numbers of poor children attending schools where the student body as a whole is quite affluent. To insure that these needy children are provided with free- and reduced-price lunches, section 7 of my bill provides that special assistance funds follow the child. Under this plan special funds would be available to needy children regardless of the school they attend.

If we are to provide free lunches for the children who really need them, we must take every possible precaution to see that there is no embarrassment or shame connected with receiving the free lunch. It is an unfortunate fact that insensitive administration of the school lunch program by some local school officials has blocked the utilization of the program by many children who really need it.

Section 6 of my bill would insure that there would be no overt identification of the children who receive free- or reduced-price lunches.

Section 6 of the bill also provides two other badly needed improvements. It imposes a maximum price of 20 cents on reduced- cost school lunches. If a child is in fact needy, he should not be required to pay more than 20 cents for this reduced-price lunch.

The other provision of section 6 authorizes the Secretary of Agriculture to prescribe terms and conditions for food service in the non-national school lunch schools which are receiving Federal assistance in the form of commodities. Over the years no requirements have been

prescribed with regard to the nutritional balance of meals served in these schools.

My conversations with school lunch directors, and especially with the very excellent school lunch director of Georgia, Miss Josephine Martin, have made me aware of a number of problems that State directors and local school administrators face in participating in the school lunch program.

For example, under the present law it is very difficult for school officials to know how to plan for the oncoming school year. Section 1 of my bill would authorize the appropriation of funds a year in advance of the beginning of the fiscal year in which the funds would become available for disbursements to States. A precedent for this is the Vocational Educational Act Amendments of 1968, which granted advanced funding authority to all programs administered by the Office of Education.

In order to insure that all available funds are utilized, I provide that the appropriations shall remain available until expended. This carryover is necessary because a lack of adequate facilities and personnel might make it impossible for some States and districts to utilize the money available to them.

In some needy schools there is not even enough money available to provide the cost of preparing and serving the food. For the few schools which fall in that category, section 7 of my bill provides for additional Federal assistance in the payment of operating expenses. It would allow the U.S. Department of Agriculture to pay up to 80 percent of the operating cost of the feeding program, including the cost of obtaining, preparing, and serving food.

If our States are to do a proper job of administering increased special assistance funds and of insuring that these funds are utilized to the maximum potential, they will incur a greater administrative cost. Therefore, section 3 of my bill provides for an increase in the amount authorized for administrative expenses by section 6 of the National School Lunch Act.

Also, section 5 of my bill authorizes the Secretary of Agriculture to utilize funds appropriated under section 7 of the Child Nutrition Act of 1966 to assist in defraying their administrative expenses in supervising and giving technical assistance to service institutions and local school districts.

My examination of the school lunch program has convinced me that there should be a greater flexibility in the use of Federal funds granted to States as between the several programs authorized under our Child Feeding Acts.

For example, there should be an easier interchange between the regular lunch program, the breakfast program, the nonschool feeding program, the nutrition training program, and the equipment assistance program. It is difficult to determine the amount of funds needed in the State as between the several different programs. Section 8 of my bill authorizes the Secretary to allow an interchange of funds.

Section 8 also provides for the funding of special developmental projects. This provision contemplates pilot projects for improving the methods and facilities for providing food service for children. It might involve the utilization of special fabricated food items, equipment, packaging or delivery systems specially designed for school feeding.

Also, these projects might be used to take advantage of food catering services on an experimental basis where school districts are unable to provide hot lunches under their own management.

Section 9 of my bill provides three badly needed innovations. Clearly we need more knowledge about how to overcome the problem of hunger and malnutrition in our growing children, and we need a better means of disseminating this knowledge. Therefore, my bill provides for Federal grants to State educational agencies for research surveys, demonstrations, and dissemination of information in the field of school food service.

There is a grave need for more trained individuals to administer school lunchrooms on the local level. The bill provides Federal grants to State educational agencies to pay up to half the expenses incurred by local school districts in employing a limited number of personnel especially trained in matters related to the diet of children.

In order to coordinate all child nutrition activities on the national level, my bill establishes a National Advisory Council on Child Nutrition. This Council would make a continuing study of programs under which meals are served to children and report annually to the President and Congress, with recommendations for improvements.

Mr. Chairman, in the interest of time, I have given only a brief summary of the provisions of my bill. The bill contains other features that I do not think it necessary to discuss at this time. The committee staff has done a good job of providing a section-by-section analysis of the bill, and I believe all the members of the committee have this analysis before them.

I believe that my bill makes the changes that need to be made in our school lunch program. Of course, I am sure my bill is not perfect and it may stand improvement in certain points. I would certainly be amenable to any suggestions as to how it can be improved. However, I do hope that this committee can take expeditious action to report a school lunch bill to the floor in the very near future.

I do not think I need belabor the point that there is a need to do more to provide adequate nutrition for our growing children. I believe that as a very minimum we must insure that no school child need go without a meal because he cannot afford it. In the school lunch programs already in operation, we have a good vehicle for providing adequate nutrition. My bill provides the necessary changes to make this vehicle function with maximum efficiency.

As we learn more about the symptoms of malnutrition, it becomes apparent that a child may suffer a serious impairment in his learning capacity if he goes to school hungry. Moreover, school administrators in economically deprived schools have found that there is a marked improvement in school attendance when children can look forward to the prospect of a good meal at school.

While I am not one to discount the importance of seeing that all hungry people are given a chance for adequate diets, I believe that we must concentrate special effort on our Nation's children. If we are ever to break the poverty cycle, we must give every encouragement for underprivileged children to go to school and learn properly.

In my judgment, the only way we can ever break the poverty cycle is to get our children into school young and keep them in school, educate them and give them sufficient training to the point where they can get useful employment.

The very least that we as an affluent nation can do is to see that these children are well fed. I believe that my bill provides an adequate program to insure that our Nation fulfills this responsibility.

The CHAIRMAN. Thank you very much, Senator Talmadge.

By the way, I am pleased to report that our new member Senator Bellmon from Oklahoma, is present.

We are glad to have you, Senator.

Senator BELLMON. Thank you.

The CHAIRMAN. Any questions?

Senator HOLLAND. I have two questions, Mr. Chairman.

First, however, I would like to ask that there be incorporated into the record in support of this bill a statement by Mr. Robert W. Rutledge, executive vice president of the Florida Citrus Mutual.

The CHAIRMAN. Without objection, the statement will be put into the record at this point.

(The statement follows:)

STATEMENT OF ROBERT W. RUTLEDGE, EXECUTIVE VICE PRESIDENT, FLORIDA CITRUS MUTUAL, LAKELAND, FLA.

This statement was prepared by Robert W. Rutledge, Executive Vice President, Florida Citrus Mutual, Lakeland, Florida in connection with the hearings of Agriculture and Forestry Committee of the Senate on Senate Bill 2548.

Florida Citrus Mutual, organized in 1948, is authorized (among many other things) "to provide means of representation to its members and other patrons in securing appropriate state and federal legislation affecting the Florida Citrus Fruit Industry". Currently it has a membership of more than 15,500 grower members who produce about 90% of all the citrus fruit grown in Florida.

This statement is presented by direction of the Board of Directors of Florida Citrus Mutual who have unanimously endorsed the provisions of S. 2548.

The Florida Citrus Industry has been interested, through the years, in enlarging the food service programs provided for children under the National School Lunch Act and, more recently, under the Child Nutrition Act of 1966. This industry has had the privilege and opportunity to supply grapefruit sections and orange juice for use in the National School Lunch Program on occasion in the past. These products have been extremely well received and have served to support these health and nutrition programs.

As an illustration of the interest of our industry in the National School Lunch Child Feeding Programs, a self-imposed tax in the sum of \$10 million has been provided by our orange producers currently. This money is designed to explore and develop ways and means to market orange juice through the National School Lunch Program on a continuing and regular basis in cooperation with the Federal Government to the end that more of our nation's school children can have highly nutritious orange juice daily and learn good basic dietary habits.

Due to lack of Governmental funding, it has not been possible for the Florida Citrus Industry to supply orange juice to the National School Lunch Programs on a continuing basis. It is apparent that Senate Bill 2548 can make it possible not only to extend the food service programs provided under the National School Lunch Act, but more importantly, to give new direction to those programs making it possible for school children in the less affluent sections of our society to have the advantage of an enlarged and improved program of bringing needed nutritious foods to every child who needs this far-reaching service. We submit, then, that the passage by the Congress of S. 2548 is necessary to allow children the special benefits of orange juice with its important health and nutritional values (primarily Vitamin C) of pure orange juice.

The Florida Citrus Industry produces about 90%-95% of the nation's supply of orange juice. This product is processed under quality control and sanitation standards that are the envy of allied industries. The health and nutrition values of orange juice are fully documented. Not only does this product supply natural Vitamin C that is so important in the diet of school children, especially, but it also contains substantial amounts of many other nutrient factors. It

has become a must in the daily diets of many people. Its importance in the diet is attested almost universally by medical experts.

In the last several years, acreage in Florida devoted to the production of oranges has expanded rapidly—to the extent that the industry is now able to supply orange juice at a cost that is substantially less than 1c per ounce for this pure nutritious product. Thus, the cost is even less than many of the beverages, cold drinks, or even synthetic products available on the commercial market.

Prices have become well stabilized at attractive levels.

The Florida Citrus Industry, through its self-help programs, has marketed orange juice in the school lunchroom system in the past on a limited basis, being able to serve only those schools which have special resources. Through these efforts, certain school entities have used these products on a continuing basis and have found them to be of tremendous value in the school feeding systems. Our industry has moved rapidly in exploiting to the fullest possible extent the modern commercial market for our product. We now have an abundance of product and we submit that the enactment by the Congress of the United States of S. 2548 could permit our industry to take a giant step forward in assisting in the fight against hunger and malnutrition throughout the nation.

The CHAIRMAN. I also wish to present the statement of Senator Metcalf for the record.

(The statement follows:)

STATEMENT OF HON. LEE METCALF, A U.S. SENATOR FROM THE STATE OF MONTANA

I would like to thank you Mr. Chairman, for allowing me the opportunity to present my views on S. 2548, of which I am a cosponsor. This bill, would amend the National School Lunch Act and the Child Nutrition Act of 1966 to strengthen and improve the food programs provided for children under these Acts.

Since its creation in 1946, no one has argued with the merits of the National School Lunch Program and the concept of Federal food assistance arrangements for school-aged children. Nor will anyone, I am sure, argue with the concept that time merits changes. As we move forward in time, problems of the day undergo a metamorphosis, and warrant re-examination and revision. S. 2548 is a response to the problem of hunger and malnutrition among the school-aged children of today.

During this decade, Americans have been increasingly aware of the fact that hunger and malnutrition exist in the United States. Accompanying this awareness, is their demand that steps be taken to eliminate this horrifying reality, one for which there is no excuse.

S. 2548 goes a long way toward meeting that need. I do not contend that this bill is the whole answer. Rather it is a part of a long-range treatment that must constantly be administered until we have expelled this disease.

Mr. Chairman, hunger and malnutrition are diseases which, if not combatted early enough, afflict their victims permanently with physical and mental retardation. Hunger and malnutrition, diseases themselves, also beget such diseases as anemia, kwashiorkore (a serious protein deficiency), and growth retardation.

This bill is a preventive measure. Once the damage has been inflicted there is little or nothing that can be done; by assuring that a child, while still in the formative stages of his youth, is provided with at least one healthy meal each day, we significantly reduce the possibility of these diseases ever appearing.

Heretofore, Federal food assistance programs for school children have been extremely successful where they have been applied. But, they have not reached far enough. Rodney Ashby, who is the head of the Utah School Food Services and Chairman of the State Directors and Supervisors Section of the American School Food Service Association, has reported a study which estimates that 32.5 million children do not now participate in the school lunch program, with 10 percent (3.25 million) of these non-participants requiring free lunches, and another 60 percent (19 million) needing price reductions. In other words, 22,250,000 children in need of assistance, are not even touched by the existing program. There are several reasons for this, and S. 2548 goes some distance in correcting them.

The increase in funds authorized by this bill, means that the School Lunch Program will not be so dependent on funds from Title I of the Elementary and Secondary Education Act. We are concerned here only with feeding needy children. At present, if Title I funds are withheld, innocent children must pay the price of hunger and malnourishment; S. 2548 alleviates this by providing enough funds, so as not to have to dip into Title I funds. No matter what the political implications are, these children will at least be fed.

Schools in our cities and rural areas too often cannot provide lunch for the children who need them most, because there are no facilities. Over 9 million children are excluded from the child feeding program for this reason alone. At present, the National School Lunch Act authorizes an appropriation of \$10 million each year to purchase equipment such as stoves, refrigerators, etc. This is simply not enough. Price levels have skyrocketed since 1946, but authorizations have not responded accordingly. S. 2548 recognizes the immediate need for increased equipment funding by authorizing \$38 million for Fiscal 1970. This may appear stiff initially, but it is designed to break the back of the equipment problem and then subside gradually to \$33 million in Fiscal 1971, \$15 million in 1972, and return to the present level of \$10 million thereafter.

Secondly, S. 2548 seeks to revise Section 11 of the School Lunch Act, so that its emphasis is the children, and not to their schools. As it presently stands, Section 11 permits payment by a state, of special assistance monies only to schools in the state selected in light of factors that focus excessively on the economic problems of the schools and the nature of the area in which the schools are located, rather than on the problems of the children who are in attendance. Thus, if a small school of 150 pupils, nearly all of whom are poverty-stricken, is situated in the heart of a ghetto, the odds are great that the school will qualify as a Section 11 school and those students will receive free or reduced price lunches. However, if a school is situated in the suburbs and draws its 2,000 students of whom 200 might be classified as poor, from an area that is more affluent than not, the chances are slim that any of those 200 will be given lunch unless the school collects enough from the 1,800 well-to-do to balance the subsidies to the poor, and it should be noted here, that hunger and malnutrition are not confined to hard core poor; scientific studies have repeatedly shown them to be evident within lower and middle class communities as well. S. 2548 corrects this inequity by focusing on the needs of the children the program is intended to serve, rather than on the needs of the school (in terms of its location, the percentage of free lunches it serves rather than the absolute number, the prices it charges for lunch, the relative financial status of its lunch program).

This bill would require that Section 11 money follow the child, not the school. Thus, under the proposed legislation, otherwise ineligible schools could be chosen by the state to receive Section 11 funds to feed their needy children. Where severe need existed, so that the Federal contribution rate would be too small to guarantee an effective program, the Secretary would be empowered to pay up to 80 percent of the school's operating costs. These operating costs, which include the cost of obtaining, preparing and serving the food have posed crucial problems. Under the provisions of the minimum wage law, which is one of the cornerstones in our battle against hunger and malnutrition, schools pay \$1.30 per man hour now, and this will rise to \$1.45 in 1970 and \$1.60 in 1971. In Northern areas where the labor market is tight, more than \$2.00 per hour has become commonplace. Local school districts have great difficulty in meeting these necessary costs, even with Federal assistance. Some cannot use Federal food funds, because the bill for readying the food for eating is beyond their budgets. The changes proposed in Section 11 of this bill would start to tackle this problem.

The real secret to expanding the school lunch program so that it reaches all those who need it but cannot afford it, is to prompt state governments to contribute their fair share of the cost. At the present time, legislation requires a 3 to 1 matching of the Federal dollar by the State from the "source within the state determined by the Secretary to have been expended in connection with the school lunch program." However, since the states' matching funds include the money the children themselves pay for their lunches, about two-thirds of the cash amount of the program, no state has ever had any difficulty meeting this requirement. For example, the State of Mississippi allocates only \$109,000 for its share of a \$25 million school lunch program. No more than one-half of the states now appropriate or use state funds for school food service.

The purpose of this program is to feed these children and making the matching requirement too stringent can only have the result of reducing the number

of children who will be able to participate. However, we must recognize that the present requirement is unrealistic. I am in favor of modifying the requirement but in such a way that it is more equitable from the perspective of both the Federal and State governments. I will support any such amendments, because, this is the only hope we have for ever phasing out Section 11, the special assistance section, and supplying free and reduced price lunches to needy children in any significant number.

Further, there is a long-range effect that enactment of this bill will have, one which cannot be measured in terms of dollars, or numbers of lunches served. Amongst school children today, the problem is not so much starvation as malnutrition. Too often, a child cannot afford the price of a school lunch, but he can afford the price of a glass of Kool-Aid and a candy bar. While this may be filling, it is certainly not nutritional. And malnutrition is even more dangerous than starvation, because, while it is just as detrimental to the child's health, it is not as easy to recognize a malnourished child as it is to recognize a starving one. By providing these children with healthy nutritional meals for their 12 years of primary and secondary education, we will be developing healthy eating habits that will remain with them for the rest of their lives. They, in turn will pass these eating patterns on to their own children, so that the next generation will see a major reduction in malnutrition. Furthermore, our economy is sure to profit in the long run. Firstly, and most importantly, we are all aware of the fact that a child's physical health is directly related to his ability to learn. I cannot even begin to guess at the number of children whose learning capacities would be increased, if only they were participants in the School Lunch Program. How much non-productive students would not now be non-productive, low skilled adults, had they not been left to go hungry during the day?

Secondly, and more indirectly related, what will the effect be on our agricultural economy in 10 years, if these children learn now to substitute green vegetables for Hershey bars, and milk for Kool-Aid.

Mr. Chairman, twenty years ago, polio was acrippler of children. All the money in the world could not eradicate this disease, until scientists had developed the knowledge of the causes of this disease. There is a justifiable reason why we could not prevent our children from being afflicted with polio—we simply did not know how. In the case of hunger and malnutrition, this just isn't so. These diseases are just as crippling as polio, but what is so horrifying, is that we know what causes them, we know how to prevent them, and yet we are slow to respond with what is necessary in time and money, to eliminate them. S. 2548 will not correct the damage that has already been done. Unfortunately, it is probably too late for that. But S. 2548 will revitalize the National School Lunch Program, so that it can respond to the pace of today, and in doing so, will contribute significantly to the prevention of hunger and malnutrition from occurring in the future.

Thank you.

The CHAIRMAN. All right, Senator Holland.

Senator HOLLAND. The first question is, what is the standard or test by which those children entitled to receive free school lunches are defined as different from those that are entitled to receive reduced-price lunches.

Senator TALMADGE. We have Miss Martin here, who is my State administrator.

STATEMENT OF JOSEPHINE MARTIN, CHIEF CONSULTANT, SCHOOL FOOD SERVICE, GEORGIA DEPARTMENT OF EDUCATION, ATLANTA, GA.

Miss MARTIN. Federal regulations require that each local school district establish standards for determining eligibility for free and reduced-price lunches. Standards are based on the number of children in the family and the amount of family income. Standards are based on the needs of the individual school district.

Senator TALMADGE. Does it vary from region to region?

Miss MARTIN. Yes; it varies from county to county within the State.

Senator HOLLAND. You mean there is no uniform standard within the State?

Miss MARTIN. No, sir; because the needs differ from county to county within the State.

Senator HOLLAND. Have you available the standards for the various counties of Georgia?

Miss MARTIN. I have those in my office, sir.

Senator TALMADGE. Will you supply that for the record?

Senator HOLLAND. Not for all of them, because you have 159 counties.

Miss MARTIN. Yes, sir.

Senator HOLLAND. Will you supply standards for Fulton County, which is your largest county, I believe, is it not?

Miss MARTIN. That is correct.

Senator HOLLAND. And the standard for one of the smaller rural counties.

Miss MARTIN. I will.

You may prefer that I send the standard for DeKalb County rather than Fulton, because we have two separate systems in Fulton County, the county system and the city of Atlanta. The economic need in Atlanta is much greater than in DeKalb.

Senator TALMADGE. DeKalb has the largest per capital income in the State.

Senator HOLLAND. I would suggest that you supply the standards for DeKalb County, the one for Atlanta, and one for a rural county.

Miss MARTIN. All right, sir.

(The information is as follows:)

Atlanta, Ga., October 9, 1969.

Mr. COTYS MOUSER,
*Chief Clerk, Committee on Agriculture and Forestry, U.S. Senate,
Washington, D.C.*

DEAR MR. MOUSER: In accordance with Senator Ellender's request, copies of the free and reduced price lunch policies for the following school systems are enclosed:

Fulton County—representing large county school system

Atlanta City—representing metropolitan school system

DeKalb County—representing large school system with high per capita income

Randolph County—representing small rural school system

Mr. Sam Vanneman, U.S.D.A., will provide the projections requested by Senator Ellender.

Sincerely yours,

JOSEPHINE MARTIN,
*Chief Consultant, School Food Service,
Georgia Department of Education.*

RANDOLPH COUNTY BOARD OF EDUCATION

SCHOOL LUNCH POLICY

The Randolph County Board of Education in accordance with the Revised United States Department of Agriculture Regulations of the National School Lunch Act submits this policy regarding the determination of eligibility for free and reduced price lunches and safeguards to avoid discrimination between the paying and non-paying children.

Part 1.00 Criteria to be used to determine economic need.

1.01 The Board of Education shall cause each administrative unit to conduct an every pupil survey giving information pertaining to:

- (a) Average family income (weekly or monthly)
- (b) Family size
- (c) Number of children in family.

1.02 The eligibility of specific children for free versus reduced price versus full price will then be determined from a system scale reflecting family income and family size.

1.03 Children from families certified for assistance under the Food Stamp Program or Commodity Distribution and children from families participating in any of the various programs of public assistance such as Family Aid to Dependent Children may be given priority for free and reduced price lunches.

1.04 Children from families who for various reasons are not participating in the Food Stamp Program, Food Commodity Distribution or any public assistance program but are at comparable income levels and family size shall be given the same consideration for free and reduced price lunches.

1.05 Whenever possible the children should be expected to pay some nominal charge within the family's financial capability for the lunches received. The system adopted chart for determining free or reduced price meals should be followed in providing the free or reduced price meals for pupils.

1.06 There may be circumstances which warrant the granting of free or reduced price meals to additional children on an intermittent or emergency basis. The justifications may be illness or death in the family or other circumstances imposing an economic hardship on the family or a nutritional hardship on the children.

1.07 All applications for free or reduced price lunches shall be made on the standard system-wide form readily available at all schools and at the office of the superintendent.

Part 2.00 Responsibility for determining economic need.

2.01 The principal of each school shall have the ultimate responsibility for the identification of economically needy children.

2.02 The principal may base his decisions on the recommendations of:

- (a) Classroom teachers
- (b) Members of the school staff
- (c) Counselors
- (d) Visiting teachers
- (e) Community representatives

2.03 The principal may establish a school committee composed of representatives from the school and community.

2.04 The principal may make the total decision.

Part 3.00 Procedural steps to determine economic need.

3.01 Advise school staffs of system policy.

3.02 Send memo to parents explaining food service program, sale price, importance of participation, payment procedure, and policy for assisting with lunches for economically needy children.

3.03 Advise parents requesting additional information or assistance for children to contact principal in writing for conference.

3.04 Send system approved application form to families requesting assistance.

3.05 Determine the financial ability to meet the identified need. With the high incidence of economically needy children, it will be impossible to meet the total need with the present resources.

3.06 The principal (committee) will review and approve applications. Principal will notify parents of action taken.

3.07 The principal (committee) will review each application for free or reduced price lunches at least once a semester.

3.08 The principal will review or evaluate the applications received as a result of changes in economic conditions of pupils or other extenuating circumstances.

Part 4.00 Provision for appeal.

4.01 Parents may appeal decisions in individual cases to:

- (a) The school committee (if applicable)
- (b) The principal of the school

- (c) The superintendent
- (d) The Board of Education

Part 5.00 Plans for making announcement of policy to the patrons of the attendance areas.

5.01 The superintendent should follow the approved board policy for announcing new school board decisions and policy affecting children of which parents should be informed.

5.02 The announcement should include this clause: "The Board has adopted the following policy regarding free and reduced price lunches in Randolph County School System. Each school will implement this policy independently and will be individually subject to the availability of funds."

5.03 All income-family size charts will be treated as confidential and will not be made available to anyone without the expressed consent of an administrative officer.

5.04 The announcement shall include information about the School Lunch Program including facts about food costs, labor expenses, equipment and materials costs, miscellaneous expenses, and normal sources of income. Explanation should be made concerning the need for community financing if the program is to be fully implemented.

Part 6.00 Procedures to collect payment.

6.01 All schools shall use lunch tickets or tokens which will be dispersed by the homeroom teachers. Each teacher shall be notified privately of any and all children receiving free or reduced price lunches. The system shall provide a standard lunch accounting book and each homeroom teacher shall list all students alphabetically. Each student shall be called individually to the desk and the proper financial procedures will be followed.

6.02 Students should be encouraged to pay by the week and month in order to reduce the time required to handle funds and to better protect the identity of needy children.

Part 7.00 Directions to avoid discrimination.

7.01 It is incumbent upon the school to take all possible steps to eliminate the possibility of other children knowing who is receiving a free or reduced price lunch. The law is very specific in prohibiting "physical segregation of or other discrimination" against any child because of his inability to pay for lunches.

7.02 Names of children determined to be eligible for free or reduced price meals shall not be published, posted, or announced in any manner to other children, and such children will not be required, as a condition of receiving such meals, to:

- (a) Use a separate lunchroom
- (b) Go through a separate serving line
- (c) Enter the lunchroom through a separate entrance
- (d) Eat lunch at a different time than paying children
- (e) Work for his free lunch unless paying children are also required to work in the lunchroom
- (f) Use a different ticket or token from paying children
- (g) Accept a lunch different from that served to paying children.

It must be emphasized that this program would have to be self-sustaining in so far as the Board of Education is concerned and will have to be amended and/or changed in order to insure that the program operates on an economically sound basis. Every effort will be made to accomplish the full implementation of this program, securing aid from local, State, and National welfare and relief organizations.

CONFIDENTIAL STATEMENT OF INCOME

Date _____
School _____

HEAD OF HOUSEHOLD _____ WHERE EMPLOYED _____ INCOME: (Annual) _____
ADDRESS _____ (Monthly) _____
(Weekly) _____

NAME OF FATHER _____ WHERE EMPLOYED _____ INCOME: (Annual) _____
ADDRESS _____ (Monthly) _____
(Weekly) _____

NAME OF MOTHER _____ WHERE EMPLOYED _____ INCOME: (Annual) _____
ADDRESS _____ (Monthly) _____
(Weekly) _____

ARE YOU RECEIVING ANY TYPE OF COUNTY, STATE, OR FEDERAL FINANCIAL ASSISTANCE? _____
IF SO, FROM WHAT SOURCE OR SOURCES AND THE AMOUNT(S) OF EACH? _____

NUMBER OF CHILDREN IN FAMILY _____ NUMBER OF CHILDREN IN THIS SCHOOL _____
NAMES OF CHILDREN
1. _____ Grade _____ 3. _____ Grade _____
2. _____ Grade _____ 4. _____ Grade _____

REQUEST FOR REDUCED LUNCH PRICE

_____ School
Randolph County School System

I hereby request that my ___Child-Children be served
lunch(es) at a free or reduced price.

Names of Children

1. _____ Grade _____
2. _____ Grade _____
3. _____ Grade _____
4. _____ Grade _____
5. _____ Grade _____

Signature(Head of household)

0 - \$500	Free	Free	Free	Free	Free	Free
\$500 - \$1000	5¢	Free	Free	Free	Free	Free
\$1000 - \$1500	10¢	10¢	5¢	Free	Free	Free
\$1500 - \$2000	15¢	15¢	10¢	5¢	Free	Free
\$2000 - \$3000	20¢	20¢	15¢	10¢	5¢	5¢
\$3000 - \$4000	Full Price	Full Price	20¢	15¢	10¢	10¢

VI. FORMAT FOR POLICY STATEMENT OF SCHOOL SYSTEM

The policy statement and agreement amendment should contain the following elements:

POLICY STATEMENT

of the Randolph County school system in accordance with Revised USDA Regulations of the NSL and the Child Nutrition Acts. The Board of Education, adopts the attached policy regarding the determination of eligibility for free and reduced price lunches, and safeguards to avoid discrimination between the paying and the non-paying children. The policy includes the following elements:

A. Local official(s) designated to determine which children are eligible for a free or reduced price lunch under the established policy criteria.

B. Criteria which gives consideration to economic need (1) include family income—number of children in school chart; (2) application—sample survey of family income/size; (3) other.

C. Procedural steps to be followed by local officials in making determinations.

D. Appeal provision.

E. Plans for making announcement.

F. Procedures to be used by attendance units to collect payments and account for free and reduced price lunches.

G. Directions to attendance units to avoid overt discrimination or identification of children in the cafeteria.

Upon review by the State Department of Education, the system agrees to implement the policy uniformly in all attendance units, in accordance with procedures described and make the policy known to the patrons of each attendance unit.

The board of education understands the State Department of Education, School Food Service Unit, has responsibility for monitoring the performance through administrative reviews, on-site evaluations, and others means to assure that determinations are being made in accordance with announced policies and to assure that overt identification of any child receiving free or reduced price meals is avoided.

RANDOLPH COUNTY SYSTEM,
FRED H. _____

Superintendent.

JESSE _____
Board Chairman.

Date: 1/14/69.

Review, State Department of Education:

JOSEPHINE MARTIN,
Chief Consultant, SFS.

Date: 1-30-69.

To be returned in triplicate by January 17, 1969 to Josephine Martin, Chief Consultant, School Food Service, State Department of Education, Atlanta, Georgia.

VI. FORMAT FOR POLICY STATEMENT OF SCHOOL SYSTEM

The policy statement and agreement amendment should contain the following elements:

POLICY STATEMENT

of the Fulton County school system in accordance with Revised USDA Regulations of the NSL and the Child Nutrition Acts. The Fulton County Board of Education, adopts the attached policy regarding the determination of eligibility for free and reduced price lunches, and safeguards to avoid discrimination between the paying and the non-paying children. The policy includes the following elements:

A. Local official(s) designated to determine which children are eligible for a free or reduced price lunch under the established policy criteria.

B. Criteria which gives consideration to economic need (1) include family income—number of children in school chart; (2) application—sample survey of family income/size; (3) other.

C. Procedural steps to be followed by local officials in making determinations.

- D. Appeal provision.
- E. Plans for making announcement.
- F. Procedures to be used by attendance units to collect payments and account for free and reduced price lunches.
- G. Directions to attendance units to avoid overt discrimination or identification of children in the cafeteria.

Upon review by the State Department of Education, the system agrees to implement the policy uniformly in all attendance units, in accordance with procedures described and make the policy known to the patrons of each attendance unit.

The board of education understands the State Department of Education, School Food Service Unit, has responsibility for monitoring the performance through administrative reviews, on-site evaluations, and other means to assure that determinations are being made in accordance with announced policies and to assure that overt identification of any child receiving free or reduced price meals is avoided.

FULTON COUNTY SYSTEM,
PAUL D. ———, *Superintendent*,
W. —. ROBINSON, *Board Chairman*.

Date: 1/15/69.

Review, State Department of Education:

JOSEPHINE MARTIN,
Chief Consultant, SFS.

Date: 1/28/69.

To be returned in triplicate by January 17, 1969 to Josephine Martin, Chief Consultant, School Food Service, State Department of Education, Atlanta, Georgia.

FULTON COUNTY SCHOOLS FOOD SERVICE PROGRAM

STATEMENT OF POLICY FOR FREE AND REDUCED PRICE LUNCHES

1. Purpose

The purpose of this policy is to establish uniformity within the school system for free and reduced price lunches for needy children. The implementation of this policy is subject to the availability of funds in individual schools.

A. Lunches meeting the established nutritional requirements shall be served without cost or at a reduced rate to children who are determined by each attendance unit administrative staff.

B. No physical segregation or other discrimination against any child shall be made because of his inability to pay.

2. Criteria for determining economic need

A. Each child desiring and/or needing a free or reduced price lunch will be given an application. This application will be a survey consisting of family income, size of family, and other circumstances that might necessitate this need. (See Attachment #2 and #2)

3. Procedural steps

A. The local attendance unit administrative staff will evaluate individual requests for free and reduced price lunches.

B. Individuals eligible for free or reduced price lunches will be informed at a private conference.

4. Appeal provision

In the event that the local attendance unit administrative staff denies the need for a free or reduced price lunch, the individual may appeal his request to the Fulton County Board of Education.

5. Plans for announcing this policy

A. The local attendance unit administrator will announce the provisions of this policy to the county and local unit executive committees of the Parent Teacher Association.

B. The county administrative staff will announce the provisions of this policy to local health authorities, civic organizations and family and children services.

6. *Procedures to be used by attendance units to collect payments and account for free and reduced price lunches*

A. Methods to be used in local attendance units include:

1. Lunch tickets or tokens will be the same for the free and reduced price lunches. Tickets or tokens will be issued to the students privately.
2. Funds or similar provision will be provided for the needy child where payment is made in the cafeteria line.

7. *Operational procedures for non-discrimination*

The local attendance unit will take all possible steps to eliminate the possibility of other children knowing who is receiving a free or reduced price lunch. Names of children determined to be eligible for free or reduced price lunches shall not be published, posted or announced in any manner to other children.

To assure the anonymity of the child the following conditions will be adhered to:

- A. Use same dining room facilities
- B. Go through same serving line as paying students
- C. Will be served the same menu as paying students
- D. Eat lunch at same time as paying student
- E. Require no work in exchange for a free or reduced price lunch.

FULTON COUNTY SCHOOLS
FOOD SERVICE PROGRAM
REQUEST FOR REDUCED LUNCH PRICE

NAME OF SCHOOL _____ DATE _____

(CONFIDENTIAL STATEMENT
of INCOME)

NAME OF FATHER _____ WHERE EMPLOYED _____ ALL INCOME (Annual) _____
(Monthly) _____
(Weekly) _____

ADDRESS OF FATHER _____

NAME OF MOTHER _____ WHERE EMPLOYED _____ ALL INCOME (Annual) _____
(Monthly) _____
(Weekly) _____

ADDRESS OF MOTHER _____

NUMBER OF CHILDREN IN FAMILY _____

NUMBER OF CHILDREN IN THIS SCHOOL _____

NAMES OF CHILDREN TO EAT AT REDUCED RATE

- 1. _____ GRADE _____
- 2. _____ GRADE _____
- 3. _____ GRADE _____
- 4. _____ GRADE _____

(SIGNATURE - indicate whether Head of Household, Guardian, etc.)

DEKALB COUNTY SCHOOL SYSTEM

POLICY STATEMENT FOR ADMINISTRATION OF PROGRAM OF FREE AND
REDUCED PRICE LUNCHES

The DeKalb County School System, in accordance with revised USDA regulations for the National School Lunch and the Child Nutrition Acts, and recognizing the responsibility for the educational needs of boys and girls, and further recognizing the value of the lunch program in the total education program, proposes to cooperate with the National School Lunch Act as it relates to serving free and reduced price lunches. Responsible school officials, including principals and school lunch staffs, pledge to serve meals in all DeKalb school lunchrooms which meet the nutritional requirements without cost or at reduced cost, to all children who are unable to pay the full cost of meals. No discrimination of any type against any child shall be made because of his inability to pay.

The Board of Education and the Superintendent of Schools understand that the State Department of Education, School Food Service Unit, has the responsibility for monitoring the performance through administrative reviews, on-site evaluations, and through other means, to assure that determinations are being made in accordance with announced policies and to insure that overt identification of any child receiving free or reduced price meals is avoided.

DEKALB COUNTY SCHOOL SYSTEM,
JACK MAX, *Chairman*,
JIM CHERRY, *Superintendent*.

Date: May 5, 1969.

Review, State Department of Education:

JOSEPHINE MARTIN,

Chief Consultant, School Food Service.

Date: May 9, 1969.

PROCEDURES FOR ADMINISTERING PROGRAM OF FREE OR REDUCED PRICE LUNCHES

I. Identification of economically deprived students

A. Parents or guardian of pupils will submit a formal application for free or reduced price lunch. (See Form LR-FR)

B. Students eligible for Family and Childrens' Services are eligible for free or reduced price lunches. (See Form LR-FR)

C. Children from families certified for assistance under the Food Stamp Program or Commodity Distribution and children from families participating in any of the various programs of public assistance such as Family Aid to Dependent Children may be given priority for free and reduced price lunches.

D. Children from families who for various reasons are not participating in the Food Stamp Program, Food Commodity Distribution or any public assistance program but are at comparable income levels and family size shall be given the same consideration for free and reduced price lunches.

E. Children from families with a temporary financial need such as illness or death in the family or other circumstances imposing an economic hardship on the family or a nutritional hardship on the children. Enlisting the cooperation of local health authorities and other community organizations could be helpful in such determinations.

F. Needy students may be identified by any school personnel, such as principal, teacher, counselor, dietitian, or others who may have knowledge of the student but the ultimate responsibility for identifying the economically needy children shall rest with the principal.

G. The implementation of the free lunch policy is subject to the availability of funds in each school.

H. A chart based on family income, family size and number of children in school is provided as an aid in determining free or reduced prices. (See attachment)

II. Suggested methods to avoid identification of needy students in collecting and accounting for payments

A. No single method of collecting funds and/or identification of needy students is used in the DeKalb School System, but the method being used by all schools would include one or more of the following:

(1) Cash, tickets, tokens or charges may be used with the free or reduced price lunches. This procedure must apply to paying and non-paying students alike.

(2) Cash, tickets, token or charges will be handled privately with students and/or parents for free or reduced price lunches.

(3) Lunches served to paying and non-paying students are identical.

(4) Paying, needy, or non-paying students are permitted to charge lunches daily. The needy student is advised that the parent has taken care of his charges. In this way, the needy child is frequently unaware that he receives free or reduced price lunches.

III. Methods used to avoid discrimination

A. Names of children determined to be eligible for free or reduced price meals *shall not be published, posted, or announced in any manner to other children, and such children will not be required, as a condition of receiving such meals, to:*

- (1) Use a separate lunchroom
- (2) Go through a separate serving line
- (3) Enter the lunchroom through a separate entrance
- (4) Eat lunch at a different time than paying children

B. Pupils receiving free or reduced price lunches must not be identified in any way in the lunchroom, classroom, playground, or school community.

IV. Appeals procedure

A. Following the disapproval of a student application for a free or reduced price lunch, the parent or guardian must be notified by the principal.

B. The principal shall advise the parent that he has the right to appeal his application to the principal, the superintendent, the DeKalb Board of Education, and the State Board of Education.

V. Plans for announcing and publicizing policies and procedures regarding the administration of the program of free and reduced price lunches

The Superintendent, following the Board approval of this policy, will announce the methods by which the policies and procedures of the administration of the program of free and reduced price lunches shall be followed.

It is the responsibility of the principal of each school to publicize the availability of free and reduced price lunches to the school community. At the time of registration or in the first newsletter to be published following the implementation of this program and in the copy of the first newsletter to be published at the beginning of each school year, each principal will furnish to parents information regarding the food service program, the importance of participating, the lunch prices, and payment procedures, and the policies and procedures for assisting with the lunches for the economically deprived, including the availability of Form #LR-FR, "Request for Free or Reduced Price Lunch."

GUIDE FOR DETERMINING REDUCED PRICE OR NO CHARGE SCHOOL LUNCH

DEKALB COUNTY SCHOOLS

NUMBER CHILDREN IN SCHOOL	FAMILY SIZE	TOTAL ANNUAL FAMILY INCOME					
		UNDER \$2,500	\$2,500 to \$3,500	\$3,500 to \$4,500	\$4,500 to \$5,500	\$5,500 to \$6,500	\$6,500 and Over
1		Free	10¢	*	*	*	*
2		Free	20¢	30¢	*	*	*
3		Free	30¢	45¢	60¢	*	*
4		Free	40¢	60¢	80¢	\$1.00	*
5		Free	50¢	75¢	\$1.00	\$1.20	*
6 or more		Free	50¢	75¢	\$1.00	\$1.50	*

This chart will be used in conjunction with other criteria for evaluating pupils' need and eligibility for reduced price or free lunch. The school principal will make the decision as to which pupils will receive free or reduced price lunches.

The implementation of this policy is subject to the availability of funds in each school.

*Children in these brackets will not be eligible for free or reduced prices unless other conditions warrant further consideration.

REDUCED PRICE LUNCHES FOR ECONOMICALLY NEEEDY PUPILS

POLICY

The Atlanta schools' food service program is recognized by the Board of Education as an integral part of the total educational program and as a positive force contributing to the physical and mental growth of pupils. The Board accepts the responsibility of contributing to the nutritional requirements of all pupils and authorizes the participation of all Atlanta schools in the National School Lunch Program. It is the purpose of the Board to provide free and reduced price lunches for economically needy pupils to the maximum degree possible within available resources. The following plan is established as a means of assuring an equitable distribution of free and reduced price lunches to those most in need of such assistance.

I. Identification of needy pupils

1. The school principal is assigned the responsibility of identifying economically needy pupils.

2. In performing this responsibility the principal may consider the recommendations of teachers and other school and area staff members, and may avail himself of other pertinent information which might contribute to the making of equitable decisions.

II. Eligibility of pupils for free or reduced price lunches

The following criteria shall be used in determining the eligibility of pupils for free or reduced price lunches:

1. A standard application form which includes a confidential statement of total gross family income, family size and number of children in school shall be used.

2. The eligibility of pupils for reduced price or free lunches shall be determined on the basis of a chart which shows a relationship between the number of children in school and total gross annual income of the family.

3. Pupils from families certified for assistance under the Program of Commodity Distribution and pupils from families participating in any of the various programs of public assistance such as Aid to Dependent Children shall be given consideration for free or reduced price lunches. Pupils from families who for various reasons are not participating in the Food Commodity Distribution or other public assistance program but are at comparable income levels and family size shall be given the same consideration for free or reduced price lunches.

4. Pupils shall be expected to pay the established charge for lunches received unless determined eligible for free or partial pay lunches in accordance with the approved chart. Every effort shall be made to keep prices as low as possible as a means of encouraging maximum pupil participation.

5. Established criteria are not intended to preclude granting additional pupils free or reduced price lunches on an intermittent or emergency basis, when justified on other indicators of economic or temporary financial need such as illness, death in the family or other circumstances imposing an economic hardship on the family. The principal and school staff shall be on the alert for such privation cases. The assistance of local health authorities and community civic organizations should be helpful in such determinations.

6. The approved chart is subject to change as may be required to keep the system-wide operation within available resources.

ADMINISTRATIVE REGULATIONS

I. Steps to be followed at the school level in determining eligibility for free or reduced price lunches

1. Discuss Board of Education policy for free and reduced price lunches with staff members.

2. Send a letter to parents explaining the food service program, sale price of lunches, importance of their child's participation in the lunch program, payment procedure, and policy of assisting with lunches for economically needy pupils.

3. Parents requesting assistance for children or additional information should be advised to contact the school principal.

4. Distribute approved application form to families requesting assistance.

5. Determine the financial ability to meet the identified need. In some schools that have a high percentage of economically needy pupils the total need may not be met with present financial resources.

6. The principal will review applications and notify parents of action taken.

7. The principal will evaluate applications received due to changes in economic conditions of pupils or other extenuating circumstances.

8. The principal will review all applications for free or reduced price lunches at least once during the school year.

II. Appeal provision

An appeal from decisions in individual cases for parents or legal guardians of economically needy children should be made in writing to the appropriate area superintendent.

III. Procedures to be used by schools in collecting payments and accounting for free and reduced price lunches

1. Use lunch tickets good for five days.

2. Issue lunch tickets in advance from the school cafeteria. Paying pupils desiring meal tickets will purchase them, and economically needy pupils will secure them at reduced cost (according to prearranged scale) or without charge.

3. Lunch tickets will carry an approval signature of the principal or some other designated person. Each pupil will sign his ticket in ink when it is secured.

IV. Operational procedures for non-discrimination

It is the purpose of the Atlanta Schools to take all possible steps to eliminate the possibility of other pupils knowing who is receiving free or reduced price lunches.

Names of pupils determined to be eligible for free or reduced price lunches shall not be published, posted, or announced in any manner to other pupils, and such pupils will not be required, as a condition to receiving such meals, to:

1. Use a separate cafeteria.

2. Go through a separate serving line.

3. Enter the cafeteria through a separate entrance.

4. Eat lunch at a different time than paying pupils.

5. Work for his lunch (unless paying pupils are also permitted to work in the cafeteria.)

6. Use a different ticket from paying pupils.

7. Accept a lunch different from that served to paying pupils.

8. Pupils receiving a free meal or free milk must not be so identified in the cafeteria, in the classroom, or on the playground.

V. Suggestions to schools to assist in financing free and reduced price lunches

1. Encourage pupils, whenever possible, to pay some nominal charge within the family's financial capability for the meals received.

2. Require all adults to pay the pupil cost for meal and milk plus value of federal assistance (value of cash reimbursement and U.S.D.A. donated foods). All adults will pay 50¢ for lunch in all schools.

3. Utilize U.S.D.A. donated foods to reduce food costs.

4. Raise productivity of employees. With increased labor and food costs, cafeteria staff must produce to their maximum potential.

5. Increase volume to improve the financial picture. Volume pays in many ways—increased income, increased subsidy and better nutrition for children.

The initial chart for determining free or reduced price lunches and copy of the application and lunch ticket form are on the following 3 pages.

ATLANTA PUBLIC SCHOOLS
Food Service Department

* CHART FOR DETERMINING FREE OR REDUCED PRICE LUNCH

No. Children in Family	Total Gross Annual Income of Family								
	\$2001- 2500	\$2501- 3000	\$3001- 3500	\$3501- 4000	\$4001- 4500	\$4501- 5000	\$5001- 5500	\$5501- 6000	\$6001- 6500
1	FREE	.05	.10	.15	.20	FULL			
2		FREE	.05	.10	.15	.20	FULL		
3			FREE	.05	.10	.15	.20	FULL	
4				FREE	.05	.10	.15	.20	FULL
5					FREE	.05	.10	.15	.20
6						FREE	.05	.10	.15
7							FREE	.05	.10
8								FREE	.05
9									FREE
10									FREE
11									FREE
12									FREE

* The income level which establishes eligibility for free or reduced price lunches will be lowered if necessary to maintain the system-wide operation within available resources.

Child's Name _____ School _____ Homeroom _____

Atlanta Public Schools

CONFIDENTIAL Application for Free or Reduced Price Lunch

Family's Address _____

Father or Legal Guardian _____

Where Employed _____ Phone _____
Income (Annual) \$ _____

Mother _____

Where Employed _____ Phone _____
Income (Annual) \$ _____

Other Employed Family Member _____

Where Employed _____ Phone _____
Income (Annual) \$ _____

Aid for Dependent Children Income _____ \$ _____

Social Security Income (Annual) _____ \$ _____

Other Family Income Not Listed Above (Specify) _____ \$ _____

Total Family Income (Annual) _____ \$ _____

Form # 67650

FRONT

Number of Children in This School _____ Number of Children in Other Schools _____
Number of Pre-School Children in Family: _____

Names of Children IN THIS SCHOOL

- 1. _____ Grade _____
- 2. _____ Grade _____
- 3. _____ Grade _____
- 4. _____ Grade _____
- 5. _____ Grade _____
- 6. _____ Grade _____
- 7. _____ Grade _____
- 8. _____ Grade _____

Approved for Free _____ Reduced Price _____
Disapproved _____
Principal's Signature _____ Date _____

Signature of Parent or Guardian _____
Date _____

ATLANTA PUBLIC SCHOOLS				
LUNCH TICKET				
Student's Name _____				
Homeroom _____				
Validating Sig. _____				
ONE LUNCH	ONE LUNCH	ONE LUNCH	ONE LUNCH	ONE LUNCH

Senator HOLLAND. The next question, what is the standard under section 7 of the bill by which additional Federal assistance is provided in the payment of operating expenses for certain counties as compared with normal counties?

Senator TALMADGE. That would be in the case of especially needy schools, and it would be left up to the Secretary to determine that matter on application of the State authorities.

Senator HOLLAND. You mean there is no standard, no uniform standard that would be applicable in such case?

Senator TALMADGE. No, sir; that is my recollection, that it would be set up by regulations of the Secretary.

Senator HOLLAND. I notice that section 7 also extends the special assistance program to all schools that would come under section 11 of the National School Lunch Act.

Is there any method prescribed for the designation of pupils in districts that would not heretofore come under that special school lunch program, to define them in contrast to the average children in those school districts covered by the special lunch program?

Senator TALMADGE. We left up to the Secretary to determine who is needy by regulation.

I think this provision was designed to take care of the situation where you have some very needy children going to affluent schools. Is that not correct?

Miss MARTIN. Yes.

Senator TALMADGE. Now they are designated by the school per se. You may have 80 percent of the students that might come from very wealthy families or moderately well-to-do families, and then 20 percent of the students come from very, very poor families. Under those conditions, the school would not be eligible under the present laws, as I understand it.

Senator HOLLAND. I recognize that as a good motive behind this change in the law, but it seems to me this presents a very difficult situation for administration.

Under section 11 as it is now in the act, the Secretary defines those special districts which are entitled to this special treatment. Under this change as proposed, that special assistance would be applicable to every district in the Nation.

Senator TALMADGE. That is right.

But even under the present law, Senator, with the special districts, you still have to make a determination of the special students, as I understand it.

What we are trying to do is have the need follow the child rather than the school.

Senator HOLLAND. I think that is a good motive and I approve it. The administration of that provision, however, it seems to me, would be very much more difficult than the present system under which special districts in very poor areas are the ones that are designated by the Secretary.

Senator TALMADGE. I would like to ask Miss Martin if she would comment on that.

MISS MARTIN. The reason that we so desperately need revision of the method for determining special assistance is related to the nationwide movement to reorganize and restructure schools. In the past the South had a dual school system and the children of low economic need went to "A" school and the affluent children went to "B" school; this situation no longer exists.

Under section 11 of the NSL Act, a county could have four special assistance schools in the past. This year, with the elimination of the dual school system, some of the children who were going to the poor schools are going to the affluent schools. Those new schools, the newly structured schools, will not meet the criteria for special assistance as they do not enroll a sufficient number of poor children to be classified as a needy school.

Now, if the money followed the child, we would be able to help poor children wherever they are enrolled.

Senator HOLLAND. Who makes the determination, Miss Martin, of those children in each district in the Nation who would come under the terms of the special assistance program?

MISS MARTIN. The local school system makes the determination of children. The way the law is presently written, section 11 funds are paid to needy schools. There are about five items in section 11, I believe, that determine whether or not a school will qualify for section 11 funds.

Senator HOLLAND. So that the determination among the children in every school in the Nation now would devolve upon the local teachers and staff, the principal or somebody in school, to determine which students would come under the special assistance program and which would not?

MISS MARTIN. Yes.

Senator HOLLAND. Just who would that responsibility fall upon?

MISS MARTIN. The determination as to the child that receives the free lunch is made by the local school authority, generally the school principal, in accordance with the system level or county policy. However, the amount of Federal money which that school receives is determined by the State agency based on the five factors in the National School Lunch Act.

Senator HOLLAND. Does this same official determine the names of those students who are entitled to buy the reduced-price lunch?

MISS MARTIN. Yes; the local school authority.

Senator HOLLAND. Then in every school in the Nation, the local principal or someone designated by him, will have to determine the names of those particular pupils entitled to receive free lunches, if any, and the names of those pupils entitled to receive reduced-price lunches, in fact?

Senator HOLLAND. They do that now in special districts?

MISS MARTIN. They do that in all of the schools that participate in the national school lunch program.

February 1, 1969, revised USDA regulations which require that every school district in the Nation have a system level free and reduced-price lunch policy, uniformly implemented throughout the system became effective.

So, regardless of whether or not the school receives in section 11 funds, it still has the same policy for determining eligibility of children as other schools in the district. The problem is that schools which do not receive the higher level of Federal assistance do not always have enough funds to fully implement or to provide free and reduced-price lunches to all of the eligible children.

Senator HOLLAND. You say the same standard applies throughout the system. Would that mean that in Fulton County, for instance, there would be one standard that would apply to schools wherever the children come from the more well-to-do families and another standard applies to the children that come from the less well-to-do families in that second system?

MISS MARTIN. In Fulton County, the same standard applies to all of the children in Fulton County, but in a less well-to-do system, the standard could be different from Fulton County's.

Senator HOLLAND. I thought you stated a while ago that there are two separate systems in Fulton County and that one of them deals with the less well-to-do children and the other with more well-to-do children.

MISS MARTIN. Correct. Atlanta's free lunch policy could be different and is different from Fulton County's free lunch policy.

Senator TALMADGE. Two separate administrations.

Senator HOLLAND. That is what I am talking about.

When you talk about the system and the uniformity of standards within a system, you mean in such a county as Fulton there would be two standards and two——

Senator TALMADGE. But only because you have an independent school system of the city of Atlanta, which handles their matters, and Fulton County handles school matters outside of the city of Atlanta.

We have quite a number of those independent school systems in Georgia, not as many as we used to have, but some still remain.

Senator HOLLAND. Thank you.

The CHAIRMAN. To what extent will the States have to contribute by way of cash to operate this program?

Senator TALMADGE. It starts off with 10 percent and finally works its way up over a 10-year period to 50 percent, Mr. Chairman, matching funds.

The CHAIRMAN. As you may recall, since the inception of this program, we have had many States who refuse to participate, to join the program because of the fact that they had no funds.

Now, are you making any provision for States that refuse to join in the program?

Senator TALMADGE. I think if this bill becomes law, they would all have to come under it, Mr. Chairman, if they participate. The bill requires maximum funds of one-to-one, of which 50 percent of the States's part must come from State revenue and not from fees from the children.

The CHAIRMAN. Suppose the State refuses to come in?

Senator TALMADGE. The act does not compel them to come in. If they do participate, it requires State participation.

The CHAIRMAN. As I understand, there are 8 or 9 States that do not participate in the program.

Senator TALMADGE. I think that is about right.

How many?

Miss MARTIN. All States participate in the NSLP; however, the number of States appropriating revenue to reduced price and free lunches is less than half.

Senator TALMADGE. Does the Department know how many States refuse to participate?

**STATEMENT OF HOWARD P. DAVIS, DEPUTY ADMINISTRATOR,
FOOD AND NUTRITION SERVICE, U.S. DEPARTMENT OF AGRICULTURE**

Mr. DAVIS. Not a single one, sir. They are not all participating financially. They are participating in the school lunch program.

I would say there are about 12 that are providing some State funds other than the State administrative funds. Some of those are very minor. There are only several States that contribute materially.

The CHAIRMAN. Well, this has occurred, I presume, since—in the last 4 or 5 years, because we provided moneys to buy the equipment for the schools.

Senator TALMADGE. The 1966 act.

The CHAIRMAN. As you recall, we had a little difficulty in getting them to join because they claimed they did not have the money to put enough equipment into the schools.

Mr. DAVIS. This was true on the individual school district basis; yes, sir.

The CHAIRMAN. That is what I had in mind and I was wondering if any additional ones had joined.

Mr. DAVIS. Yes, sir; we have had quite a few additional schools in just this past year, something like 2,000 additional schools, since we got our increased funding for the past 2 years.

The CHAIRMAN. As I recall, the record shows that the entire Federal contribution to this whole program amounts to about 26 percent of the moneys spent for school lunch programs.

How much will this bill increase the State contribution?

Senator TALMADGE. Fifty percent.

The CHAIRMAN. After 10 years?

Senator TALMADGE. Yes, sir—no; it will increase it to 50 percent at the end of 10 years.

That is correct; is it not?

MISS MARTIN. That is correct, in 10 years. The States will match each section 4 dollar with 50 cents from State revenue sources.

SENATOR TALMADGE. Of that 50 percent, half of it must come from State revenue.

THE CHAIRMAN. You mean at the end of the 10 year period?

SENATOR TALMADGE. Yes, sir.

In other words, it starts off at 10 percent, Mr. Chairman, and works gradually up over a 10-year period to 50 percent.

THE CHAIRMAN. Let's take the State of Georgia. How much money is fed into the program by way of actual cash?

SENATOR TALMADGE. How much is appropriated by the general assembly?

MISS MARTIN. \$1.7 million. This is the first year we have had State money in the school food service program; and \$1.7 million will provide about 1 cent per meal.

Last year, we received approximately \$12 million in Federal funds; the matching requirement would apply only to section 4 of the National School Lunch Act. Last school year we received \$7,340,000 of section 4 money.

Based on 1969 fiscal year allocation the provisions in S. 2548, would require Georgia to provide \$734,374—from State revenue—or 10 percent in 1971. Then by 1978, when States were required to match 40 percent, Georgia would be appropriating \$2.9 million. Then ultimately up to \$3.5 million in 10 years. This will amount to required State funds of 2 cents per lunch in return for the approximately 15 cents per meal received from Federal funds. The 15 cents does not account for federally donated foods. These are cash contributions.

THE CHAIRMAN. Now, you say that Georgia is providing some \$1.7 million?

MISS MARTIN. Yes, sir.

THE CHAIRMAN. Assuming this bill goes through, how much more will they have to provide in order to comply with the law?

MISS MARTIN. We would have to double that amount, because it will be about 2 cents per meal.

SENATOR TALMADGE. And double it the first year?

MISS MARTIN. The Governor has recommended 2 cents for the 1971 fiscal year, and our State board has, so we anticipate doubling the amount of State funds during the 1971 fiscal year.

SENATOR TALMADGE. In the 10th year, how much would the State have to provide?

MISS MARTIN. It would be about 2 cents per meal, or \$3.5 million.

Now, there is a fallacy in that calculation as it does not consider an increase in the volume of meals. However, based on the 1969 fiscal year, Georgia's contribution would increase \$1.7 to \$3.4 million.

THE CHAIRMAN. Well, now, how much over the 50 percent cost of this whole program will have to be paid by the Federal Government?

Because as I understand it, the Federal Government provides for moneys at some localities that are unable to provide the proper utensils and provide for the buildings in which to have these school lunches. Is there an estimate that has been made of that?

If not, it might be well for the Department to think about it and let us have it before these hearings are closed.

Any further questions?

Senator BELLMON. Yes, Mr. Chairman, I have a couple of questions. I am not sure I followed the line of questioning here. Let me go back over it.

The State of Georgia now puts up \$1.7 million for the State share?

Miss MARTIN. That is correct.

Senator BELLMON. And if the bill goes into effect, immediately you would go to \$3.4 million?

Miss MARTIN. No; in 10 years.

Senator BELLMON. So then how much would the cost be next year?

Miss MARTIN. Actually, the cost next year would be less than present State appropriations. The required matching in 1971 would be \$734,000 and we anticipate an appropriation of nearly \$3.5 million.

Senator TALMADGE. In other words, she anticipates that the State will put up more than the requirement in the bill.

Senator BELLMON. This would mean a higher quality lunch program than the minimum required?

Miss MARTIN. Actually, the matching from State-Federal sources in the bill is almost a token amount.

Senator BELLMON. You mean at present or after 10 years?

Miss MARTIN. Even after 10 years, it is a token amount.

Senator BELLMON. I misunderstood.

You mean it is not 50 percent?

Miss MARTIN. Well, it is 50 percent. I guess you would not call that a token amount; would you? It is 50 percent after 10 years.

Senator BELLMON. This is 50 percent of the cost of food, the cost of administering, the cost of serving, or 50 percent of the total cost of the program?

Miss MARTIN. No, sir; it is 50 percent of the Federal dollars appropriated under section 4 of the NSCA. It is not 50 percent of the cost of the program.

Senator BELLMON. What is the total cost of the program to the State of Georgia now; do you know?

Miss MARTIN. The total cost of the program in Georgia in the 1969 fiscal year was \$55 million.

Senator BELLMON. Of that, how much came from the students?

Miss MARTIN. A round \$39 million came from the students.

Senator BELLMON. \$1.7 million came from the State.

Miss MARTIN. \$1.7 is appropriated for the 1970 fiscal year.

Senator BELLMON. So the balance, then, in Georgia, you would say \$15 million is Federal funds?

Miss MARTIN. Basically; yes, sir. About \$1.2 million from donations and local funds.

Senator TALMADGE. Not all of it. You had some local contributions. Bibb County has done an outstanding job. Some of the civic clubs have helped out there.

Senator BELLMON. How much was the Federal participation?

Miss MARTIN. \$12 million of USDA funds. We had approximately \$2 million of title I, Elementary and Secondary Education Act funds.

Senator BELLMON. If I understand the bill properly, the State was to do 50 percent as much as the Federal Government did and if the Federal kept up their participation, the State would be called upon to put up \$7 million.

Senator TALMADGE. You are omitting the fees that they collect from the lunches that would still be paid.

Senator BELLMON. Under the terms of the bill, does it not require 50 percent of the general revenue funds above and beyond the part paid by the students?

Miss MARTIN. No, sir; it refers to the amount of Federal funds appropriated under section 4 of the National School Lunch Act. It would match those.

Senator BELLMON. Section 4—on page 3 of the explanation, it says that:

Section 4 of my bill provides a new matching formula of \$1 of state money for every dollar of federal money. However, the states would be required to meet a percentage of the matching funds from state revenue sources. Initially, the state would be required to provide ten percent of the matching requirement from state sources and eventually this matching requirement would be raised to 50 percent.

So if the Federal amount is, in your case, \$14 million, then the State amount would need to be an equal amount, and of this, they would get a portion from the students and the balance from the revenue fund?

Senator TALMADGE. Two items I think you are omitting.

One is the food the Federal Government gives, and two is the fees the students themselves pay for the lunches. The fees would be included in the State's share.

As a matter of fact, the present law requires that the State put up \$3 for every dollar of Federal money. But practically all the funds Miss Martin is spending down there, except for the Federal contribution, comes from fees charged the students for the lunch. That is considered the State share.

Senator BELLMON. And under the terms of the new bill, how would this be changed?

Senator TALMADGE. Section 4 is only a small part of the total.

What are these figures here? School lunch, section 4, fiscal year 1970.

This is the Senate committee report, which includes \$168,041,000 for section 4 funds. Is that correct?

Mr. MICHAEL R. McLEOD (legislative assistant to Senator Talmadge). Yes, sir; that is correct.

Senator BELLMON. \$178 million?

Senator TALMADGE. \$168,041,000 this year. That is the part they would be required to match.

Senator BELLMON. They would match that dollar for dollar?

Senator TALMADGE. Yes, sir. In 10 years' time—

Senator BELLMON. But in the next year, 1970, how much would the States be required to put up?

Senator TALMADGE. They would be required to put up 10 percent of that amount.

Is that correct, Miss Martin? Does that include the fees from the lunches also?

Miss MARTIN. Next year we would be required to put up \$168 million for \$168 million, but 10 percent of that would be derived from State revenue sources.

Senator TALMADGE. In other words, they will have to put up \$16.8 million next year.

Senator BELLMON. Out of the State treasuries?

Senator TALMADGE. That is correct.

Miss MARTIN. Ninety percent of the revenue would still come from local contributions and pupil and adult payments.

Senator BELLMON. Looking ahead 10 years, if the program is as presently mentioned, the States would be putting up how much?

Senator TALMADGE. Five times 17, a little over \$80 million, about \$85 million.

Senator BELLMON. I see.

Then the question Senator Holland was raising, supposing the States say No?

Senator TALMADGE. They would not be participating in the program and there would be no compulsion or requirement. If they did participate, they would have to put up certain funds in the program.

Senator BELLMON. I am a little at a loss to know why, if some States are not participating now, why does the bill propose to make it more difficult for them to participate.

Senator TALMADGE. Actually, it is supposed to require a greater local contribution, Senator. Many people, myself included, feel that the States are not doing their fair share in this matter, that they should do more.

Miss MARTIN. Of course, we want to feed all of the needy children; we want to feed all of the children in America. Unless the States do share in the financing of this, and if we do provide lunches for all of the children, the burden is going to be with the Federal Government. We feel very strongly that the States need to share more in the financing of the child nutrition program.

There is another very basic concern. The Federal contribution helps the schools to buy food. The labor cost, unless it is provided from local school operations, or State funds, must come from pupil payments. If you have a poor child who cannot afford to pay anything, the school cannot provide lunch unless someone provides money for labor. Labor costs 15 cents per meal. If the school has 25 cents or 30 cents in Federal funds to buy food and has no funds for labor to prepare the food, the school cannot serve the child.

Senator TALMADGE. They are now under the minimum wage laws, too.

Miss MARTIN. This State contribution could be used to help provide the cost of labor.

Senator TALMADGE. The basic cost you have here is this: We are feeding 2 million children today either free or reduced price lunches. The reports say there are 6 million that need this, so you are going to have to triple your present effort to reach the 6 million that are reported to be going to school suffering from hunger and malnutrition now from poverty-level families.

Senator BELLMON. Well, Mr. Chairman, I agree with the concept, but having just come from the State government and knowing a little bit about how tight those State budgets are, I am of the opinion that we are going to have to write some compulsion into this law or we are going to find States refusing to come up with their share.

I do not know whether it is possible, but I would like to raise that point. I am, perhaps, not necessarily going to raise it at this time.

Senator TALMADGE. That is something I think we will get into as the hearings proceed. I notice at least one Governor has a representative coming to testify, Governor Mandel of Maryland.

Senator BELLMON. Are we having testimony from any of the States that presently do not participate?

Senator TALMADGE. I do not know.

Mr. McLEOD. Maryland does not participate on a financial basis, but I think they will next year.

Senator BELLMON. Let me ask another question, Mr. Chairman. I do not want to take all the time, but I notice that on page 3 of the explanation, the paragraph I am just talking about, it would seem to be in conflict with the last paragraph.

The last paragraph says:

In some needy schools, there is not even enough money available to provide the cost of procuring and serving the food. For the few schools who fall in that category, Section 7 of my bill provides for additional Federal assistance in the payment of operating expenses. It would allow the United States Department of Agriculture to pay up to 80 percent of the operating costs of the feeding program, including the cost of obtaining, procuring, and serving food.

So apparently, here we have a provision so that if the State did not come through the USDA could come in and pick up the tab.

Senator TALMADGE. That is in the special low-income group in an area that is theoretically poverty stricken.

Senator BELLMON. Even in a State that is not participating, the USDA could come into those kinds of schools and start a program.

Senator TALMADGE. Would they or not?

Miss MARTIN. No, sir. It would be my understanding that they would not, that all of the States would be eligible for the total program. Again, 80 percent will not take care of the total cost of operation and the local government, or the local people, would need to provide the other 20 percent of the cost of the school lunch. But this would help us right now to get over this roadblock that we have in not being able to provide lunches to needy children. It would help the local system some with operating costs.

Senator BELLMON. But this section could only be activated in States that were meeting their share of the matching requirement?

Miss MARTIN. Yes, if this is implemented.

The CHAIRMAN. Well, the purpose of the questions I asked a moment ago was to try to find out the additional cost to the States. I wonder if we could use Georgia as an example as to what it costs now, to the State, what it costs now to the children, and what it will cost to the Federal Government, and then extend that, let us say, for 2 or 3 years.

Senator TALMADGE. Do you have those figures available, Miss Martin?

The CHAIRMAN. If it is possible to do that, it does not have to be done now. But I think it might be well to put that into the record. It is my fear that this bill, although you say the Federal Government will carry only 50 percent of it and the States 50 percent, it is 50 percent of what, the whole program? All of it?

Miss MARTIN. Mr. Chairman, it is 50 percent of the part that is appropriated under section 4 of the National School Lunch Act.

The CHAIRMAN. All right.

How much over and above that will the Federal Government have to contribute?

Miss MARTIN. In proportion, it would contribute the same amount that it is presently contributing. I would have to do a study to come up with those figures.

The CHAIRMAN. Let us just use Georgia as an example of the additional number of children you anticipate having, as well as the present cost to the State, the present cost to the Federal Government, and let us extend that, if we can, 2 or 3 years and see what kind of picture that gives.

Senator TALMADGE. Project it over 10, if you can, Miss Martin.

The CHAIRMAN. I do not want to give too much work to the lady, but she can get cooperation from the Department.

Miss MARTIN. We shall complete that.

(The information is as follows:)

The matching requirements in the present National School Lunch Act, as well as in H.R. 515 and S. 2548, apply only to cash grants apportioned to the states under Section 4 of the National School Lunch Act. No matching is required for federal contributions in the form of donated foods, or for Section 11 Special Assistance funds, the Breakfast Program, the Special Milk Program, or the program for non-school feeding. The equipment program for low-income area schools requires 20 percent matching of federal grants.

STATE OF GEORGIA

1. Federal Contributions

For the fiscal year 1968, the state received a total of \$19,358,217 in federal assistance for school food service programs:

Sec. 4 of National School Lunch Act.....	\$7,007,525
Sec. 11 of National School Lunch Act.....	305,067
Sec. 6 of National School Lunch Act (donated foods).....	2,165,577
Breakfast program (Child Nutrition Act).....	41,704
Nonfood assistance (Child Nutrition Act).....	33,919
Donated Foods (sec. 32 and sec. 416).....	8,238,655
Total	19,350,217

2. State Contributions

For the fiscal year 1968 the total contributions from all sources from within the state amounted to \$42,370,196:

Children's payments for lunches.....	\$36,712,323
State and local governments.....	2,346,588
Other local contributions.....	3,311,285
Total	42,370,196

3. State Matching Required

Under the School Lunch Act matching formula, the State of Georgia was required to match the Section 4 apportionment of \$7,007,525 by providing from sources within the state the amount of \$16,524,888. Such sources actually provided \$42,370,196 or about 2½ times what was required.

As a practical matter, therefore, the state matching provision of the Act has become meaningless so long as children's payments are counted as matching. Further, the term "matching" as used in the School Lunch Act, is in effect, misleading since only a portion of the federal assistance must be matched. Consequently, a change in the 3-1 ratio, such as 1-1, would not in itself require any additional federal funds and would not diminish the need for state and local contributions (including children's payments) to sustain the program.

Senator BELLMON. Mr. Chairman, I have one additional question, if I may.

The statement about how important it is that a schoolchild be given proper nutrition, I think, is a very good one. I notice that on page 4, the second paragraph, there is reference to the nonschool feeding program. My question is, hunger is a problem for schoolchildren; it is an even greater problem for preschool children.

Is there a provision under the bill for preschool children to receive adequate diets?

Senator TALMADGE. We have a program for day care centers, a program there.

Miss MARTIN. Section 13 of the National School Lunch Act provides this service to children in day care centers.

Senator TALMADGE. Yes.

Senator BELLMON. That is all.

Senator HOLLAND. Maybe I do not understand it, Mr. Chairman, but I would like to develop this part.

I notice that section 4 (a) of S. 2548 provides that the third sentence of section 7 of the National School Lunch Act is amended by striking out "\$3" and inserting in lieu thereof "\$1."

I have section 7 of the National School Lunch Act before me, and the third sentence reads as follows:

Such payments in any fiscal year during the period 1951 to 1955, inclusive, shall be made upon condition that each dollar thereof will be so matched by \$1.50 and for any fiscal year thereafter, such payments should be made upon condition that each dollar will be matched by \$3.

Is that section still in force, and is that what accounts for the \$3 to \$1 contribution required of all State and local sources to match the \$1 in Federal?

Mr. DAVIS. Yes, sir, that is correct.

Senator HOLLAND. Does that \$3 include, and I understand that it does, not only the public money that is put in, but also the cost of the lunches?

Mr. DAVIS. Yes, sir, the contribution from all sources within the States, including the child's payments.

Senator HOLLAND. Then this provision in the pending bill would provide that immediately, the Federal part would have to be stepped up very heavily, because it would be paid on a 50-50 basis immediately, whereas, now, it is on a 25-75 basis. Is that correct?

Mr. DAVIS. No, sir. The Federal contribution would still remain what the Congress appropriated for section 4, and whatever the Congress appropriated for section 4, the bill under consideration would require an equal amount from sources within the State. And of that equal amount in the State, starting with 10 percent and going to 50 percent, would have to come from State-appropriated money rather than children's payments, and so on.

Senator HOLLAND. I understand that, but unless the Federal payment was stepped up very largely, the coverage of the program is effectively reduced, because the Federal program, the Federal part, would be on a 50-50 basis as soon as this bill is passed. It is now on a 25-75 basis. Is that correct or not?

Mr. DAVIS. No, sir, I think it would work the other way around. The lunches are being served and the children are making the payments. The real effect of this legislation would be to bring new money in, really, from the State to requiring State-appropriated funds which are not now being furnished.

I think that the result would be that the State would probably be further exceeding the matching they are already doing.

For example, under the current program—

Senator HOLLAND. I understand that, but would not the school lunch payments, the payments for the school lunch, still be included within the State's part of the program?

Mr. DAVIS. Yes, sir. At the present time, generally speaking, across the country, the States under the present system are matching about 5 to 1. So they are already matching much more than is required in the law.

Senator HOLLAND. That is my understanding.

Mr. DAVIS. It is my understanding that this will continue to happen.

Senator HOLLAND. But will it continue to happen if this amendment were passed stating that the State total matching should be reduced to 1 to 1 instead of 3 to 1?

Mr. DAVIS. It just perhaps could happen.

Senator HOLLAND. I want you to look at the act and tell us for the record positively. I may be completely wrong, but it seems to me that if that figure of \$3 is changed to \$1, it means that the total State contribution, meaning State funds, local public funds, and prices of the lunches, shall only be on a 50-50 basis to the Federal appropriations.

If that is the case, it means either a great reduction in the program or a vast stepping up of the Federal funds, either way. I see no other conclusion. I do see that at the end of the period, the State contribution would probably come up. But this figure of one is substituted for three, now. It seems to me that what I have indicated would immediately come.

I would like you to look at it very carefully and advise us.

Mr. DAVIS. Yes, sir.

(The information is as follows:)

Our conclusion, after further study of this matter, is that it would be desirable to retain the present 3-1 matching ratio now required under the School Lunch Act and to provide that a portion of the State matching be met from State level tax revenues. The dollar for dollar matching proposed in S. 2548 would not necessarily decrease the payments by children or contributions from local sources. However, it could, although not intended, lead to the impression that the Federal Government should bear half of the cost of the program.

Senator TALMADGE. I understand, Senator, this would require the States to make some contribution from State funds. In many States now there is no contribution at all on the part of the State. The total fund comes from the student fees.

Senator HOLLAND. I am completely in accord with your effort to raise the public State contribution. But the dollar figure that you have cut here from \$3 to \$1 means that the total State contribution, including public State funds, public local funds, and prices of the lunches, would be reduced to \$1 as compared with each dollar appropriated federally.

Senator TALMADGE. Harker, you prepared this analysis. I see nothing along that line.

Mr. HARKER T. STANTON (committee counsel). Senator Holland's statement is correct. The bill does reduce the local matching requirement to one-third of the present local matching requirement. At pres-

ent, it is one part Federal to three parts local and this would make it one part local—one part Federal to one part local.

Senator HOLLAND. I am sure that was not intended, but I think we should recognize that that would be done if this \$3 figure were substituted.

Senator TALMADGE. I think we should explore that, because we need all the facts, and I am sure before the hearing is over, when we look into every aspect of it, whatever bugs in the bill that can be ascertained will be corrected.

The CHAIRMAN. If the question I asked a while ago was answered, the act will be—let us take Georgia as an example. Georgia is a leader in that program, and we have a very fine lady there who has been in charge of it and has had a great deal to do with it. It might be well to use that—how many pupils are there now under the present law; how much does the State contribute under the present law; how much does the Federal Government contribute; and any other sources; and then what it will be under this new law. That will paint the picture as I think we requested.

Miss MARTIN. Yes, sir; we shall do that.

Senator HOLLAND. The State contribution under the law would have to include not only what the State has appropriated and not only what the local schools are appropriating, but what comes in under payments for lunches.

Senator TALMADGE. And what the charities give and the local people, also.

The CHAIRMAN. And the contributions by the local people. I know some people contribute their time there.

Senator HOLLAND. Let us see—yes, the next sentence to the one that would be amended covers some of those features that you just mentioned. May I read that for the record?

In the case of any State whose per capita income is less than the per capita income of the United States, the matching requirement for any fiscal year should be decreased by the percentage—

That is not the sentence. Strike that.

For the purpose of determining whether the matching requirements of this section and Section 10, respectively, have been met, the reasonable value of donated services, supplies, facilities, and equipment and certified respectively by the State Educational Agencies in the case of schools receiving funds pursuant to Section 10 by such schools, but not the cost of value of land, the acquisition, construction, or alteration of buildings or commodities donated by the Secretary, or of Federal contributions may be regarded as funds from sources within the State expended in connection with the School lunch program.

So the State's part under this whole section, section 7, as I understand it, would be not only the State public funds, plus the local public funds, plus the money collected from lunches, but also the contributions of time and services. So that makes up a total State contribution which, under the present law, must be at least three times as great as the Federal contribution. At least that is the way I understand it.

Is that right?

Mr. DAVIS. That is correct.

Miss MARTIN. That is correct.

The CHAIRMAN. All of that will come out if you give us an illustration of Georgia.

Miss MARTIN. All right, sir.

Senator HOLLAND. The reason I intervened is so that it would be clear for the record that we do want the whole picture as stated here in the bill and not just the State appropriation or the local school district appropriation, but all the other things, including the money received for the lunches.

The CHAIRMAN. In giving the amount that is contributed now and that will be contributed under this new law by the Federal Government, I presume that you will also take into consideration the surplus goods that are sent, surplus foods?

Miss MARTIN. Yes, sir.

The CHAIRMAN. Under direct distribution. Put all that in there and we can make a good comparison.

Miss MARTIN. All right, sir.

The CHAIRMAN. My guess is that the Federal Government is going to pour out much more money than has been stated up to now.

Senator HOLLAND. I think the commodities donated by the Secretary are now included.

The CHAIRMAN. It ought to be.

Senator HOLLAND. Under the terms of the law here, it is one of the ones exempt.

Am I correct in that, Harker?

Mr. STANTON. That is right.

Senator HOLLAND. It is not included because that is something that, at the time the law was passed, was coming out of surplus goods and was not to be included.

The CHAIRMAN. Well, I am sure the question will come up when this bill is debated on the Senate floor. What I would like the illustration to show is the entire amount put in by the Federal Government, which means any food, surplus food or under section 11 or other sections, all of that. See how the picture will show.

Miss MARTIN. Yes, sir.

(For the information above, see page 69.)

The CHAIRMAN. All right.

Are there any other questions?

(No response.)

The CHAIRMAN. Mr. Hekman.

STATEMENT OF EDWARD J. HEKMAN, ADMINISTRATOR, FOOD AND NUTRITION SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. HEKMAN. Thank you, Mr. Chairman.

Mr. Chairman and members of this distinguished committee, I am Edward J. Hekman, the Administrator of the Food and Nutrition Service of the U.S. Department of Agriculture.

It is a pleasure to meet with you this morning to discuss a series of bills designed to improve child nutrition. Through the years the members of this committee have worked diligently and effectively to improve the nutritional status of American children. As the new Administrator of a new agency, the Food and Nutrition Service, I look forward to working with you toward our common goal of better nutrition for every child.

In recent months there has been much discussion of hunger and malnutrition in this country. The problem is particularly acute among children from low-income families.

As President Nixon stated in his message of May 6, 1969:

That hunger and malnutrition should persist in a land such as ours is embarrassing and intolerable . . . the moment is at hand to put an end to hunger in America itself for all time.

We have the commitment, and we have the popular backing and support to put an end to hunger. But commitment and backing and support won't solve the problems of hunger unless we have a delivery system that will get food and food assistance to those who need it.

The American school system, which is the finest and most comprehensive of any in the world, is a readymade delivery system for better child nutrition. You have recognized this potential as you have expanded and developed the national school lunch program.

You have not taken the delivery system for granted. Rather you have acted to make it better and better. Over the years you have amended the National School Lunch Act to provide higher reimbursements and needed equipment to low-income area schools. You have recognized that the school that can serve lunch can also serve breakfast and that the type of food services that are supported in schools by the national school lunch program can be supported under similar legislation in day-care centers, settlement houses, and summer recreation centers.

The bills that you are considering this morning are concerned with further improving and expanding our child nutrition program. H.R. 515, which has already been passed by the House of Representatives, makes a number of long-needed changes in school lunch and child nutrition legislation. The administration endorses and supports this bill.

You also have before you S. 2548, a thoughtful and comprehensive measure introduced by Senator Talmadge. Another House-passed measure, H.R. 11651, provides for the transfer of \$100 million in section 32 funds to the child feeding programs. S. 2595 gives top priority to school lunch programs in the use of dairy products acquired by the Commodity Credit Corporation, and S. 644 calls for a special milk program for children.

Allow me to briefly review the status of our current programs and then comment on some of the features of the various bills.

This past school year has seen substantial program expansions. More than 20 million children participated in the national school lunch program during the 1968-69 school year compared with 18.8 million in the 1968 school year and 18.3 million in 1967. Almost 3.4 billion meals were served compared with 3.2 billion in the 1968 school year.

The additional funds provided by the Congress made it possible for us to reach an extra million children in the 1968-69 school year. You will recall that we were well into the school year before we could be sure and could inform the States that the money actually was available. As the State and local governments geared up, we found that by May of this year, 17.6 percent of the meals were being served free or at a reduced price. This compares with 13.5 percent in May of the previous year.

The breakfast program, although still small compared with the lunch program, more than doubled. There were 2,922 schools with 300,000 children participating this past school year, compared with 1,325 schools and 168,000 children the previous school year. Over 70 percent of the breakfasts were served free or at a nominal cost. The numbers of breakfasts served totaled 36.5 million compared with 16 million the previous year.

As we expected, the heaviest participation in the special food services program for children occurred during the summer months. As everyone is very much aware, day-care facilities in this country are limited in number and relatively small in size. By July of this year, we were operating in 2,384 day-care and summer activities with a participation of 355,000 children.

St. Louis, for example, served meals to 30,000 children; San Antonio 15,000; Detroit 20,000; Minneapolis 17,000; the District of Columbia almost 50,000; Atlanta over 11,000.

We believe there is a great potential for this program, both in the expanded day-care centers proposed by the President and in helping to close the summer nutrition gap when the schools are frequently closed.

The Department has already indicated that it endorses all of the major features of H.R. 515. A number of these features are included in S. 2548.

I think it particularly important that we introduce a change in the matching formula to require that States use some of their own funds to meet the matching requirement. For too long, most States have relied substantially on children's payments to supply the major share of the matching requirement. Relatively few States provide program money from State revenues.

We very much favor the provision for advance appropriations. As you are well aware, we are frequently well into the school year before we can let State and local governments know what will be available in the form of cash assistance. This presents great difficulties in setting lunch prices and in determining what funds will be available to reach needy children.

Because schools have had to plan on the safe side, some have not been able to fully use all the Federal funds that were finally allotted. Lunch programs traditionally operate with very little in the way of elbow room for adjusting prices—particularly upward. An increase of just a few pennies per meal will cause an immediate drop in participation. With advance appropriations school lunch prices can be set precisely and fairly at the beginning of each school year.

We favor, too, the nutrition education components in both major bills. We have assumed for too long that children automatically absorb nutrition lessons along with their school lunch. Children from all economic levels understand too little about why they should eat specific foods. Nutrition education is going to require a lot of hard work by all of us.

We favor taking a look at the competition that school lunches face right in the cafeteria. Snack bar items are tempting to children and profits from their sale often support worthwhile school activities. However, lunch participation and child nutrition suffer as a result.

State and local school lunch directors have long wanted a review of these practices.

And, finally, based on our experience this past fiscal year with the kind of funding flexibility we have had under amendment 25 of the Department's appropriation bill, we would like to continue that flexibility. Each category of food assistance carries its own appropriation authority and its own apportionment formula. But the needs of the States vary so greatly that we are in danger of distorting our progress.

Some States need centralized kitchens or additional equipment to service satellite schools—this is true particularly in major northern urban centers. Other States need more help in providing free or reduced-price lunches or in expanding breakfast programs. Some need a combination. Allowing some of the funds to be shifted from one category to another would reduce the chance of distortion through the categorical approach.

Although we are sympathetic with the proposal in S. 2548 that would broaden the coverage of section 11, the special-assistance phase of the school lunch program for low-income-area schools, we believe the language as it stands is unwieldy. A simpler approach would be to eliminate the criteria under section 11 and authorize the Secretary to provide a higher level of assistance to feed needy children in any school. This section would still carry its own appropriation authority without specific authorizations.

S. 2548 also provides authority for Federal cost sharing in the employment of nutrition specialists by local governments. We do not believe this to be a wise or feasible proposal. This would tend to federalize an aspect of the program that we believe is better left to State and local administration.

On H.R. 11651, we believe the funds requested by the administration for child feeding in the current fiscal year are adequate to accomplish the purpose. Both the House and the Senate have supported these funding requests, and that action effectively eliminates the need for H.R. 11651.

This committee also has before it S. 644, a bill to provide a special milk program for children. The existing authority for such a program expires at the end of the current fiscal year. Both the House and the Senate have acted to fund this program for fiscal 1970 at a level substantially above that requested by this administration or its predecessor.

Although the Department's appropriation bill still awaits final passage, we have informed schools that we shall continue to fund special milk at a level of \$104 million for the current school year. This subject continues to be under active review and at this time we do not favor extension of authority for this program beyond the end of the current fiscal year.

Finally, Senator Nelson has introduced two bills, S. 2152 and S. 2595, that will allow dairy products purchased by the Commodity Credit Corporation to be used in the school lunch, child feeding, and commodity distribution programs without regard to any present limitations that specify that sales of Commodity Credit Corporation stocks should take priority over donations. We support the concept embodied

in these two bills and recommend enactment of S. 2595, the more recently filed of the two.

The President has committed this administration to the elimination of poverty-related malnutrition. This is the time and place to do so. We know you share this commitment. There is no better place to begin than with children. We know we can reach them with good nutrition. Members of this committee have observed the dedication of the State and local school lunch supervisors, managers, and workers. They want to do the job and do it right. Let's give them a real chance.

You have some excellent proposals before you today. I know that, working together, we will find the answers.

Thank you, Mr. Chairman.

The CHAIRMAN. All right, sir.

Now, you heard the questions that we asked of Senator Talmadge.

Mr. HEKMAN. Yes, sir.

The CHAIRMAN. I hope that you will cooperate fully so as to get a true picture of the entire cost of this program, how many more children you expect to feed and who is going to pay for it.

Mr. HEKMAN. We heard your remarks, Mr. Chairman. We shall certainly do that.

The CHAIRMAN. As far as I am concerned, I think any table that is prepared to indicate that will answer a lot of questions, but I would not ask you to answer now. I do not suppose you are prepared to say what the cost to the Federal Government will be?

Mr. HEKMAN. We would not have a figure on that at the moment—not what you specifically ask for. We will see that you get this.

The CHAIRMAN. You say you endorse the House bill as written?

Mr. HEKMAN. Yes, we do.

The CHAIRMAN. Plus the proposals of Senator Talmadge's bill? Am I right about that?

Mr. HEKMAN. I think that is right. That is correct, but with certain reservations on some specifics.

(The information is as follows:)

UNITED STATES DEPARTMENT OF AGRICULTURE, FOOD AND NUTRITION SERVICE,
WASHINGTON, D.C.

Since FY 1968 additional State revenues have been provided for this program in:

California	¹ \$500,000
Illinois	5,400,000
Georgia	1,760,400
New Jersey	3,000,000
Rhode Island	1,092,242
Washington	65,000

¹ In addition to the \$2,000,000 shown on statement.

STATE MATCHING REQUIREMENTS—PERKINS BILL (H.R. 515) AMENDING NSLP

State	Federal cash apportionment, fiscal year 1968 ¹	Matching amount required, fiscal year 1968 ²	Perkins bill matching amount required ³	State taxes used to reimburse lunches and other program costs ⁴	State taxes used for administrative purposes ⁴
Alabama	\$4,709,862	\$9,799,396	\$979,940		\$135,498
Alaska	152,189	456,567	45,657		29,100
Arizona	1,336,340	3,447,212	344,721		25,000
Arkansas	2,919,744	6,003,351	600,335	\$150,000	92,894
California	5,970,046	17,910,138	1,791,014	2,000,000	231,489
Colorado	1,520,201	4,455,120	445,512		125,649
Connecticut	1,373,156	4,119,468	411,947		44,498
Delaware	376,273	1,128,819	112,882	717,550	15,325
District of Columbia	249,651	748,953	74,895	511,974	31,102
Florida	6,238,492	16,398,322	1,639,832		174,135
Georgia	7,007,525	16,524,888	1,652,489		151,243
Guam	129,861	214,271	21,427		54,280
Hawaii	991,847	2,975,541	297,554	2,178,214	88,067
Idaho	673,121	1,676,621	167,662		52,000
Illinois	4,626,454	13,879,362	1,387,936		242,700
Indiana	3,571,668	10,715,004	1,071,500		280,000
Iowa	2,936,649	8,782,978	878,298		74,204
Kansas	1,872,349	5,376,316	537,632		65,091
Kentucky	4,594,860	10,223,564	1,022,356		115,000
Louisiana	6,526,352	15,030,588	1,503,059	14,519,912	635,584
Maine	846,522	2,105,939	210,594	22,257	50,718
Maryland	2,066,032	6,198,096	619,810		50,373
Massachusetts	3,506,528	10,519,584	1,051,958	5,316,771	260,410
Michigan	3,930,835	11,792,505	1,179,251		42,278
Minnesota	3,569,328	10,456,674	1,045,667	500,000	80,000
Mississippi	4,110,527	7,344,421	734,442		109,962
Missouri	3,769,380	10,942,741	1,094,274		125,000
Montana	494,715	1,320,081	132,008		54,138
Nebraska	1,200,886	3,454,385	345,438		57,516
Nevada	126,096	378,288	37,829		25,000
New Hampshire	458,008	1,290,367	129,037		17,709
New Jersey	1,998,088	5,994,264	599,426		144,638
New Mexico	1,116,037	2,630,659	263,066		59,914
New York	10,034,987	30,104,961	3,010,496	22,227,973	299,150
North Carolina	7,866,349	17,526,707	1,752,671		265,000
North Dakota	779,213	1,908,277	190,828		45,580
Ohio	6,182,230	18,546,690	1,854,669		127,357
Oklahoma	2,144,002	5,373,132	537,313		725,710
Oregon	1,420,167	4,257,603	425,760		62,320
Pennsylvania	6,291,452	18,874,356	1,887,436		44,900
Puerto Rico	4,236,964	4,185,083	418,508	11,601,969	1,808,131
Rhode Island	274,055	822,165	82,216		991,385
South Carolina	4,720,026	9,762,747	976,275	496,023	256,829
South Dakota	634,973	1,525,879	152,588		74,883
Tennessee	4,856,054	10,896,391	1,089,639	75,000	143,010
Texas	7,342,117	18,812,302	1,881,230		
Utah	1,261,981	3,219,339	321,934	1,652,687	45,000
Vermont	273,435	772,650	77,265	150,000	30,232
Virginia	4,425,472	11,655,248	1,165,525		142,297
Virgin Islands	127,150	192,152	19,215	839,979	55,948
Washington	1,977,929	5,933,787	593,379		78,000
West Virginia	1,888,819	4,200,695	420,070	300,000	87,360
Wisconsin	2,901,243	8,688,927	868,893		174,226
Wyoming	262,201	718,645	71,864		23,275
Samoa, American	76,559	44,920	4,492	119,903	29,725
Total	154,947,000	402,267,139	40,226,714	63,590,149	9,251,184

¹ Sec. 4 apportionment.

² Federal funds apportioned to each State must be matched from State sources at the basic rates of \$3 for each Federal dollar. This requirement is reduced for States with per capita income less than the national average. For such States, the matching required shall be reduced by the percentage which such State per capita income is below the national average.

³ State revenues must equal 10 percent of the matching requirements based on matching amount fiscal year 1968 (col. 2).

⁴ Fiscal year 1968, CFP-13 reports.

STATE MATCHING REQUIREMENTS—TALMADGE BILL (S.2548) AMENDING NSLP

State	Federal cash apportionment, fiscal year 1968 ¹	Matching amount required, fiscal year 1968 ²	Perkins bill matching amount required ³	State taxes used to reimburse lunches and other program costs ⁴	State taxes used for administrative purposes ⁴
Alabama	\$4,709,862	\$9,799,396	\$1,633,233		\$135,249
Alaska	152,189	456,567	76,094		29,100
Arizona	1,336,340	3,447,212	574,535		25,000
Arkansas	2,919,744	6,003,351	1,000,558	\$150,000	92,849
California	5,970,046	17,910,138	2,985,023	2,000,000	231,489
Colorado	1,520,201	4,455,120	742,520		125,649
Connecticut	1,373,156	4,119,468	685,678		44,498
Delaware	376,273	1,128,981	188,136	717,550	15,325
District of Columbia	249,651	748,953	124,825	511,974	31,102
Florida	6,238,492	16,398,322	2,733,054		174,135
Georgia	7,007,525	16,524,888	2,754,148		151,243
Guam	129,861	214,271	35,712	209,937	54,280
Hawaii	991,847	2,975,541	495,924	2,178,214	88,067
Idaho	673,121	1,676,621	279,437		52,000
Illinois	4,626,454	13,879,362	2,313,227		242,700
Indiana	3,571,668	10,715,004	1,785,834		280,000
Iowa	2,936,649	8,782,978	1,463,830		74,204
Kansas	1,872,349	5,376,316	896,053		65,091
Kentucky	4,594,860	10,223,564	1,703,927		115,000
Louisiana	6,526,352	15,030,588	2,505,098	14,519,912	635,584
Maine	846,522	2,105,939	350,990	22,257	50,718
Maryland	2,066,032	6,198,096	1,033,016		50,373
Massachusetts	3,506,528	10,519,584	1,753,264	5,316,771	260,410
Michigan	3,930,835	11,792,505	1,965,418		42,278
Minnesota	3,569,328	10,456,674	1,742,779	500,000	80,000
Mississippi	4,110,527	7,344,421	1,224,070		109,962
Missouri	3,769,380	10,942,741	1,823,790		125,000
Montana	494,715	1,320,081	220,014		54,138
Nebraska	1,200,886	3,454,385	575,731		57,516
Nevada	126,096	378,288	63,048		25,000
New Hampshire	458,008	1,290,367	215,061		17,709
New Jersey	1,998,088	5,994,264	999,044		144,638
New Mexico	1,116,037	2,630,659	438,443		59,914
New York	10,034,987	30,104,961	5,017,494	22,227,973	299,150
North Carolina	7,866,349	17,526,707	2,921,118		265,000
North Dakota	779,213	1,908,277	318,046		45,580
Ohio	6,182,230	18,546,690	3,091,115		127,357
Oklahoma	2,144,002	5,373,132	895,522		725,710
Oregon	1,420,167	4,257,603	709,600		62,320
Pennsylvania	6,291,452	18,874,356	3,145,726		44,900
Puerto Rico	4,236,964	4,185,083	697,514	11,601,969	1,808,131
Rhode Island	274,055	822,165	137,028		991,385
South Carolina	4,720,026	9,762,747	1,627,124	496,023	256,829
South Dakota	634,973	1,525,879	254,313		74,883
Tennessee	4,856,054	10,896,391	1,816,065	75,000	143,010
Texas	7,342,117	18,812,302	3,135,384		
Utah	1,261,981	3,219,339	536,556	1,652,687	45,000
Vermont	273,435	772,650	120,442	150,000	30,232
Virginia	4,425,472	11,655,248	1,942,541		142,297
Virgin Islands	127,150	192,152	32,025	839,979	55,948
Washington	1,977,929	5,933,787	988,964		78,000
West Virginia	1,888,819	4,200,695	700,116	300,000	87,360
Wisconsin	2,901,243	8,688,927	1,448,154		174,226
Wyoming	262,201	718,645	119,774		23,275
Samoa, American	76,559	44,920	7,487	119,903	29,725
Total	154,947,000	402,267,139	67,044,522	63,590,149	9,251,184

¹ Sec. 4 apportionment.² Federal funds apportioned to each State must be matched from State sources at the basic rates of \$3 for each Federal dollar. This requirement is reduced for States with per capita income less than the national average. For such States, the matching required shall be reduced by the percentage which such State per capita income is below the national average.³ Federal funds apportioned to each State must be matched from State sources at the basic rates of \$1 for each Federal dollar. This requirement is reduced for States with per capita income less than the national average. For such States, the matching required shall be reduced by the percentage which such State per capita income is below the national average. State revenues must equal at least 50 percent of the matching requirement based on 1/3 of matching amount, fiscal year 1968 (col. 2).⁴ Fiscal year 1968, CFP-13 reports.

FOOD AND NUTRITION SERVICE, CHILD NUTRITION PROGRAMS, FISCAL YEAR 1970

[Dollars in thousands]

	<i>Budget estimate</i>
1. Cash Payments to States:	
(a) School lunch program (sec. 4)-----	\$168,041
(b) Special assistance (sec. 11)-----	105,800
(c) School breakfast-----	11,000
(d) Nonfood assistance-----	15,000
(e) State administrative expense-----	2,750
(f) Nonschool food program-----	10,000
Total cash to States-----	312,591
2. Commodity procurement (sec. 6)-----	64,325
3. Federal operating expenses-----	3,850
Subtotal-----	380,766
4. Commodity donations from:	
Sec. 32-----	90,411
Sec. 416-----	¹ 146,838
Total commodities (excluding sec. 6)-----	237,249
Total child nutrition-----	618,015

¹ Includes proposed purchase of cheese under sec. 709 authority.

In the 1969-70 school year 24 million children are expected to participate and consume about 4 billion lunches. Some 20 percent of these lunches will be served free or at reduced prices.

The CHAIRMAN. Any further questions?

Senator HOLLAND. I want to ask you about the special milk program, Mr. Hekman.

As I understand it, the administration has now come to the position that it does include \$104 million for this coming year, 1970, for the special milk program. Is that correct?

Mr. HEKMAN. That is correct. We have notified the school officials that the program will be in effect at that level for the current year.

Senator HOLLAND. That is the amount that is in the Senate appropriation bill. The House appropriation bill carries a somewhat larger amount. You have approved it at \$104 million?

Mr. HEKMAN. That is correct.

Senator HOLLAND. Your approval, however, still would call for the end of the special milk program after the current year, 1970; would it? I so understand your testimony.

Mr. HEKMAN. I have indicated, I think, in this testimony, Senator Holland, that the matter is under review. We have taken action for this year. The matter is under continuing review beyond that. I think the subject continues to be under active review, and at this time, we do not favor extension.

What I am trying to say there is that presently our position would be that we would not favor extension, but the matter is under review in the Department.

Senator HOLLAND. Well, as I understand it, this would not require the passage of any further authorization bill, because the House put in a larger amount. The Senate cut it to \$104, which was an extension of the amount of last year. The only thing in conference between the two Houses on this matter is the difference between those two amounts, which is in the bill regardless of the absence of the authorization for future years.

Mr. HEKMAN. That is correct.

Senator HOLLAND. And you are now studying the question of whether the administration will or will not support further authorization of this program.

Mr. HEKMAN. This is correct.

Senator HOLLAND. At the present time, you do not favor it?

Mr. HEKMAN. That is correct, sir, but it is under review.

Senator HOLLAND. Thank you.

The CHAIRMAN. Senator Bellmon?

Senator BELLMON. Mr. Chairman.

Mr. Hekman, I would like to call your attention to your remarks on page 4. Not that I disagree with you, but I would like to have your reasoning behind the third paragraph, in which you say you think it is particularly important that we introduce a change in the matching formula to require that States use some of their own funds to meet the matching requirement.

Why do you come to this conclusion?

Mr. HEKMAN. Well, I would say pretty much for the same reason that some of the States are presently doing it. It makes for a better program. To expect the matching in so many areas to be entirely from the students does not make as effective a program, in our opinion, as what is contemplated under the bill.

I would like to ask Mr. Davis if he would like to explain that.

Mr. DAVIS. I think that states it correctly. In those States where the State has put in some of its own money, the programs have tended to be much better.

Senator BELLMON. Better in what way?

Mr. DAVIS. In that they have better coverage and they are able to get more participation by holding the prices to a reasonable level.

Senator BELLMON. Do you know what will happen to the States that presently do not participate if this requirement is put into effect? Will they never come into the program? Is that your plan?

Mr. HEKMAN. Well, all States are presently in the program.

Senator BELLMON. Every one of the 50 States?

Mr. HEKMAN. Yes.

Mr. DAVIS. They have a national school lunch program in every State and they have a State organization to carry out that program in every State.

Not every State, however, puts in State appropriated money to help the local schools.

Senator BELLMON. I understand someone to say there were 12 States that did not have hot lunch programs. That is not true?

Mr. DAVIS. No; that is incorrect. They have the program, but there were approximately 12 States where the State is putting in program money to help the local school districts with a school lunch program. But all States are participating in the program.

Senator BELLMON. So it is your feeling that if this requirement is written into the law, the program will not cease in any of these States, but rather that the States will find some place to get their matching funds?

Mr. HEKMAN. That is our hope. We would expect that to happen; yes.

Senator BELLMON. That is all, Mr. Chairman.

The CHAIRMAN. Senator Talmadge?

Senator TALMADGE. Mr. Hekman, I want to compliment you on your statement. It has been reported that we are feeding about 2 million classroom students now, either free or reduced-price lunches. There have been some statistics by the Federal agencies themselves that show there is a need for about 6 million. In other words, the effort—State, Federal, and local—now is about a third of the need. Do you agree with that?

Mr. HEKMAN. Substantially, I do, Senator Talmadge. I think our figure on the 6 million is nearer 6.5.

Mr. DAVIS. Six would be a conservative figure.

I might point out, Senator Talmadge, that due to the increased appropriations provided by the Congress this past school year, we estimate that by the end of the school year just finished, there were approximately 3.4 million children receiving free or reduced-price lunches. So with the added funds that we got just this past year, I think it demonstrates that the States can reach these children.

Senator TALMADGE. In other words, we are closing the gap and you recommend further efforts to close it?

Mr. DAVIS. Absolutely.

Senator HOLLAND. May I ask just one question here?

When you speak of the extra funds, you mean the \$45 million coming out of section 32 that were appropriated in this last appropriation bill for 1969 that had not been appropriated before that?

Mr. DAVIS. Yes, sir; plus some increase in the other funds, too, Senator.

Senator HOLLAND. Thank you.

Senator TALMADGE. There were some provisions in that bill that I offered that you took some exceptions to. As you know, many of the low-income students now go to schools in areas that are rather affluent. The present policy, I believe, of determining schools for reduced prices and free lunches relates to the school itself and not the child; is that correct?

Mr. HEKMAN. That is correct, sir.

Senator TALMADGE. How can we meet this problem of having lunch availability follow the child unless we authorize it?

Mr. HEKMAN. It is my understanding that that would be required and was contemplated in this bill. This would be in answer to a question that was raised previously. We do not see administrative problems in having these funds follow the child rather than follow the schools.

Senator TALMADGE. In other words, you support that principle?

Mr. HEKMAN. Absolutely.

Senator TALMADGE. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Miller?

Senator MILLER. Do I understand that while you are still reviewing the special milk program, your thinking may be to eliminate that and focus the entire attention on school lunch and breakfast programs, and other special programs?

Mr. HEKMAN. Yes, sir; that is where I think it is going, to try to make one package.

Senator MILLER. So that the same quantity of milk certainly would continue to be used, but it would end up in these other programs?

Mr. HEKMAN. That is right.

Senator MILLER. Thank you.

The CHAIRMAN. Senator Dole?

Senator DOLE. As I understand it, you are supporting and endorsing H.R. 515, without any suggested amendments? Is that correct? That bill is acceptable as it passed the House?

Mr. HEKMAN. There were two areas—

Mr. DAVIS. The provisions that are in the bill, I believe the administration has gone on record as supporting those; yes, sir.

Senator DOLE. I have not had a chance to review H.R. 515 completely, but I think it contains a provision where there would be no overt identification of those receiving free lunches; is that correct?

Mr. HEKMAN. That is correct. It is very specifically spelled out.

Senator DOLE. We have found that to be a problem in some of the areas to which we have traveled for hearings by the Committee on Nutrition and Human Needs.

Secondly, I was not here to hear the presentation by Senator Talmadge, but I assume that many provisions in S. 2548 are comparable to many of those in H.R. 515, so there is some basic support for his proposal; right?

Mr. HEKMAN. Yes; that is very true.

Senator DOLE. Senator Bellmon raised a question on page 4 about the States' participation. I share that view. I am wondering if you might furnish for the record the number of States which now participate in the program and on what basis, and if possible, what has happened since their participation, whether there has been an increase in benefits or whether it has gone down the other way?

I think he was concerned that this might reduce participation rather than expand it. May we have that for the record?

Mr. HEKMAN. We shall submit that.

(For the information above, see pages 77-79.)

Senator MILLER. Would you yield at that point?

Senator DOLE. Yes.

Senator MILLER. What incentive is there now for States to participate and provide program money?

Mr. HEKMAN. I would say that really, the only incentive is to do a better job for their students—for the children, I mean.

Senator MILLER. They do not get any more money from the Federal Government to do it?

Mr. HEKMAN. No, sir; it is just based on trying to do a better job locally.

Senator DOLE. My only theory is that it might lead to better administration and perhaps a sounder program, which could produce ultimate benefits.

Now, I quickly read the statement of the National Restaurant Association—I do not want to jump ahead on any witness, but I think it deserves comments. First of all, how many children would be eligible for a school lunch program if you could feed them all? What is the total number?

Mr. HEKMAN. Fifty million.

Senator DOLE. You are now reaching what, about 20 million?

Mr. HEKMAN. That is right.

Senator DOLE. So you are reaching about 40 percent of those who might be eligible; is that correct?

Mr. HEKMAN. I do not have the figures with me.

Mr. DAVIS. We are reaching about 40 percent of the total enrollment, Senator Dole. However, a recent study that we completed, a rather extensive study of the lunch program, disclosed some rather significant figures on the number of children who go home to lunch normally, the number of children who eat outside the schools, and, of course, in any given period, you have perhaps a 10-percent absenteeism.

So when you are talking about average daily participation, and the children in those schools, it changes that figure somewhat. I do not think we would ever reach all of the 50 million; perhaps 75 percent of them. But we do have a long way to go in getting coverage for all children.

Senator DOLE. But the figures in themselves, then, are not meaningless, but they are not inclusive, either.

Mr. DAVIS. Yes.

Senator DOLE. With reference to what appears to be a regulation, the future witness will testify; is the use of food service management firms precluded by regulation, and what is the basic purpose of that?

Mr. HEKMAN. I have been here only 3 months. I have been made aware of that regulation. If I might state, Senator, I plan to make a study of this through an in-depth look at it, including field trips. I hope at the end of that time to make a recommendation to the Secretary through Mr. Lyng as to whether, in the opinion of the Service, the Food and Nutrition Service, this regulation is something that should or should not be continued.

Senator DOLE. Mr. Davis, do you have any comment? I am just trying to find out for my own information. It seems to me that in some areas, a food service management firm might be very desirable where you have an inefficient administration, and the program could be helped substantially. I recognize there might be some additional cost, and I can probably understand the basic purpose of the regulation.

I also understand that the Department does not say that this precludes employment of the management firm. It does not say, in effect, that any school that has a management firm is not eligible for the school lunch program; does it?

Mr. DAVIS. Our present regulation does say that if the school employs a private food management company to run its school lunch program, they are not eligible for the Federal benefits.

Now, the school people, over the years, have urged the continuation of this provision on the basis that turning it over to private companies would tend to diminish the interest in the program by the local school administrators; they would wash their hands of the whole thing and forget about it.

The school people have felt that, by observation, those programs that worked the best were those where you had the most concern and active participation of the school administrator.

They have also believed that they would lose a lot of voluntary contributions that the program gets in many ways if it were being run by a private concern; that perhaps it would be more difficult to maintain the push for free meals and the nutritional aspects of it.

I think some of these attitudes and reasonings have built up over a period of years. I do not know whether they still feel that way or not. One angle to this, however, that I think we should remember in this

is that there is no prohibition in our regulations against the school buying food or employing a caterer to deliver food to the school.

It is merely the prohibition on a private concern moving a resident manager into the school and taking over the program. That is the issue.

Senator DOLE. Are there a number of schools who use this private service?

Mr. DAVIS. I do not know how many schools across the country do. I know there are a number that do. We looked at a few in New Jersey that did.

Senator DOLE. I can find that out later.

Thank you very much.

The CHAIRMAN. Mr. Hekman, I wonder if you would be kind enough to provide for us the cost of this program to the Federal Government under the H.R. 515, and in connection with that, I notice that you provide for a State contribution of from 4 to 10 percent. It is to start, during fiscal year 1971, you start at 4 percent; in 1973, 6; in 1975, 8; and in 1977, 10 percent.

Mr. HEKMAN. Yes, sir.

The CHAIRMAN. Give us the amount that this would produce—I mean that it will produce from the States—in contrast to S. 2548, which provides for State contributions beginning immediately at 10 to 50 percent.

Mr. HEKMAN. Well, may I—

The CHAIRMAN. I do not expect you to—

Mr. HEKMAN. May I ask a question about your question?

The CHAIRMAN. Yes.

Mr. HEKMAN. The previous discussion was a little confusing to me.

The CHAIRMAN. Which discussion?

Mr. HEKMAN. On this matter of these participation formulas.

The CHAIRMAN. You mean under the Talmadge bill?

Mr. HEKMAN. Yes, sir; and under the—

The CHAIRMAN. Well, if you are prepared to answer now, we shall be glad to hear you.

Mr. HEKMAN. Now, I am not prepared to answer now in terms of dollars, but I would appreciate some clarification on this.

In other words, under section 4, the Federal level, I think the figure is \$168 million. Well, then, we are to assume, under these matching programs, that the figure stays at \$168 million, just as an example. Then these participation levels, which are now 3 to 1, the ratio would stay the same under some of this thinking as one Federal and three State, but this would be whacked up in a different way.

Rather than most of it coming from the students, it would come from some State participation, but the overall relationship of 1 to 3 would remain the same.

Am I thinking wrong on this?

The CHAIRMAN. No, you are not. You have both goals before you. You are going to have to administer them.

Mr. HEKMAN. Yes, sir.

The CHAIRMAN. Now, take H.R. 515, wherein the contributions would be from 4 to 10 percent over the period of years I have told you—that is, from 1971 through 1977. Figure what the State alloca-

tion would be, and then take the Talmadge bill, 2548, as is, and tell us what the State contribution would be under that program.

Mr. HEKMAN. Very good. We shall do that.

(For the information above, see p. 77.)

The CHAIRMAN. Are there any further questions?

(No response.)

The CHAIRMAN. If not, we thank you very much.

Mr. HEKMAN. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Emery, will you step forward?

STATEMENT OF HARLAN J. EMERY, DIRECTOR, LIVESTOCK AND DAIRY DIVISION, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. EMERY. I am Harlan J. Emery, director, Livestock and Dairy Division, Agricultural Stabilization and Conservation Service, the U.S. Department of Agriculture.

Mr. Chairman, my brief statement relates to two bills before the committee having to do with the utilization of dairy products acquired by the Commodity Credit Corporation under the dairy support program.

The Department of Agriculture favors enactment of S. 2595 with minor clarifying changes.

S. 2595 is a bill "To amend the Agricultural Act of 1949 with regard to the use of dairy products, and for other purposes." It would amend section 416 of the act to provide that "Dairy products acquired by the Commodity Credit Corporation through price support operations may, insofar as they can be used in nonprofit school lunch and other nonprofit child feeding programs, in the assistance of needy persons, and in charitable institutions, including hospitals to the extent that needy persons are served, be donated for any such use without regard to any limitation or priority contained in this section or in any other provision of law."

Section 416 of the Agricultural Act of 1949 in effect provides for priority of sales over donations in the disposition of food commodities acquired under support programs. Section 416 authorizes donations of such food commodities for nonprofit school lunch uses to needy persons and other uses in order to prevent the waste of the commodities "before they can be disposed of in normal domestic channels without impairment of the price-support program or sold abroad at competitive world prices * * *"

Dairy products have played a very important role in the school lunch, needy persons, and other food assistance programs for many years. Such products can contribute greatly toward the objective of eliminating hunger and malnutrition of the Nation's poor.

Usually supplies of dairy products acquired under the dairy price support program have been adequate for both sales and food assistance uses. Occasionally, however, CCC's inventories of dairy products have declined to such low levels that their use in some programs has had to be curtailed or temporarily interrupted.

Enactment of S. 2595 would help to assure continuing supplies of dairy products in the food assistance programs, at less cost to the Government than would be the case if CCC's inventories were com-

pletely exhausted through sales and then other authority were used to buy supplies in the market at higher prices for program uses.

In order to be consistent with the punctuation of the language earlier in the section, a comma should be inserted after the word "hospitals" in line 10. Also, in order to avoid any possibility of a broader effect than intended by the proposed amendment, we believe that the language at the end of the bill reading "without regard to any limitation or priority contained in this section or in any other provision of law" should be changed to read, "prior to any other use or disposition."

S. 2595 is preferable in several respects to S. 2152, which would amend the National School Act to give priority to school lunch use of dairy products acquired by CCC under the dairy support program and to authorize purchases of dairy products at market prices for school lunch use when CCC's price support stocks of dairy products are not adequate to supply the full needs of the school lunch program.

S. 2595 would more appropriately amend section 416 of the Agricultural Act of 1949 which relates to priority uses of commodities acquired through price support operations. It would include other food assistance programs as well as the school lunch program. It would be permissive rather than mandatory.

S. 2595 would appropriately leave to administrative determination the priorities to be accorded from time to time to sales and donation uses of different products in the light of developments in relative nutritional needs in different programs, available supplies of different foods, and market conditions.

The authority to purchase dairy products contained in S. 2152 is not needed, as section 709 of the Food and Agriculture Act of 1965 authorizes purchases at market prices for program uses when CCC's supplies are insufficient for such programs. This is continuing authority which is not contingent upon extension of other provisions of the act beyond December 31, 1970.

The CHAIRMAN. If S. 2595 is amended as you propose, would you be for it?

Mr. EMMERY. Yes, sir.

The CHAIRMAN. That is the Nelson bill?

Mr. EMERY. Yes, sir; that is right.

Senator HOLLAND. You are testifying for the Department?

Mr. EMERY. Yes, sir.

The CHAIRMAN. Are there any further questions?

(No response.)

The CHAIRMAN. Thank you very much, sir.

Miss Martin, would you care to testify again?

Senator TALMADGE. Mr. Chairman, Miss Martin, as you know, is the chief consultant for the school food service program in the State Department of Education in Atlanta, Ga. She is one of the most knowledgeable and dedicated public servants I have ever seen.

She was of tremendous help to me in drafting the bill that I have submitted for the consideration of the committee. She and I and other officials, local and State, visited perhaps a dozen Georgia schools, urban and rural, high-income areas and low-income areas, to see the actual operation of the school lunch program and the breakfast programs in those various facilities.

I do not think I have talked to anyone who has a better knowledge and comprehension of the food program in the schools than Miss Martin. It is an honor for me to present her to this committee.

The CHAIRMAN. Thank you very much, Senator.

You may proceed, Miss Martin.

STATEMENT OF JOSEPHINE MARTIN, CHIEF CONSULTANT, SCHOOL FOOD SERVICE, GEORGIA DEPARTMENT OF EDUCATION, ATLANTA, GA.—Resumed

MISS MARTIN. Mr. Chairman and members of the Senate Committee on Agriculture, thank you for allowing me an opportunity to appear before the committee in behalf of S. 2548, and especially thank you to Senator Talmadge for that gracious introduction.

I am indeed grateful for the continuing concern, support, and leadership that the Agriculture and Forestry Committee has shown for child nutrition programs. The visionary leadership of the authors of the National School Lunch Act in 1945 is echoed in S. 2548. Some of the provisions contained in early versions of the National School Lunch Act as presented by Senator Ellender and Senator Russell, but were deleted before passage, appear again in S. 2548.

With the potential of S. 2548 building on the firm foundation of the National School Lunch Act and the Child Nutrition Act of 1966, it must be said, "The past is prologue—the best is yet to come."

There is an unfinished task in child nutrition; the passage of comprehensive statutory reforms, adequate funding, and administrative changes are necessary to achieve the objective of this decade as expressed early in the sixties by Secretary Orville Freeman, "Never let it be said of this decade that we put a man on the moon but failed to put food in the mouths of hungry children."

Provisions contained in S. 2548 for more adequate funding focusing funds on economically needy children rather than schools, identifying and providing for nutrition education, research, experimentation and staffing, evaluation and planning, and involving States in financing child nutrition programs, will provide incentive to States for comprehensive planning to meet the unfinished task.

In my estimate, S. 2548 will help us to make this a child nutrition program rather than simply a child or a food service program.

"Roadblocks" built into existing programs and regulations are discouraging to even the most aggressive administrators. How very difficult it is, for example, to forcefully say to school systems "Implement the system level free and reduced price lunch policy" when the need far exceeds funds available, or when the school lacks facilities for serving all pupils, or when the system lacks funds to pay labor and operating costs, or when the system administration, overburdened with problems rampant in schools of today, simply does not have the staff necessary to effectively implement the policy, or when competitive foods and beverages on the campus are purchased by needy children at a profit to the school.

S. 2548 will help to alleviate these problems.

You have heard it said already this morning that we are serving about 37 to 40 percent of the Nation's children. Of the 6.6 million economically needy children, at the most it is estimated, after last

year's figures are in, that we shall not reach over 4 million of those. Some statistics show the need to be as high as 7.5 million children.

Equally appalling are the findings of the Household Food Consumption Report that shows more families are less well fed in 1965 than in 1944; fewer families buy fewer dairy products, fruits and vegetables than 15 years ago. The preliminary findings of the national study reveal a high prevalence of problems related to vitamin C, vitamin A, and iron deficiencies.

School food service in Georgia schools is an integral part of the educational system. As Senator Talmadge has referred to food as a tool of education, school administrators in Georgia do recognize the value of food. Therefore, food service has the support of the State administration—State board of education, State superintendent, and Governor; food service facilities are included when new buildings are built; State funds are provided to help pay labor costs—first time 1970 fiscal year; title I funds are used by systems to provide lunches to economically needy pupils—over \$2 million in fiscal year 1969.

In our State, eight out of 10 children have lunch at school. All schools except two have lunch programs. Eighteen percent of lunches served free or at a reduced cost to the child. Six hundred schools serve more than 20 percent lunches free or at a reduced cost. Special assistance is approved in 274 schools, and we anticipate approximately 100 schools will serve breakfast during the 1970 school year.

Conversely two out of 10 children do not have lunch at school. It is our best estimates that one of those children does not eat because he does not have the money. Poor food habits, lack of food information, or competition for his money cause the other child to pass the lunch program by. Only 7,500 of Georgia's 240,000 economically needy children have breakfast at school. It is estimated that 150,000 children need breakfast at school in Georgia.

The task of child nutrition in Georgia is incomplete; S. 2548 provisions will contribute to closing the nutrition gap.

I shall try to relate to you the need for the various provisions of S. 2548 and say how I think they will help us.

Section 1: Advance appropriations and carryover:

School food service in Georgia is a \$55 million business which served 140 million lunches in the 1968-69 school year. Sound business procedures demand planning and budgeting for efficient management. With appropriations being made late in the year, systems have no basis for sound planning. They do not know how many children they can actually serve until the appropriations or the State allocations are made, which may come up in the middle of the year, December, as last year. When the money is received that late in the year, we are not in a position, or school districts are not in a position, to make the maximum use of the money. So advance appropriation would permit States and systems to plan for effective use of funds to meet nutrition needs of children and provide for efficient use of funds.

Section 2: Non-food assistance:

According to a survey by the American School Food Service Association, there are more than 6,000 schools in the United States that are considered economically needy schools which have no food service facilities. If it is our goal to provide lunches to all economically needy

pupils in America, then certainly those school districts that do not have facilities must have some help in providing the facilities.

So that is one need of non-food assistance.

Another need for non-food assistance is in the schools that have facilities, but they are meager or obsolete. For example, there are 167 schools in Georgia that serve fewer than 60 percent of the pupils. A study of these schools reveal that facilities are not adequate to serve all pupils. The food service departments were built during the 1950's. Even though the school administration would like to serve all, they simply do not have the serving space in the dining rooms, or what-have-you, and the facilities to prepare the food to serve all of the children. So we have two definite needs for non-food assistance.

Georgia has 47 of the 253 neediest counties in America, according to a chart in "Hunger, USA." The schools need help to purchase equipment if the children are to be served. The local school districts simply do not have the money from local sources to provide the equipment. Therefore, non-food assistance is desperately needed, even in our rural, and certainly in our metropolitan, areas.

We need to take advantage of the newer technology for more efficient operations. So non-food assistance is needed, not only where there is no food service, but in other schools as well.

We need nonfood assistance now and we need to let school systems know that we can count on continuing to get some nonfood assistance rather than having a large amount of money this year without any promise of helping them next year, or the next, in providing for or updating facilities.

Section 3 provides for administrative expenses, nutrition education, and direct expenditures.

The school food service program is designed to "provide nutritionally adequate meals" for school children and to teach good food habits. The school, believing that food is important to the child's health and education, must then be concerned with the child's total food needs.

The school food service offerings should be an exemplary nutrition program where pupils have access to foods needed for a nutritionally adequate diet and a daily opportunity to learn to eat a variety of foods. Through school food service, markets are built for foods.

Dr. Arnold Schaeffer's report of the preliminary findings from the National Nutrition Study revealed low serum levels of ascorbic acid; a dietary study of children in Georgia revealed that intake of vitamin C foods for all children was deficient when USDA orange juice was no longer available. Because of the important interrelationship with other nutrients, school food service programs need more vitamin A, vitamin C, and protein foods made available as USDA donated foods.

Local merchants, as well as parents, report changes in food buying practices resulting from children having lunch at school.

We have been particularly impressed with the small grocery store operators back in the mountains of north Georgia who have told us how they have had to change their buying practices because of the children demanding changes with the foods at school.

Now, on the State matching requirement, we have already discussed this and I shall get the information that you have asked for. There is just one other point that I would like to make.

I find it very difficult to explain to the State legislatures that we have a 3-for-1 matching, whereas many other Federal programs have a 1-for-1 matching.

Then we have to explain further that none of this is actually required from State revenues. From a logistical point of view, it would be much easier for the State to explain matching funds if it were a dollar-for-dollar basis, rather than a 3-for-1 basis.

We do need the money from inside the State to help pay for labor costs. Since the minimum wage law was extended to school lunch personnel in 1967, labor in the school lunch program in Georgia has increased \$5 million a year.

The question was asked, what incentive do States have now for providing State matching money. I do not think there is any real incentive, and by having this required matching provision, it would help the States to see a reason for providing money.

After reading the testimony of the 1945 and 1946 hearings on school lunch, it appeared to me that the intent, even back then, was for the States to gradually assume more responsibility for financing this program. Several States have, from the earlier days of the National School Lunch Act, provided a high level of support. Louisiana is an outstanding example, and I think it would be particularly good for us to point out at this time that Louisiana ranks first in the United States in the percentage of pupils served.

Because of their State matching money, they have been able to keep the price of lunch within the reach of the majority of children, and, consequently, a higher percentage of children have bought lunches. This is an example of what State support will do.

We do need money for State administrative expenses. With the changing technology in food service, with the renewed recognition to nutrition education as a part of the school food service program at the State level, we need to provide staff that is competent and professional and specialized to deal with these problems in working with school districts.

Last week, a superintendent called in desperation and said, please send help; we are feeding children all day long, 500 for breakfast, 750 for lunch. We are serving lunch 3 hours.

On Monday morning, a supervisor from my staff was there and stayed 3 days. He called on Wednesday to say serving time had been reduced to 1 hour.

This is only one example of why a State staff is needed to help systems organize expanded food programs. Under the additional programs, there is a need to change special assistance from providing help with the cost of food only to providing up to 80 percent of the cost, and also for the change in reduced price lunches.

In the South, where we are having reorganized school districts and changes in structure and shifting populations, the definition of a special assistance school just no longer fits, and it is hard under the present law to get the money where the needy children are.

By amending this provision of the National School Lunch Act to help us to get the money to the needy child, we think we could do a more adequate job of providing lunches to all economically needy children.

S. 2548 also asks to have a reduced price lunch defined at 20 cents. The working definition of a reduced price lunch at this time is one that is served to an economically needy child for 10 cents or more below the prevailing sale price in the system or school. States report reduced price lunches according to the definition.

The application of this definition is widely interpreted. In the Appalachian section of Georgia, for example, the sale price in the entire school district is established at 25 cents for all children; therefore, those are not considered reduced price lunches; whereas, in an urban area, where the sale price is established at 35 cents, then all of the lunches sold at 25 cents are considered reduced price lunches. This makes for very broad interpretation and, in my judgment, inequitable allocation of section 11 money to the States.

A definition of 20 cents as a reduced price lunch would allow uniform and equitable application throughout the Nation.

Under the special assistance program and the increased funding provided in section 7, there is a tremendous need for additional funds. I have made an estimate based on the amount of money that Georgia received from the Federal funds last year and the appropriation as approved by the Senate and by the House. Of course, that has not been finally approved.

The estimate of the amount of money is needed in order to help local systems to do planning. There are still 82,000 economically needy children in Georgia that do not have lunches. If we were to try to close the gap, and we basically have the facilities to do it, we would come \$2 million short this year, with the proposed appropriation, in providing 20 cents a meal for these lunches.

We know that the actual cost of locally purchased food is 21 cents a meal. In my judgment, there is not enough money contained in the present appropriation to close the nutrition gap, certainly not in Georgia.

School administrators in Georgia are still budgeting approximately \$2 million a year of title I money for school food service. We appreciate this, because it has made it possible for many children to have lunches who would not have had lunches. But we would prefer to see the child nutrition funds channeled through the child nutrition programs in order that we could do a better job of planning and budgeting and seeing that all children's needs are met.

There is a need for some kind of standard in the schools that do not participate in the national school lunch program. Those schools, and there are approximately 14,000 of them in the Nation, receive section 32 and 416 commodities, and are also eligible for special milk reimbursement. These schools are not required to meet any meal standard; they are not required to provide lunches to economically needy children. Yet they are receiving a considerable amount of Federal assistance.

We feel very strongly that we do need to have some standards; some nutrition standards and some standards for providing lunches to the economically needy children in all of the schools that are receiving Federal assistance, because many poor children attend schools that do not participate in the national school lunch program.

We need the experimental programs that would be provided in S. 2548. The new technology that is available in our country today de-

mands new systems of food service production. We have not had enough research or pilot programs or experimentation in school food service to know how to guide school districts.

For example, in Cobb County, Ga., which is in the metropolitan area of Atlanta, enrollment will double during the next decade. What kind of plans, what kind of leadership, what kind of food service systems should we be helping Cobb County to provide? Through the experimentation that will be available under this kind of program, we shall be able to have some pilot programs and to develop some technique to be able to help the school systems more.

Would you believe, also, that some schools which enroll very poor children sell snacks in competition with school lunch? One superintendent in Georgia advised me last week that revenue in the snack bar last year was equivalent to revenue in the school lunch. Yet that school was providing, the last month of school, free lunches to almost every child.

Some restrictions and definitions are needed to help children get nutritious foods and to learn to use their money wisely. In some instances, children have money to buy snacks at school, but will not buy lunches or do not wish to pay a reduced price for lunch.

S. 2548 also has a provision for nutrition specialists to help local school districts. In many instances, title I funds have been used to employ school lunch supervisors at the local level. In Atlanta, an annual savings of \$77,000 was realized when the superintendent approved the employment of five coordinators to help schools bake their breads from donated foods. If we could isolate and identify an \$77,000 saving on one single item, how much more if we could do a complete study of food service management could we realize by having a professional coordinator of food service at the local level?

Unfortunately, many of the rural school systems that are in the economically neediest counties do not have local revenue funds to employ food service specialists. Therefore, we feel this is a real need.

Federal assistance is available for professional training in practically every area of specialization in education except school food service. When Sputnik was launched the National Defense Education Act was passed and science and math teachers trained by the score.

Since the original passage of NDEA, many fields have been added for training. It is not logical to assume that professionally trained personnel are needed to win the war on hunger as much as the war on space?

We need nutrition research as called for in this bill.

There is one other provision that I would like to briefly speak to. That is the National Advisory Council.

School food services serves millions of pupils and involves thousands of persons in administration and operation of the program. Literally billions of dollars are invested in the program.

Present focus on nutrition has limelighted school food service as a dynamic program. It must be dynamic to meet child nutrition needs; it must be dynamic to change structurally with technological advances.

A National Advisory Council on Child Nutrition is needed to stimulate and direct change in child nutrition programs.

Planning and evaluation are essential components of management. We would recommend that a part of this, either through regulation or otherwise, would be that States would be required to submit State plans of operation that would show to the Department of Agriculture that States plan to use the latest technology in operating school food service programs rather than continuing to use some of the obsolete methods of food service management.

There are other needs for child nutrition. S. 2548 will not be a cure-all for problems of child nutrition. It will, however, supplement the National School Lunch Act and the Child Nutrition Act. It will fill some gaps; it will broaden some horizons. It will indeed provide direction and incentive to States and school districts for more adequately meeting the nutritional needs of children.

Meeting the nutrition and nutrition education needs of children is as basic as reading, writing, and arithmetic. Just as the new math is more complicated, so is school lunch more complicated than in the old days.

The hope of the future is in the hands of the children whom we have opportunity to serve.

I sincerely hope that you will look with favor on S. 2548.

Thank you.

(The prepared statement of Miss Martin is as follows:)

Mr. Chairman, and members of the Senate Committee on Agriculture and Forestry; thank you for allowing me an opportunity to appear before the Committee in behalf of S. 2548. I am indeed grateful for the continuing concern, support, and leadership that the Agriculture and Forestry Committee has shown for Child Nutrition Programs. The visionary leadership of the authors of the National School Lunch Act in 1945 is echoed in S. 2548. Some of the provisions contained in early versions of the National School Lunch Act as presented by Senator Ellender and Senator Russell, but were deleted before passage, appear again in S. 2548.

With the potential of S. 2548 building on the firm foundation of the National School Lunch Act and the Child Nutrition Act of 1966, it must be said "the past is prologue—the best is yet to come."

There is an unfinished task in child nutrition; the passage of comprehensive statutory reforms, adequate funding, and administrative changes are necessary to achieve the objective of this decade as expressed early in the 60's by Secretary Orville Freeman "never let it be said of this decade that we put a man on the moon but failed to put food in the mouths of hungry children." Provisions contained in S. 2548 for more adequate funding, focusing funds on economically needy children rather than schools, identifying and providing for nutrition education, research, experimentation and staffing, evaluation and planning, and involving states in financing Child Nutrition Programs, will provide incentive to states for comprehensive planning to meet the unfinished task.

"Roadblocks" built into existing programs and regulations are discouraging to even the most aggressive administrators. How very difficult it is, for example, to forcefully say to school systems "implement the system level free and reduced price lunch policy" when the need far exceeds funds available, or when the school lacks facilities for serving all pupils, or when the system lacks funds to pay labor and operating costs, or when the system administration, overburdened with problems rampant in schools of today, simply does not have the staff necessary to effectively implement the policy, or when competitive foods and beverages on the campus are purchased by economically needy children at a profit to the school.

S. 2548 will help to alleviate these problems.

What is the unfinished task? According to USDA statistics 40% of the nation's children are having lunch at school. Of the 6.6 million economically needy children, only an estimated 4 million were reached in 1968-69. Some statistics show the need to be as high as 7.5 million children.

Equally as appalling are the findings of the Household Food Consumption Report that shows more families are less well fed in 1965 than in 1955; that

families buy fewer dairy products, fruits and vegetables than 15 years ago. The preliminary findings of the National Nutrition Study reveal a high prevalence of problems related to vitamin C, vitamin A, and iron deficiencies.

School food service in Georgia schools is an integral part of the educational system. School administrators recognize the value of food as a "tool of education." Therefore, food service has the support of the state administration (State Board of Education, State Superintendent, and Governor); food service facilities are included when new buildings are built; state funds are provided to help pay labor costs (first time 1970 Fiscal Year); Title I funds are used by systems to provide lunches to economically needy pupils (over 2 million dollars in Fiscal Year 1969).

Eight out of 10 children have lunch at school. All schools except 2 have lunch programs. Eighteen percent (18%) of lunches served free or at a reduced cost to the child. Six hundred (600) schools serve more than 20% lunches free or at a reduced cost. Special Assistance is approved in 274 schools, and approximately 100 schools will serve breakfast during the 1970 school year.

Conversely 2 out of 10 children do not have lunch at school. Conservatively speaking, at least one does not eat because he does not have the money. Poor food habits, lack of food information, or competition for his money cause the other child to pass the lunch program by. Only 7,500 of Georgia's 240,000 economically needy children have breakfast at school. It is estimated that 150,000 children need breakfast at school.

The task of child nutrition in Georgia is incomplete; S. 2548 provisions will contribute to closing the nutrition gap.

I shall try to relate to you the need for the various provisions to complete the task:

SECTION 1: ADVANCE APPROPRIATIONS AND CARRYOVER

School food service in Georgia is a 55 million dollar business which served 140 million lunches in the 1968-69 school year. Sound business procedures demand planning and budgeting for efficient management. With appropriations being made late in the year, systems have no basis for sound planning. Only when allocations are revealed can systems determine the number of children that can be served and the quality of food service.

Advance appropriation would permit states and systems to plan for effective use of funds to meet nutrition needs of children and provide for efficient use of funds.

SECTION 2: NONFOOD ASSISTANCE

More than 6,000 schools in the United States draw attendance from low-income communities which have no food service facilities. Many schools have meager or obsolete facilities; inadequate to provide lunches for all pupils.

There are 167 schools in Georgia that serve fewer than 60% of the pupils. A study of these schools reveal that facilities are not adequate to serve all pupils. The food service departments were built during the 1950's. Georgia has 47 of the 253 neediest counties in America according to a chart in *Hunger, USA*. The schools need help to purchase equipment if the children are to be served.

Although many schools have some type food service facility, technological changes, labor supply and demand necessitate the consideration of new systems for efficiency. Funds provided for nonfood assistance would allow the rural as well as urban to utilize modern technology for child nutrition.

Therefore, expanded and consistent help is needed for nonfood assistance; to make food service available where there is none; to up-date facilities and systems of food service that will assure maximum service to pupils and efficiency of operations.

SECTION 3: ADMINISTRATIVE EXPENSES, NUTRITION EDUCATION, AND DIRECT EXPENDITURES

The school food service program is designed to "provide nutritionally adequate meals" for school children and to teach good food habits. The school, believing that food is important to the child's health and education, must then be concerned with the child's total food needs.

The school food service offerings should be an exemplary nutrition program where pupils have access to foods needed for a nutritionally adequate diet and a daily opportunity to learn to eat a variety of foods. Through school food service, markets are built for foods.

Dr. Arnold Schaeffer's report of the preliminary findings from the National Nutrition Study revealed low serum levels of ascorbic acid; a dietary study of children in Georgia revealed that intake of vitamin C foods for all children was deficient when USDA orange juice was no longer available. Because of the importance of vitamin A, vitamin C, and iron in the diet and their important interrelationship with other nutrients, school food service programs need more vitamin A, vitamin C, and protein foods made available as USDA donated foods.

Local merchants, as well as parents, report changes in food buying practices resulting from children having lunch at school.

SECTION 4: STATE MATCHING REQUIREMENTS

The National School Lunch Act contained matching requirements on a sliding scale which eventually amounted to 3 dollars from sources inside the state for each federal dollar.

The legislation was interpreted to allow pupil payments to count as matching funds.

As a result of this interpretation of matching funds, fewer than 25 states share in financing school food service. The lack of cooperative financing has created some roadblocks. Some school districts still treat school food service as an outside group. Employees are not considered school board employees. Food service income is tapped for utilities for the department and in general must be considered self-supporting.

Federal support is limited to helping pay for the cost of food. With rising labor costs, mandated by the Fair Labor Standards Act, there are 2 alternatives (1) increases pupil sale prices and (2) secure state and local financial support. Paying children are already helping to finance food service for all children, and therefore it hardly seems fair to increase the burden on those parents.

Paid pupil participation also decreases when lunch prices are increased, and free lunch participation increases. The answer seems not to be in increasing sale prices to pupils.

Required state matching as outlined in S. 2548 is realistic and easier to explain than the provisions of \$3 to \$1 contained in the present bill. The provisions would ultimately (10 years) require states to match each federal dollar with 50 cents from public funds. For example, Georgia received \$7,343,747 in 1968-69. Required matching:

1971, 10%, \$734,374; 1972-74, 20%, \$1,468,749; 1975-77, 30%, \$2,203,124; 1978-80, 40%, \$2,937,498.

The required matching from state funds would be equivalent to about 2 cents per meal in 10 years contrasted to the federal contributions of approximately 15 cents per meal (including Section 11 and donated foods).

Several states have from the early days of the National School Lunch Act provided a high level of state support. Louisiana is an outstanding example. Louisiana ranks first in the United States in percentage of pupils served.

SECTION 5: STATE ADMINISTRATIVE EXPENSES

School districts need leadership from the state agency to complete the task of child nutrition. State agencies need a staff with specialized competence in food service and nutrition education. The problems of rapidly expanding food service demand specialists or the food service system will not work. A superintendent called in desperation last Friday, "Please send help. We are feeding children all day long: 500 for breakfast; 750 for lunch. We are serving lunch 3 hours." A supervisor was there on Monday morning and stayed three days. He called Wednesday to say serving time had been reduced to 1 hour. This is only one example of why state staff is needed to help systems organize expanded food programs.

SECTION 6: ADDITIONAL PROGRAMS

Since 1962, Georgia has used Section 4 funds to provide higher levels of assistance to economically needy schools. There are 274 schools identified for Special Assistance.

Reorganization of school districts, changes in structure, and shifting populations necessitate provision for Special Assistance funds to follow the child.

Most schools have pockets of need and only through statutory provision change will states and systems be allowed to place the funds where need is.

States earn Section 11 funds on the basis of free and reduced price lunches served. The "working definition" of a reduced price lunch is one that is served to an economically needy child for 10 cents or more below the prevailing sale price in the system or school.

The application of this definition is widely interpreted. In Appalachia, the sale price is established at 25 cents for all children; in an urban area, the sale price is 35 cents for regular schools and 25 cents in Special Assistance Schools. The urban area reports all 25 cent lunches as reduced price whereas the rural Appalachia reports 25 cent lunches as paid lunches. A definition of 20 cents as a reduced price lunch would allow uniform and equitable application.

Schools often are not able to use federal funds for lunches because they have no funds for labor. Permitting low income schools to receive up to 80% of the cost from federal sources would help to reach more needy pupils. The Child Nutrition Act permits schools to receive up to 80% of the cost from federal funds. Labor costs in Georgia have increased five million dollars since the Minimum Wage Law became effective February 1, 1967.

Many schools that draw attendance from poor communities do not have funds to pay labor costs. Under the provisions of the Fair Labor Standards Act, schools must pay \$1.30 per hour for labor effective February 1, 1969; \$1.45 in 1970; and \$1.60 in 1971. Many school districts located in high labor markets are paying more than \$2.00 per hour for labor. At the minimum rate of \$1.30 per hour and average production level of 10 meals per man hour, labor costs 13 cents per meal.

Many of the low-income schools are located in counties that are also very poor. Georgia has 47 of the 250 neediest counties in America. 73,511 needy children are located in these counties; only 18,432 have lunches.

The local school districts do not have money to pay labor costs. Schools cannot use the additional funds for food unless they secure help with labor and other operating costs.

SECTION 7 : SPECIAL ASSISTANCE :

Before the child nutrition needs are met, funds must be provided.

Funds secured through OEO and Title I are heavily relied upon to supplement National School Lunch Act and Child Nutrition Act funds but the gap still exists.

Planning and administration would be more effective if all funds were appropriated through Child Nutrition Programs. To close the lunch gap for needy children in America in 1969-70, an additional 214 million dollars is necessary. Georgia alone needs 15 million dollars to provide lunches to the 240,000 economically needy pupils. Fragmented efforts, although beneficial, cannot provide the major thrust needed.

SECTION 8 : REGULATIONS AND SPECIAL DEVELOPMENT PROJECTS

14,000 schools in the United States do not participate in the National School Lunch Program but receive Section 32 and 416 donated foods and special milk reimbursement. No requirement is imposed on these schools for meal standards or for providing meals to economically needy children attending such schools. National School Lunch Program Schools are required to meet free lunch requirements and also to serve nutritious lunches and may receive only 3 cents cash reimbursement. Whereas, a school choosing not to participate in the National School Lunch Program could receive 3 cents milk reimbursement, Section 32 and 416 commodities and make no attempt to safeguard nutrition needs of pupils or to provide lunches to needy pupils.

Unfortunately many poor children attend schools that do not choose the National School Lunch Program.

School food service has traditionally operated on a school by school basis. New technology demands new systems of food service production. Funds are needed for research and experimentation. For example, Cobb County Georgia School in metropolitan Atlanta will almost double during the next decade. What kind of plans, what kind of leadership, what guidance can states give without some experimentation?

Would you believe that some schools which enroll very poor children sell snacks in competition with school lunch? One superintendent advised me last week that revenue in the "snack bar" was equivalent to revenue in "school lunch." Some restrictions and definitions are needed to help children get nutritious foods and to learn to use their money wisely. In some instances children have money to buy snacks at school, but will not buy lunches or do not wish to pay a reduced price for a lunch.

SECTION 9 : RESEARCH AND TRAINING : NUTRITION SPECIALISTS ;
 NATIONAL ADVISORY COUNCIL, NUTRITION EDUCATION

School food service management and nutrition education are highly specialized areas and demand professionally trained leaders. Many school districts have such persons directing and coordinating programs; unfortunately, many school districts that have high percentage of needy children are least able to employ a food service director. Responsibility for menu planning, the key to planned nutrition; purchasing and management, the key to fund management and control; nutrition education, the correlation of laboratory with academic instruction is delegated to a non-professional.

It is estimated that a 10-20 percent savings can be realized when volume purchasing procedures are implemented. Many schools operate autonomously and have none of the advantages of such savings; donated foods are available to all schools; however, personnel must know how to use these foods to take advantage. In the Atlanta School System, an annual savings of \$80,000 was realized by teaching personnel to use donated foods for baked products. The Atlanta System has a staff of 6 food service and nutrition education specialists including the director.

A food service specialist is needed for each 20 food service programs; this formula allows the specialist to devote a minimum of 4 hours individualized help per month to each program.

The key to accomplishing long range goals of child nutrition is adequate funding and trained personnel. Because school food service is a relatively new field and remuneration has been low, recruitment efforts have been limited.

When opportunities are limited, professional training is minimized. Professional food service training needs to be expanded in the Land Grant Colleges.

The rapidly changing food service industry, expanding school food service, and nutrition research mandates retraining of personnel in school food service as well as training new personnel to assume jobs.

Federal assistance is available for professional training in practically every area of specialization in education except school food service. When Sputnik was launched, the National Defense Education Act was passed and science and math teachers trained by the score. Since the original passage of NDEA, many fields have been added for training. Is it not logical to assume that professionally trained personnel are needed to win the war on hunger as much as the war on space?

NUTRITION EDUCATION

Nutrition learning is reinforced when teachers correlate formal instruction with the actual activity of eating.

With the blessings of food abundance in America and an affluent society, many Americans could be adequately nourished who are not. The preliminary findings of the Household Food Consumption Survey recently released by the United States Department of Agriculture indicates that *fewer* families are *adequately* nourished than ten years ago; that *more* families are *poorly* nourished; that the intake of dairy products and fruits and vegetables has decreased and the intake of confections and soft drinks has increased; and that the low-income family gets more nutrition from the food dollar than does the middle-income family. We have a national commitment to nutrition education. President Richard Nixon stated on May 6, 1969, "But the moment is at hand to put an end to hunger in America." Implementation of this commitment will require "education" and "money."

Why shouldn't the teaching of nutrition be considered as critical now in the War on Hunger as was the teaching of science when Sputnik was launched? If nutrition is considered a critical area, funds should be made available, or laws changed to permit use of certain federal funds to teach teachers nutrition. As nutrition education is then related to an "accelerated" school feeding program, a giant step would be made in winning the War on Hunger.

NUTRITION RESEARCH

Although the National School Lunch Act will soon be 25 years old, little research has been conducted in relation to school food service.

Technological changes in food service industry have implications and application for school food service.

Research needs to be conducted to provide guidance in program management. Nutrition surveys are needed regularly to evaluate status of food habits of children.

ADVISORY COUNCIL

School food service serves millions of pupils and involves thousands of persons in administration and operation of the program. Literally billions of dollars are invested in the program.

Present focus on nutrition has limelighted school food service as a dynamic program. It must be dynamic to meet child nutrition needs; it must be dynamic to change structurally with technological advances.

A National Advisory Council is needed to stimulate and direct change in Child Nutrition Programs.

Planning and evaluation are essential components of management. A required state plan would, in my opinion, produce more effective leadership in the states.

There are other needs for child nutrition. S. 2548 will not be a "cure" for all problems of child nutrition. It will however supplement the National School Lunch Act and the Child Nutrition; it will fill some gaps; it will broaden some horizons; it will indeed provide direction and incentive to states and school districts for more adequately meeting the nutritional needs of children.

Meeting the nutrition and nutrition education needs of children is as basic as reading, writing, and arithmetic. Just as the new math is more complicated so is school lunch.

The hope of the future is in the hands of the children whom we have opportunity to serve.

The CHAIRMAN. All right. That is a very nice statement, Miss Martin.

We have already asked you to furnish certain data. I personally will not question you on that. But you said in your statement that it would require \$2 million more to give the children of Georgia the food and the program that you envision under Senator Talmadge's bill?

MISS MARTIN. Well, actually, the \$2 million would not be as broad as it is under Senator Talmadge's bill. We would lack \$2 million under the present program, the 1970 fiscal year appropriation. Now, if we could fund 80 percent of the cost as provided for in Senator Talmadge's bill, the cost would be greater than \$2 million.

The CHAIRMAN. And that would have to come from where?

MISS MARTIN. This would have to come from Federal sources. But the amendment to section 1 of the NSLA, as specified in Senator Talmadge's bill, would more nearly provide the lunches to all economically needy children than the moneys which are now authorized.

The CHAIRMAN. Now, do you have in Georgia any program for teachers of child nutrition?

MISS MARTIN. We do not have an organized program for all teachers to take nutrition. Through leadership, insisting, and that sort of thing, we do provide nutrition programs. We have seminars for classroom teachers which they may attend on a voluntary basis. We solicit the support of the Agriculture Commodity Commissions to help finance such a program. We do not have—we cannot go to the University of Georgia, for example, and say, look, we have this many scholarships for teachers in nutrition education.

This is the kind of thing that we need, to be able for the colleges to set up programs and for teachers to get scholarships to take courses in nutrition.

The CHAIRMAN. Well, under the food stamp program that was enacted by the Senate last week, it was stated during the hearings that many of the children who participate in the school lunch pro-

gram are able to bring home some evidence which would go far toward having the family provide a balanced meal. Would you agree with that?

Miss MARTIN. I think there is a need for this. I do not feel that we are utilizing the school lunch program as an educational tool the way that we could if the teachers had more knowledge of nutrition. Many teachers do not deal in nutrition because they do not feel that they had enough nutrition or the techniques of nutrition education to incorporate this into the everyday classroom situation.

The CHAIRMAN. Well, since the hearings started under the special committee headed by Senator McGovern, the Government has provided for the payment of 5,200 nutritionists to be located in various parts of the country. Are you familiar with that?

Miss MARTIN. I believe this is in connection with the Extension Service.

The CHAIRMAN. That is the point I was going to ask. Is it not possible that this nutrition program to which you refer could be handled in connection with the Extension Service?

Miss MARTIN. I find that it is often very difficult for an agency, even one as cooperative as the Extension Service, to become an integral part of the class, of the school situation per se. Whereas the classroom teacher has contact with the children every day, the Extension nutritionists, even though there are several thousands of them, would not be able to make contact with all of the teachers to provide the nutrition training that the teacher needs. We need to bring it down closer to all of the children.

The CHAIRMAN. Of course, what I had in mind was bringing it closer to the mothers of the children who go to school, those who prepare their lunches. Do you not think a program of that kind could be worked out whereby the schools could cooperate with the nutritionists who are hired by the Federal Government in order to bring the knowledge to the mothers of those children who participate in the school lunch?

Miss MARTIN. I definitely think they could work together; and actually, the Extension home economist would be the one that would work most closely with the mothers. There still needs to be a professional nutrition person working with the school to see that this gets to the county Extension person, to the Extension home economist.

The CHAIRMAN. Well, you do not have that now?

Miss MARTIN. No.

The CHAIRMAN. Would this bill of Senator Talmadge's—

Miss MARTIN. The nutrition specialists that are specified in Senator Talmadge's bill would serve as a coordinator, a go-between.

The CHAIRMAN. Would these specialists be stationed at each school or over the State?

Miss MARTIN. The formula is not included in S. 2548, but probably one specialist for maybe 15 or 20 schools, to coordinate this phase with the local school people and with the county health nutritionist, with the county Extension. Because if we are going to really do a good job of nutrition education, all nutrition must be coordinated.

The CHAIRMAN. Well, I agree to that fully. What I had in mind was to save another bureaucracy, if we could do it through the Extension Service and have the Extension Service head it; we might go a good way toward providing nutrition education.

MISS MARTIN. Well, through the nutrition specialist working directly with the schools, she would be able to give in-service training to managers on menu planning and nutrition education, as well as work with the teachers. I think they are both needed, and I do not foresee this as a burden. I think it would be a real asset to the local school superintendent, particularly in these days when the school superintendents have many programs to administer.

They need to have one person to whom they can delegate the school nutrition program for purposes of coordination, education, and management.

Senator HOLLAND. I have one question.

The \$2 million extra from Federal sources that you spoke of would be sufficient, as I understand you, only to make sure that the economically dependent children would be fed, not that all children in Georgia would be fed?

MISS MARTIN. Yes, sir, that is correct. We need about \$2 million more just to take care of the economically needy.

Senator HOLLAND. I thank you.

Thank you, Mr. Chairman.

Senator MILLER. I enjoyed and appreciated your excellent testimony, Miss Martin. I have two questions.

You made the point that some of the students will not buy even a reduced-price lunch but will spend the money in a snack bar?

MISS MARTIN. Yes, sir.

Senator MILLER. I recognize that that is a problem, but do you think that that problem is something for us to resolve at this level, or do you not think that should be handled by the local school people?

MISS MARTIN. I think some guidance is needed at this level.

Senator MILLER. Well, it would seem to me that there would not be much guidance that we could put out at that point. That seems to be a rather obvious problem.

I cannot imagine any school administrator disagreeing with the inadvisability of such a program. What are you suggesting that we do at this level about that?

MISS MARTIN. If the schools were not permitted to sell competitive foods and beverages during the meal hours to receive Federal assistance, this would be a tremendous help, because in the schools, many children will go ahead and buy lunches, but when the snacks are on the right side and the lunches are on the left side, they will take the snacks in preference to lunch because they have not yet learned that this lunch provides foods that their bodies need.

They see some of the snack items. These may be foods that they are able to get at home because they do not have anyone to prepare food for them at home, or they do not have any equipment to prepare food. So they buy the quick-energy snack-type food. If it just were not available during the meal period, this would be a big help.

Of course, one of the basic premises of the National School Lunch Act is that the schools, to be eligible to participate in the national school lunch program, must have a nonprofit food operation. Many schools operate the snackbars to make profit for other school activities.

Senator MILLER. Well, if I were a school superintendent, I think I would put in a rule that the snackbars will be closed in order not to conflict with the serving of school lunches. But I do not know why I

should sit up here in the Congress and write a rule like that. Why your people down at the local level cannot do it, I do not know.

I agree with you about the problem. I agree with you about the solution of the problem. I think you people down there ought to do it at the local school-district level instead of having us here in the Congress do it. That is the only point I want to make on that.

Miss MARTIN. There are tremendous pressures placed on local school administrators when they attempt to implement such a measure, because many local school administrators are elected officials. Some of the people who sell this merchandise at schools are very influential, so it places some school administrators in a very difficult position.

However, there are many school systems in Georgia that have nothing to sell during the school day except the food programs that we are talking about, breakfast, and lunch, and milk.

Senator MILLER. The only comment I would have on that is that if there are some of those who are elected school administrators who have certain pressures put on them, I think those pressures would be minimal compared to the pressures by a good, lively PTA that wants to make sure those lunches are not interfered with.

The second question I have is that you talk about the deficiency of equipment for the purpose of serving these lunches. Could not that deficiency be covered not only by a Federal grant of money to enable the purchase of equipment, but by the local school making a contract with a food services organization, which would have its own equipment and would provide the services?

In other words, a private contractor has his own equipment, has the knowledge, the know-how which you talk about.

I understand you are not going to do that now in a great many cases because of the regulation by the Department of Agriculture which, in that type of case, would not permit Federal assistance. But if that regulation were abolished, would this not be another way for you to obtain the equipment so that we would not have to devote Federal money to purchase the equipment, but the school could contract out that problem, put it in the hands of the people who have the equipment and the people who have the know-how?

Miss MARTIN. Would the Federal Government not be buying the service in another way by paying the higher cost to the food management companies?

Senator MILLER. Well, I can see where they would, but perhaps the school would be paying for it, too, because as it is now the school is going to have to pay for people to come in and work and operate that equipment. Somebody is going to have to pay for it. I am not sure that the Federal Government would be paying for it.

It seems to me the school might be paying for it. What the Federal Government would continue to do would be provide the assistance to the school lunch program.

Miss MARTIN. Senator Miller, in my judgment, this is one of the reasons we so desperately need the funds outlined here for experimentation. I am not sure of the way that we should direct school systems right now. We do not have enough research to say would it be more economical for school systems to buy this or to build their own commissary, freeze their foods, and transport it out.

Senator MILLER. Then would you be in favor of removing that regulation so that we could give it a try both ways?

Miss MARTIN. Actually, the regulation now permits school systems on a pilot basis to utilize food management companies.

Senator MILLER. Are you using any of those in Georgia?

Miss MARTIN. We are not, because, you see, we already have a kitchen in every school except two schools in Georgia. One is on Sapelo Island and one is up in the mountains. There are fewer than 100 children in the two schools.

Senator MILLER. Do you have equipment to enable those kitchens to operate?

Miss MARTIN. In some instances, as I indicated in my testimony, the equipment is obsolete. Maybe by installing convection ovens and steam cooking equipment, maybe by an outlay of \$3,000, we could update that kitchen, because we have the space in the kitchen. We may need more tables and chairs; we would need more tables and chairs regardless of who prepares the food.

But we have basic facilities in Georgia. This was implemented in the fifties when we went through a huge school building program and the State board of education said that school food service would be a priority item in every school building program. So we do not have a school built now without provisions for food service.

Senator MILLER. But you could have a pilot project whereby someone with modern equipment would come in and operate it, could you not?

Miss MARTIN. We could have. I do not see any need for that in our State. There are States that do not have any food service facilities. There are, as indicated, 6,600 schools in the Nation that have no food service facilities. My concern is that we need to get food to these children. If we believe that nutrition is important for children, we need to get food to children and utilize the best technology that we have to do it in the most effective and efficient way.

Senator MILLER. I agree with you, and it looks like Georgia in this respect may be better set up than some other States. My only point is that in fulfilling this objective, it might be worthwhile, offhand, to remove this regulation so that your school districts down there could make a contract with some food service organizations to come in and operate those kitchens and provide the service which otherwise is going to entail perhaps some Federal grant money for equipment, and we get a testing out of the techniques on a comparative basis.

It just seems to me that we ought to try it.

Miss MARTIN. Under the present provisions of the act, and it seems to me that this is something that if we had a number of schools in Georgia that did not have food service, I would certainly encourage school districts to try, would be to buy the TV type meals, which could be sent into the schools, and the school districts may at this point buy the foods.

As Mr. Davis pointed out a while ago, the school districts may buy the foods and have them sent to the schools already prepared. This would not require an outlay of equipment.

Senator MILLER. Thank you very much.

The CHAIRMAN. Senator Talmadge?

Senator TALMADGE. Mr. Chairman, I have no questions. I do want to compliment Miss Martin on what I think is one of the most comprehensive and lucid statements I have heard prepared for this committee since I have been a member of it.

Miss MARTIN. Thank you, Senator.

Senator HOLLAND. I think it is a fine statement, too, and I can easily see that a youngster coming up to a snack bar containing candy bars and packages of peanuts and peanut butter crackers, and all those things, that are so attractive, not only to children but to older folks, too, might be inclined to spend that 30 cents very quickly on things of that kind. Is that what you were talking about, Miss Martin?

Miss MARTIN. Yes, sir; but we would hope to use peanuts as a part of the basic type of lunch, just as we would hope to have orange juice.

Senator HOLLAND. I thoroughly approve that, but if you have it at the snack bar along with the candy bars and all the other attractive things to children and to adults, too, I think a good deal of their very slender cash would be spent there.

Miss MARTIN. Yes, sir.

Senator HOLLAND. I know of no way to prevent that unless the local people see, if they are really interested in children getting a basically sound diet, that they either suspend the sales for a certain time or do not have that kind of a snackbar there.

What were you talking about in connection with snackbar items?

Miss MARTIN. Those were the things that I was—I was not thinking specifically about peanuts, because I do not see too many peanuts sold in snackbars. But it is generally foods that contribute calories and little more than calories. So, in the sale of these foods, if the Congress could give us some help in offering only those foods that contribute to desirable food habits during the meal periods, this would strengthen the nutrition aspect of the program.

Senator HOLLAND. Very well.

The CHAIRMAN. It is now 10 minutes to 1 and we have some witnesses left.

Senator HOLLAND. I have two witnesses here from Miami that I want to be heard without fail.

The CHAIRMAN. I understand.

Off the record.

(Whereupon, there was a short discussion off the record.)

The CHAIRMAN. We shall stand in recess until 2 o'clock.

(Whereupon, at 12:55 p.m., the hearing recessed, to reconvene at 2 p.m., this same day.)

AFTERNOON SESSION

The CHAIRMAN. The committee will please come to order.

We shall continue hearings on the various school lunch bills before us.

The next witness is Mrs. Ethel Beckham, who has with her Mr. William Lehman, of Florida.

STATEMENT OF MRS. ETHEL BECKHAM AND WILLIAM LEHMAN, DADE COUNTY BOARD OF PUBLIC INSTRUCTION, MIAMI, FLA.; AND E. F. HURST, ASSISTANT SUPERINTENDENT, DADE COUNTY SCHOOLS, MIAMI, FLA.

Mrs. BECKHAM. Mr. Chairman and Senator Holland, we of the Dade County school system are here this afternoon basically to urge that consideration be given to the attached resolution that you will

have a copy of, and to ask that the Senate bill 2548 be accorded a favorable report by this committee.

Our school system in Dade County is the seventh largest in the United States, having an enrollment of 236,024. It also has the highest rate of school lunch participation of the seven largest school systems.

Dade County is similar to other large urban areas in that it attracts economically needy families who cannot provide their children with nutritionally adequate lunches.

A uniform menu is served throughout the 228 schools and uniformly administered policies are used in determining the eligibility of pupils for free and reduced price lunches.

At times, I shall be general, Mr. Chairman, and Mr. Lehman will be more specific.

Times of our country's greatest prosperity, we in Dade County have increased the number of reduced price and free lunches served in the 1968-69 period some 67 percent, whereas our total lunch increase in Dade County was some 5 or 6 percent.

We served 21,000-plus such lunches last year and estimate that in the next year, we shall be serving 31,000-plus lunches of this type, which will mean that we are serving 22 percent of our total lunches which will be in the category of free or reduced price lunches.

Above the Federal and local contribution in lunch commodities, the cost of free lunches alone to our system runs \$765,000, or 20 percent free lunch, to be absorbed locally.

You will notice in the third page of what was handed to you at the bottom of the page, if we lump the elementary-school price that we are absorbing, the combination of elementary and secondary education, it runs into 20 cents that we are absorbing locally.

We are appreciative of what the Congress of the United States and the U.S. Department of Agriculture have done in the past by enabling legislation such as the National School Act of 1946 and the Child Nutrition Act of 1966, and other like legislation. We ask that adequate funds be made available and permit cash assistance for free lunches up to 80 percent of the meal cost, and require States to reimburse at a variable rate based on a percentage of such lunches served in the school district.

On July 14, 1969, we, the school board in Dade County, had to increase our lunches from 35 to 40 cents in the elementary schools and from 45 to 50 cents in the secondary schools. We had to do this because of our cash status. Had we not done this, we would have decreased our cash status some \$379,900, leaving us only an operating reserve of \$50,000, and the State department of education recommends that the operating reserve total, at least for 1 year, total \$1,489,000.

You can see that we are running into trouble.

In essence what I am saying is what we had to do in Dade County was that the pupil paying for his lunch supported the nonpaying pupil. This burden placed upon the paying pupil has resulted in sale price increases that I have just mentioned. Each time prices are increased, many pupils no longer can afford to participate in the program, and many pupils become eligible then for a reduced price lunch, or bring an inadequate lunch from home, thus reducing school food service revenue.

The program as it is presently financed has its own built-in, self-destruction which will result in a food service program patronized only by free lunch recipients unless Federal funds are provided to cover the full cost of free or reduced price lunches.

The school food service policies and procedures in Dade County are based on the needs of the individual child in whatever school he is enrolled. The policies are based on guidelines issued by the Secretary of Agriculture; yet the disbursement of these funds is based on categorizing an entire school, as we mentioned this morning at this meeting, as needy, for pupils from families who are more affluent also attend the same school.

The bill proposed by Senator Talmadge, S. 2548, provides for this flexibility that we now need.

Dade County, as I have said, is the seventh largest school district. It serves the highest percentage of "type A" lunches except Hawaii, when compared to the other seven largest districts.

This district has earnestly attempted to meet the needs of pupils in large urban areas operating a centralized system of food service.

In closing, I would like to say that we feel that Senate bill S. 2548 is much needed for the urban areas and that we would like to underscore the fact that the increase in the amount of cash disbursement for free and reduced price lunches served economically needy pupils include the full cost of the lunch less any regular reimbursement commodities and people payments.

We would like to underscore that part of the bill.

We would like to submit that maybe this change would be helpful, that we eliminate the definition of the reduced price lunch as a 20-cent ceiling, but state it in a definition in terms of percentage for the average cost of the lunch.

For instance, the average cost of a lunch being 51 cents, 30 percent of this cost is 17 cents; lunch served at 17 cents or below would be classified as a reduced price lunch, or in terms of the cost of the purchased food only. This would be a suggestion.

The bill also, which we would like to underscore in our position here, eliminates the classification of special assistance schools, appropriates special assistance funds, and permits these funds to be used where needed so that the money can follow the individual economically needy child. This is especially needed in the areas under school desegregation orders at this time.

Thank you.

The CHAIRMAN. All right.

Now, did you want to proceed, Mr. Lehman? Then we shall quote both of you.

Mr. LEHMAN. Maybe I can just reemphasize what Mrs. Beckham has said. She has already covered about all the points I would have liked to see her do.

The only thing I would maybe like to stress is the fact that the particular bind that the Dade County School Board is in relationship to the increasing proportion of free lunches is we can no longer have those absorbed by charging the paying child additional money. To do so, as she has stated, would only drive more children into the free lunch program or drive them out of the school into the neighborhood.

We have an open campus, so the high school kids would go elsewhere to buy lunch, or the elementary school kids would bring their brown-bag lunches.

Now, in Dade County, no kid is going to go hungry. We have a moral obligation that every child in Dade County is going to get himself a lunch one way or another. The only place we are going to get these free lunches is from the other children who are going to buy lunches, or from the school budget itself.

So far, we have not budgeted for free lunches out of local funds.

We have been able to cover approximately a million dollars of overhead for the lunch program out of local funds in the way of maintenance, in the way of administrative bookkeeping, capital expenditures, and so forth, but so far, we have not actually budgeted for free lunches. To do so under our present financial structure, if we took the \$765,000 that the free lunches are costing this year over and above Federal expenditures, this \$765,000 would have to come from some other educational program.

It is not going to come from an additional millage, because we have a millage ceiling there or capital we cannot get it from. So we are going to feed these children. The money is either going to come from additional Federal funds or additional local funds or from the very inadequate, as Mrs. Beckham said, built-in destruction process of overcharging the more affluent child.

So I think the only way we can look for the relief we can really anticipate now is to enable, for us to be able to look to Mr. Talmadge's bill to get a more adequate funding of these needy children up to, as Mrs. Beckham said, about 80 percent of the cost, the rest of the needs to be met by commodities, and so forth.

That would actually resolve the problem, I think, the only way it can be resolved at this time.

I would like to emphasize one other thing based on the school system. That is the job we are trying to do in desegregation of the system by eliminating these pockets of poverty schools and letting the needy funds follow that child to whatever school he is assigned to so that no school will be categorized as a deprived school, as such, as be blanketed where every child in there would get a reduced or free lunch.

I think that the target should be the child and not the neighborhood or the school.

I think that is all.

Is there anything else we should bring out?

Mr. Hurst is with us.

THE CHAIRMAN. I wonder if you could tell us how much does the Dade County School System obtain from the State?

MR. LEHMAN. I think, actually, nothing, except in the way of administrative procedures. At this time, I do not think we get anything from the State except what the State in turn gets from the Federal Government.

MRS. BECKHAM. It is funneled through.

MR. LEHMAN. They do the controlling of it but not the contribution.

THE CHAIRMAN. What does it cost the State to do that, do you know?

MR. LEHMAN. I have no idea.

The CHAIRMAN. For Dade County, does the county contribute anything?

Mr. LEHMAN. We contribute the cost of operating the cafeterias, all except the actual cafeteria worker and the cost of the food itself. The county pays everything else—capital expenditures, accounting, book-keeping, supervision, maintenance, and the warehousing of the supplies and all of that, which runs—an off-the-top-of-my-head estimate—would cost approximately a million dollars a year above the actual cafeteria labor and the cafeteria food itself.

The CHAIRMAN. And the county pays for that?

Mr. LEHMAN. The county pays for that, the school budget.

The CHAIRMAN. But it pays for none of the food?

Mr. LEHMAN. None of the food and none of the cafeteria itself. That is actually paid out of the money collected from the paying children plus the funds from the Federal Government and the commodities from the Federal Government.

The CHAIRMAN. Now, since you are for the Talmadge bill which was discussed this morning, how much would the State contribute? Do you know?

Have you figured that out?

Mrs. BECKHAM. From the State level, as we were talking about this morning, if we reduce this to a one-to-one basis from the Federal Government?

The CHAIRMAN. Yes.

Mrs. BECKHAM. We would have to see—the State is doing nothing now, as Mr. Lehman stated. We would not know the answer to that.

The CHAIRMAN. You do not know whether the State would put it up or not?

Mrs. BECKHAM. No, we do not. We would have to go see about that.

Mr. LEHMAN. We are hoping we shall be able to get some State contributions, but that is something you cannot predict in the State legislature at this time.

The CHAIRMAN. Have efforts been made to get the State to contribute?

Mr. LEHMAN. At one time, several years ago, the State did make a rather small contribution of 1 cent a plate. That was 2 years ago, but that is no longer in existence.

Mrs. BECKHAM. The next time they met, they did away with it.

The CHAIRMAN. Are there any other counties in the State in which the State contributes any funds?

Mr. LEHMAN. No, I do not think so.

The CHAIRMAN. In other words, the State of Florida contributes no funds for the operation of the school lunch program?

Mr. LEHMAN. Just the administration of the Federal contribution.

The CHAIRMAN. To administer the Federal funds?

Mrs. BECKHAM. That is right, and they give the supervision.

The CHAIRMAN. That is all.

Mr. LEHMAN. Could I make one other mention, while we are here, on this breakfast program which we are using now? We are using actually title I funds for breakfast programs on an experimental basis in, I think, about eight to 10 schools now. We are finding out in our experience that this has made a great contribution toward the ability

of the kids to show up in school and toward their ability to learn in the morning.

While this is not pertinent to the Talmadge bill, I would like for this committee to do whatever it can to fund that program to where we could feed these kids in the morning and to where they have not the protein deficiency which I think affects their learning ability.

The CHAIRMAN. You want the Federal Government to do that?

Mr. LEHMAN. Where else right at this minute? We could do it in Miami, but we have a State law which says we have a 10-mill cap on all funds. We are at the ceiling now. We have no place to go. We could take it out of the educational program, but that is the only place we can get it.

The CHAIRMAN. Have you any figures indicating the cost of the entire program in Florida?

Mr. LEHMAN. In the State?

The CHAIRMAN. Yes.

Mr. LEHMAN. No, but we will send it out.

The CHAIRMAN. I would be curious to find out for the State of Florida the cost of the entire program.

Mrs. BECKHAM. We shall be glad to send it.

The CHAIRMAN. And how those costs are allocated.

Mr. LEHMAN. Shall do.

(The information is as follows:)

TALLAHASSEE, FLA., October 10, 1969.

Mr. COTYS MOUSER,

Chief Clerk, Senate Committee on Agriculture and Forestry,
U.S. Senate, Washington, D.C.

DEAR MR. MOUSER: It is late Friday, and the enclosed report is what we believe you had in mind. Our statistics show the amount of funding that would be necessary from sources other than paying children to meet the total cost of free and reduced lunches served to Florida school children last year. All of the costs shown here include only expendable items. That is, costs of equipment, utilities, etc., which in some states are included and paid for by children's payments, are *not* here in Florida.

We have not shown the total cost of all school lunches served in Florida, as it is our current and most urgent goal that we receive funding that will cover the costs of free and reduced price lunches.

It is our thought that you and your committee would be most interested in the fact that if the paying children no longer have to pay for the non-paying children, the price charged to the paying children can be reduced on the average 6.2¢ per lunch here in Florida.

If there is any other information that we can provide to you, please call on Tuesday; or if you should need other information as early as Monday, call Mr. Miller here in our office.

Sincerely,

GEORGE HOCKENBERRY,
Acting Administrator, School Food Service,
Florida Department of Education.

Report on Florida School Lunches

Number lunches served free and reduced, 1968-69-----	27, 866, 009
Food cost of free and reduced lunches served (30 cents)-----	\$8, 359, 802. 70
Labor cost of free and reduced lunches served (22 cents)-----	6, 130, 521. 98
Other cost of free and reduced lunches served (4.1 cents) ¹ -----	1, 170, 372. 28

Total cost of free and reduced lunches served (56.1 cents) -- 15, 660, 697. 06

¹ Paper goods, supplies, detergents, pest control, etc.

Report on Florida School Lunches—Continued

Less commodities utilized (8 cents)-----	\$2,229, 280. 22
Subtotal -----	13, 431, 416. 34
Less Federal Reimbursement (15 cents)-----	4, 366, 287. 57
Total cost of free and reduced lunches to be met by paying children, 1968-69 (33 cents)-----	9, 065, 128. 77

NOTE.—The ratio of paid to free and reduced lunches served in Florida 1968-69 was 5.3 to 1. Therefore, if paying children did not have to support the nonpaying children, the sale price could be lowered 6.2 cents on the average.

Senator HOLLAND. I have some questions to ask.

In the first place, Mrs. Beckham and Mr. Lehman, you are members of the county school board, all members of which are elected county-wide in each county; is that not so?

Mrs. BECKHAM. Yes.

Senator HOLLAND. Mr. Hurst is the assistant superintendent in the county. Does he have charge of this school program, the school lunch program?

Mrs. BECKHAM. Yes, he does.

Senator HOLLAND. And also the school breakfast program?

Mr. LEHMAN. Right.

Senator HOLLAND. My understanding is that you do have a sizable number of your students who are getting the school lunches. They are either getting them free or getting them at reduced rates. Apparently, in those notes which you filed with your statement, there were in 1968-69 some 22,000 who were getting free or reduced lunches; is that correct?

Mr. LEHMAN. Yes, sir; 21,263 is one of the computations I have here.

Senator HOLLAND. And you hope to have and plan to have for the 1969-70 years quite an increase to some 31,200?

Mr. LEHMAN. That is right, projected.

Senator HOLLAND. What is the cost of your reduced price lunch, in the Dade County schools?

Mr. LEHMAN. We have a schedule. They run from 5 to 20 cents.

Senator HOLLAND. Depending on the degree of poverty in the home from which the student comes?

Mr. LEHMAN. The number of children and the income in the family. If the income is \$3,000 and it is one child, maybe it is a 5-cent lunch. If it is \$4,000 and five children, maybe it is different. But it depends on the number of children in relation to the family income.

Senator HOLLAND. But the reduced rate places go from 5 to 20 cents?

Mr. LEHMAN. Right.

Senator HOLLAND. Then how many do you serve free lunches to in the Dade County schools?

Mr. LEHMAN. The reduced price lunch plays a very small part of the total poverty lunch program. The reduced price runs less than 5 percent of the total problem—is that right, Mr. Hurst?

Mr. HURST. That is correct, less than 1 percent.

Mr. LEHMAN. So it seems that to all intents and purposes, it is either free or paid for in full.

Senator HOLLAND. And the 21,262 received free and reduced price lunches last year; of that number, much more than 20,000 were served free lunches, and the small balance got reduced price lunches?

Mr. LEHMAN. Right.

Senator HOLLAND. All the way from 5 cents to 20 cents?

Mr. LEHMAN. Yes. Of course, many people think it is not even worth the bookkeeping on the reduced price lunches, because the cost of handling these 5-, 10-, and 15-cent free lunches takes—does not take in more than that. But many people feel if they pay a small amount, it gives more dignity to their contribution.

Senator HOLLAND. I note in your statement here, the number who are served free or reduced price lunches is about 22 percent of the total number who are served school lunches? Do you have the total number, Mr. Hurst? The total number served lunches under the Dade County school system last year?

Mr. HURST. It runs right at 140,000 per day. I will get you that figure.

Senator HOLLAND. And you are stepping up that number sizably this year, I judge, from the fact that you are stepping up the ones who receive free and reduced price lunches from right at 21,000 or 22,000 to 31,000.

Mr. LEHMAN. I do not think so, Senator. I think our number of lunches is leveling off, just about. The increase is very small.

Senator HOLLAND. The total increase would be around 140,000?

Mr. LEHMAN. It is just the proportion of free lunches is eating into the total each year. When I first came on the board in 1966, it was 9,000 free lunches, the following year 12,000. Then it jumped to 21,000 and now, as we say, we expect 31,000.

Senator HOLLAND. I agree with you that there are many good features in the bill introduced by Senator Talmadge. You have mentioned some of those very fine features. I am not in accord with the provision of the bill which says that the proportion of the payments shall be so changed that instead of now requiring 3 cents out of every 4 to come from the State or local governments or from your children, only 1 cent out of every 2 will come, because that would mean a very great expansion of the Federal appropriation to cover the present number of children, without any increase in the number.

I believe that you all saw that, I judged, from the statement.

Mr. LEHMAN. Yes.

Senator HOLLAND. Now, with that exception, do I understand that you are supporting the Talmadge bill substantially as written?

Mr. LEHMAN. I would not argue with you on that 3 to 1. I think it would only mean that in that case, we would reduce the price of all lunches to maybe 20 or 25 cents. That would only benefit those that could afford to buy lunches, because on a 1-to-1 basis, the more affluent would not have to contribute that much to meet the 1-to-1 ratio.

Senator HOLLAND. Well, of course, what you are talking about is a substantial reduction of the quality of the lunch, and that is not what any of us are trying to get at, I am sure.

But excepting that one feature of the bill, do I understand that you are in support of the other features?

Mrs. BECKHAM. My answer would be "Yes."

Mr. LEHMAN. I would prefer to leave it at 3-to-1 in order to get the other features.

Senator HOLLAND. I think the record should show at this time that Senator Ellender was not only one of the founders of the school lunch

program, but he is the founder of the school breakfast program. So you are talking to at least one member of the committee here who is entitled to a large part of the credit for setting up both programs.

Mr. LEHMAN. I think the potential for the school breakfast is as great as anything we can do with the lunch program. In fact, I think it probably should have an equal posture with the school lunch program.

The CHAIRMAN. If anything, I think it is more important.

Mr. LEHMAN. I do, too, because after breakfast is when they are going to learn.

Senator HOLLAND. That, unfortunately, is not part of the issue before us at this time.

Mr. LEHMAN. Right.

Senator HOLLAND. May I get the consent of the two witnesses to file as part of the record the notes attached to your statement?

Mr. LEHMAN. Certainly.

Senator HOLLAND. I think they go into some of the features more fully than what you have testified.

Mrs. BECKHAM. Yes, sir.

Senator HOLLAND. Mr. Chairman, I ask that all three pages of these notes, the middle page of which is a copy of a resolution filed by the, adopted by the Board. But the first and third pages are a resumé of the case and also a compilation of the figures. I ask that they be included in the record.

The CHAIRMAN. Without objection, that will be done.
(The document is as follows:)

SUMMARY STATEMENT RELATIVE TO PROVIDING FREE AND REDUCED PRICE LUNCHES TO ECONOMICALLY NEEDEY PUPILS IN THE DADE COUNTY SCHOOLS

1. The Dade County Public School System is the seventh largest in the United States, having an enrollment of 236,024. It also has the highest rate of school lunch participation of the seven largest school systems.

2. Dade County is similar to other large urban areas in that it attracts economically needy families who cannot provide their children with nutritionally adequate lunches.

3. In Dade County it is estimated that approximately 31,200 free and reduced price lunches will be served to needy children each day this school year. These lunches represent over 22% of the total lunches served.

4. A uniform menu is served throughout the 228 schools and uniformly administered policies are used in determining the eligibility of pupils for free and reduced price lunches.

5. In the school year 1968-69 an average of 21,262 free and reduced price lunches were served each day. The school year cost of serving these lunches was \$764,583.00 in excess of Federal aid and support from local tax funds, as shown on the attached computation. In essence, the pupil paying for his lunch supported the non-paying pupil. This burden placed upon the paying pupil has resulted in sale price increases. Each time prices are increased, many pupils can no longer afford to participate in the program, some of whom become eligible for a reduced price lunch or bring an inadequate lunch from home, thus reducing school food service revenue. Cash reimbursement is needed to cover up to 80% of the meal cost of providing lunches to the economically needy pupil.

6. Pending legislation should make it mandatory and convenient for special assistance funds to follow the needy child. The current goals of education tend to disperse needy children rather than hold or group them in particular schools. The designation of "special assistance school" is unnecessarily degrading and unfortunately provides financial benefit to pupils from more affluent families as well as to the needy.

7. Food service is necessary to the present educational program of the Dade County schools but if the present trend continues, it will deteriorate to an in-

adequately financed food service program patronized only by free lunch recipients.

8. It is urged that consideration be given to the attached Resolution by the Dade County Board of Public Instruction and that Senate Bill 2548 be accorded a favorable report by this committee.

RESOLUTION RECOMMENDING TO THE CONGRESS OF THE UNITED STATES AND OTHER INTERESTED AGENCIES ACTION TO ASSURE SCHOOL LUNCHES TO NEEDY CHILDREN

Our society is affluent but malnutrition and hunger are found among the school children of the United States. It is generally accepted that hungry children do not learn and malnutrition and undernourishment do affect intellectual performance.

Increased emphasis has been given to identifying the malnourished, the hungry and economically needy pupil. There is, properly, a great concern for these children and the big challenge is how to meet their educational and nutritional needs. Poverty, concentrated in rural and urban areas, is such that many school districts do not have the financial resources to alleviate hunger.

Whereas, appreciation is expressed to the Congress of the United States and the United States Department of Agriculture for their past efforts on behalf of all children by pointing out their nutritional needs and initiating child feeding programs; and

Whereas, The Congress of the United States has recognized its responsibilities in meeting the nutritional needs of all children through such enabling legislation as The National School Lunch Act of 1946, The Child Nutrition Act of 1966, and other like legislation; and

Whereas, Federal regulations released in 1969 require school districts to develop written policies stating criteria to be used uniformly in the district to determine the eligibility of children for free and reduced price meals; and

Whereas, such uniformly administered policies have resulted in a substantial increase in the number of pupils identified as needing a lunch at school; *Now, Therefore,*

Be it resolved: That The National School Lunch Act and The Child Nutrition Act be adequately funded and regulations relating thereto be amended to make it possible for school districts to meet the nutritional needs of economically needy, undernourished and malnourished children. To achieve this goal, it is respectfully recommend to members of the Congress of the United States that they enact legislation to

1. Appropriate adequate funds and permit cash assistance to be paid for lunches served free to economically needy children of up to 80% of the meal cost and require states to reimburse for these lunches at a variable rate based on the percentage of such lunches served in a school or school district.

2. Permit funds allocated under Section XI, PL 79-396, to be used to reimburse up to 80% of the meal cost of lunches served to economically needy pupils in regular schools as identified in Section IV, PL 79-396.

3. Authorize appropriations for any fiscal year to be made one year in advance and publicize such information so that states and school districts can plan in advance and operate school food service programs in a more efficient and business-like manner.

4. Provide under Section IV, PL 79-396, cash assistance of not less than one-third of the national average cost of locally purchased food per lunch served.

Passed and adopted at *Miami, Fla.*, this 9th day of July, A.D. 1969.

DADE COUNTY BOARD OF PUBLIC INSTRUCTION—COMPARISON OF SALES PRICE AND COST FIGURES FOR THE SCHOOL YEAR, 1968-69

Type of program	Elementary	Junior/ senior	Combination schools (elementary/ junior)	Total, all schools
Sales prices (1968-69 school year).....	\$0.35	\$0.45	\$0.35, \$0.45	-----
Total cost per lunch (1968-69 school year).....	.4621	.5499	.4809	\$0.4873
Less Federal aid (includes Federal commodities used and cash received for type A lunches).....	.1058	.1089	.1039	.1061
Cost per lunch (before needy supplement).....	.3563	.4410	.3770	.3812
Less cash needy supplement:				
Based on number of free and reduced price lunches served.....	.1638	.1638	.1638	.1638
Money collected from pupils for reduced price lunches.....	.0097	.0097	.0097	.0097
Net cost of free and reduced price lunches (1968-69 school year).....	.1828	.2675	.2035	.2077

VALUE OF FREE AND REDUCED LUNCHES ABSORBED BY SCHOOL FOOD SERVICE PROGRAM

[Listed below is the value of free and reduced lunches served that was absorbed by the school food service program for year ending June 30, 1969. This amount¹ was computed using the net cost figures as per the schedule above]

Types of schools.....	Number served	Daily average	Net cost (per lunch)	Value
Elementary.....	2,229,738	12,387	\$0.1828	\$407,596.10
Junior-senior.....	498,091	2,767	.2675	133,239.40
Combination schools.....	1,099,501	6,109	.2035	223,748.44
Total value of free and reduced price lunches.....	3,827,330	21,263	-----	764,583.94

¹ The amount absorbed by paying students for free and reduced price lunches is approximately \$0.0395 per paid plate lunch served. In 1969-70, the amount to be absorbed by paying students is estimated to be approximately \$0.05 per paid plate lunch served.

Year	Average paid and reduced price lunches	Percent of increase	Percent of total lunches
1966-67.....	9,288	3.82	7.42
1967-68.....	12,792	36.7	10.72
1968-69.....	21,262	67.24	16.51
1969-70.....	31,268	47.0	22.72

Senator HOLLAND. We are glad to have you, and let Dade County continue to do its good work.

May I ask one question only?

I understand there are over 30,000 Cuban refugee children in your schools. Is that correct?

Mrs. BECKHAM. Yes, about 28,000.

Senator HOLLAND. The Federal Government contribution for those, as I understand it, is something like 60 cents, 60 percent of the cost. Is that correct?

Mr. HURST. That is the exact amount.

Senator HOLLAND. I know you have accepted that formula. My question is, is this working out well, considering the fact that the State pays on the school attendance, regardless of whether it is your local children or refugee? It is working out all right?

Mr. HURST. If there is any place this agreement may fall down, it will be in the area of construction costs because our construction

costs have gone up considerably this year and it will be necessary for us to come in and ask for an increase in the cost of providing the facilities for the increasing number of pupils.

Senator HOLLAND. Insofar as school lunch and school breakfast are concerned, the Cuban refugee children are treated just exactly as if they came out from American homes, are they?

Mr. LEHMAN. No difference.

Mr. HURST. We have very few participating in this program.

Senator HOLLAND. Most of them do not require this school lunch, is that it?

Mr. HURST. That is right.

Senator HOLLAND. They are taking good care of their own?

Mr. HURST. I assume so, because in those schools that are predominantly Cuban, there are very, very few requests for the school lunch. I do not know the reasons; I can just give you the facts and figures.

Senator HOLLAND. Well, maybe they eat a little different food than we do?

Mr. HURST. No, sir, I do not think so.

Senator HOLLAND. I want the record to show that these Cuban refugee children, 28,000 of them, are being treated no differently. This district which comprises Dade County has really, I think, done a fine job because all it has asked for from the Federal Government is about 60 percent of the actual cost of the operation, without including the costs Mr. Lehman has mentioned.

They have had to build new schools.

The CHAIRMAN. Well, the State bears the 40 percent, you said, of the cost of the schools?

Senator HOLLAND. And operation, but not capital costs.

Is that right?

Mr. HURST. Operations.

Senator HOLLAND. But not capital costs or maintenance?

The CHAIRMAN. I was under the impression that the amount furnished by the Federal Government at least paid the administration.

Senator HOLLAND. The amount paid by the Federal Government, as I understand, pays the local part of the operating costs of the schools, but not the capital costs and not the maintenance.

Mr. HURST. Right.

The CHAIRMAN. You mentioned a while ago that much of the funds collected locally are contributed from profits made on those who are able to pay. What does that amount to, do you know?

Senator HOLLAND. It is shown in this copy.

The CHAIRMAN. I was looking for it. I do not see it. You have your total value free and reduced lunches, reduced price lunches, as \$764,583.94. Where does that come from?

Mr. LEHMAN. We have \$8.5 million from the pupils in the schools that are paying for it and \$666,000 from the adults in the schools.

The CHAIRMAN. This three-quarters of a million dollars, or a little over, does it come from those able to pay?

Mr. LEHMAN. Right.

Senator HOLLAND. That \$764,000 is the cost of the free and reduced price lunches alone which are paid for by those who are able to pay for it

The CHAIRMAN. And I wanted to get that clear in the record.

Mr. LEHMAN. If the child is paying 50 cents or 40 cents for a lunch he is really paying 45 cents for his lunch and 5 cents for some poor kid's lunch.

The CHAIRMAN. Right, and this amount is applicable to Dade County only?

Mr. LEHMAN. As far as I know.

Senator HOLLAND. Certainly, the refugee children, that is largely applicable to Dade County. I know of no other such arrangement worked out with the other Florida counties by the Federal Government.

The CHAIRMAN. Since you are for the Talmadge bill, you have not figured how much you expect to obtain from the Federal Government if that bill is enacted?

Mr. LEHMAN. We shall get about 18 cents per child. We have about 30,000 children. It will be the same as the three-quarters of a million—we need that three-quarters of a million dollars that the children are contributing now from Federal sources.

The CHAIRMAN. That is the number of children you now have, but suppose it increases.

Mr. LEHMAN. I guess we will adjust it in proportion. We need the difference between what is made up out of local funds, which runs around 18 cents a child, whatever the amount or number of children is.

The CHAIRMAN. Have you figured out what the cost to the State will be under the Talmadge bill?

Mr. HURST. No, sir.

The CHAIRMAN. And you expect to get that as time goes on?

Mr. LEHMAN. Right.

Senator HOLLAND (presiding). Thank you very much, gentlemen and Mrs. Beckham.

Mr. LEHMAN. Thank you.

Mrs. BECKHAM. Thank you.

Senator HOLLAND. The next witness listed on the chairman's list is Adm. Ira H. Nunn, who is Washington counsel of the National Restaurant Association.

**STATEMENT OF REAR ADM. IRA H. NUNN, U.S. NAVY (RETIRED),
WASHINGTON COUNSEL, NATIONAL RESTAURANT ASSOCIATION**

Mr. NUNN. Mr. Chairman, Senator Talmadge, my name is Ira H. Nunn. I am the Washington counsel for the National Restaurant Association. Our association represents the food service industry nationwide. It represents all types of restaurants and all facets of the industry. We have about 14,000 members of our own; and through our affiliation with State and local restaurant associations, we represent approximately 110,000 food service establishments of all kinds.

I am accompanied here today by Mr. Leo J. Coughlin, the vice president for institutional feeding of the Canteen Corporation.

It is a pleasure to appear before you representing the National Restaurant Association. We appreciate the opportunity to speak for the food service industry on the school lunch program. We firmly believe that the industry can contribute the experience, skills, and techniques needed to make this program a reality for a much higher proportion of the schoolchildren than the one-third that now enjoy its benefits.

We favor the school lunch program, and we favor increased appropriations to make that program possible.

This is the essence of the problem. Over 51 million schoolchildren are eligible to receive a midday meal under the school lunch program, but only about 18 million get that daily meal. Unfortunately, those children who are most in need of the food represent a large proportion of those to whom the benefits of the program are not made available.

We have no pat answers for all the problems that combine to deny the school lunch to two-thirds of the children Congress seeks to feed. However, we do know that the food service industry, together with the expertise, techniques, and experience that have made it the Nation's fourth largest industry, has been effectively precluded from participation in the school lunch program.

This rejection of the industry's skills and experience in seeking solutions to what are plainly food service management problems is difficult to understand. I assure you it is not the work of Congress. No provision of law precludes the employment of a food service management firm by any school.

However, the Department of Agriculture has very effectively precluded the use of such firms by a regulation that has been in effect for many years. In substance, this regulation denies the Federal subsidies provided under the National School Lunch Act to any public school which employs a food service management firm to run its school lunch program.

Most school administrators feel that they cannot operate without these Federal subsidies, although a few schools have decided the loss of subsidies is outweighed by the services that a food service management concern can provide, and these few schools employ food service management firms in their lunch programs.

The end result of this departmental regulation has been to preclude the employment of the food service industry in the school lunch program, even though the skills available in the industry may be desired by a particular school and even though, in some areas, the industry may offer the only feasible means to feed the children.

We have tried, without success, over the course of several years, to persuade the Department of Agriculture to rescind this regulation. We are here today to ask Congress to revoke it by statute.

Let us be perfectly clear on the issue here. We have an arbitrary administrative regulation, not required by law, that penalizes any public school for employing a food service management company in serving its students. Revocation of this regulation will do no more than allow us to participate in the program if a particular school or school system believes we can do so effectively, economically, and within its means.

Revocation will not require any school to employ a food service management firm, nor will it reward any school that elects to employ such a firm. It will only ensure that schools may employ us if they wish without incurring penalties that are entirely unrelated to the goals of the school lunch program.

Needless to say, the Department of Agriculture would probably not agree with this assessment of their regulation and its effect. If you were to inquire, the Department would tell you that their regulation does not penalize a school for entering into a contract with a food

service company to buy prepared meals. The Department contends that any school may do this, without loss of subsidies, so long as the food service concern does not serve the food at the schools. The Department will also point out that it has relaxed its regulation in the past year to permit the employment of food service management firms in certain areas, without penalty to the schools.

The difficulty with the Department's approach is that it does not confront the real problems. The thing school officials want from us, if they want anything, is the expertise, experience, and equipment of food service management firms to administer their entire program, not simply the preparation of the food and the delivery of it to the school door. They want management from us, not the mere purchase of groceries.

Many school officials feel if they must solve the problems of heating and serving the food and then disposal of waste, they may as well retain the whole problem.

The availability of the Agriculture Department's prototype contracts in certain designated areas likewise has not met with acceptance by school officials, because it is a limited test program available for all practical purposes only for 1 year. School officials saw no advantage to a program that could promise service for only 1 school year.

Senator HOLLAND. Would you yield there, sir?

Mr. NUNN. Yes, sir.

Senator HOLLAND. Were there any of these programs as contemplated actually entered into?

Mr. NUNN. Not a one, to my knowledge, sir. I have inquired carefully and I know of none.

Senator HOLLAND. Let us inquire of the Department on those.

Proceed.

(The Department advised that none had been entered into.)

Mr. NUNN. Again, let me emphasize that revocation of the present regulation will do no more than permit local school administrators to retain a food service management concern without penalty if they determine such action is in the best interests of the school. We allow such public school officials to make decisions affecting the quality of the education our children will receive.

We grant them control over millions of tax dollars. Is it not ridiculous to presume their incompetence in determining the best way to administer the school lunch program? Is it not a completely unwarranted and unnecessary interference by the Federal Government in what is essentially a purely local problem best left to the good judgment of the several States and local school authorities?

Those who oppose revocation of this regulation contend that the nutrition aspects of the program will be ignored. We need only observe that the quality, quantity, and type of food to be served would still be in the hands of the school authorities. The school would retain complete control. Businessmen these days deliver what they contract to deliver or they don't stay in business; and businessmen have been doing this for some time. They do it very well. An example with which you are all familiar is the airline feeding operation. The food service firm delivers exactly what the airline specifies.

Let me remark parenthetically at this point that there is a real need for food service management in the schools—a need which the schools themselves recognize and seek out for themselves. Thus, more than 50 percent of the schools which have no Federal subsidies available to them employ professional food service management. These are the schools, bear in mind, which have a free untrammelled choice in the matter.

More and more they shift to contractual feeding. In 1968, colleges and universities—and I am not speaking of schools, but the higher education colleges and universities. In 1968, colleges and universities operated their own food service programs on 50.6 percent of the campuses. Forty-five percent had food service programs operated by private contractors, and an additional 16 percent reported that they planned to switch to privately contracted food service in the near future.

Fear has been expressed that the community project atmosphere provided by volunteer and dedicated employees of long service in the program would be lost. Food service management concerns would welcome all the volunteer help they can get, and in our present situation, any competent worker desiring employment is welcome and can get a job.

All we ask is the chance to make our industry's know-how and experience available to the schools without penalty. We are confident that many of our member firms can bring skills and techniques to the problem that will permit feeding great numbers of children who are not now being fed. We are confident that this can be done at a cost fully comparable to that of any other method. If we cannot supply the service at competitive prices, we simply will not get the job.

To give our industry a chance to contribute on a fair and equitable basis without penalty to the schools who employ us, the Department of Agriculture regulations must be changed. We ask you to compel this change by brief amendments to the National School Lunch Act and the Child Nutrition Act which we respectfully submit for your consideration. These simple amendments can be inserted into any of the bills you now have under consideration. They are attached to the copies of my statement which you have.

To bring you the views of one of our largest and most knowledgeable firms in the field of planning for and feeding large numbers of people under varying conditions, I have with me Mr. Leo J. Coughlin of the Canteen Corp. Mr. Coughlin is the vice president in charge of his firm's department of institutional feeding. That means feeding in schools and hospitals.

He will present more views of the industry on this matter and is prepared to answer any questions you may have on the techniques and procedures involved.

Thank you.

Mr. Coughlin.

The CHAIRMAN (presiding). The proposed amendments that you mention will be printed in the record at this point in connection with your remarks.

Mr. NUNN. Thank you, sir.

(The amendments above-referred to, follow :)

In order to remove restrictions on participation in the School Lunch Program by food service companies, we suggest that:

Section 2 of the National School Lunch Act (42 U.S.C. 1751) be amended by adding at the end thereof, the following new sentence:

"A school shall not be excluded from the benefits under this chapter merely because it engages the services of a food service company on a fee-for-service basis provided the school lunch program would otherwise qualify for benefits under this chapter, and provided further that the school retains the right to control the quality, and extent of the general nature of the food service and the prices of food to be charged to the children."

Section 12, Paragraph (c) of the National School Lunch Act (42 U.S.C. 1760), be amended by eliminating the period at the end thereof, and adding the following language: "nor shall the Secretary or the State impose any requirement inconsistent with the Congressional declaration of policy as stated in section 2 of this Act."

Section 9 of the Child Nutrition Act (42 U.S.C. 1778) be amended by adding the following sentence at the end thereof:

"A school shall not be excluded from the benefits under this chapter merely because it engages the services of a food service company on a fee-for-service basis provided the school lunch program would otherwise qualify for benefits under this chapter, and provided further, that the school retains the right to control the quality and extent of the general nature of the food service and the prices of food to be charged to the children."

Section 10 of the Child Nutrition Act (42 U.S.C. 1778) be amended by eliminating the period at the end thereof and adding the following language: "*Provided, however,* That such regulations shall be consistent with the Congressional policy as expressed in Section 9 of this Act."

STATEMENT OF LEO J. COUGHLIN, VICE PRESIDENT OF INSTITUTIONAL FEEDING, CANTEEN CORP., CHICAGO, ILL.

Mr. COUGHLIN. I am Leo Coughlin and I am delighted to have this opportunity to speak with you gentlemen because our industry is very concerned.

Two and a half years ago, in the spring of 1967, members of a Senate subcommittee traveled to the South in the course of an examination of the war on poverty. They returned to Washington shocked and dismayed, not only at the poverty they had seen, but at the fact that hunger and malnutrition seems to exist in alarming proportions among the poor of America.

Thus in 1967 hunger and malnutrition were rediscovered in the richest and most productive Nation in the world. And by 1968 new facts about the situation were being uncovered by teams of doctors, newspaper and television reporters, and many groups of concerned citizens.

Not only the South, but other parts of the United States as well were found to number the hungry and malnourished among their populations. Not only local officials but Federal administrators, too, were determined to have failed in their attempts to feed the hungry through the various Government food programs. By now, 1969, the Nation as a whole and the members of Congress have realized how far Federal food programs have in fact failed.

We are currently engaged in an urgent thorough investigation of how this state of affairs can be remedied, thus the food stamp program, commodity distribution program, special milk program, and welfare reform programs have all been discussed in great detail. Their flaws have been pointed out and numerous suggestions have been made for their reform.

The time has now come to subject the national school lunch program, hitherto the most popular and least criticized of the Federal efforts, to the same kind of scrutiny.

The price of an average school lunch is 47 cents, of which the Federal contribution in cash and commodities is only 11 cents. Each State must match the Federal cash reimbursement on a 3-for-1 basis. The State's share may be made up from the children's payments for their lunches, State or local tax revenues, or donated services. These in broad outline are the basic facts about the national school lunch program.

Some of the myths that surround this program are as follows:

A year or so ago, a very fine study of the school lunch program, "Their Daily Bread," was issued by a committee on the school lunch program which was made up of members of five women's civic organizations. This study made reference to four myths long associated with the school lunch program; the first myth, believed by many for a number of years is that "no child who is hungry goes without lunch." The sad fact contradicting that myth is that at present funding levels there are still 2.5 million schoolchildren who should be receiving free or reduced priced lunches, but are not.

The second myth, "Teenage eating habits count in a large part for a low participation the school lunch program." This was found by the committee to be untrue. It discovered that teenage eating habits are a small part of the problem.

Another myth is that "it is better for young children to eat lunch at home." As the committee points out, this is only true when the child who goes home gets a lunch to eat.

Finally, many have thought for a long time that children who are getting a free or reduced price lunch cannot be identified by the other children. On the contrary, it was found that a majority of these children are obliged to use special tickets or tokens which have the effect of proclaiming their poverty to their classmates.

While it is true that the Congress is aware of the problems connected with the school lunch program in particular, and child nutrition generally, it is also true that none of proposals thus far have gone far enough. A number of bills dealing with these problems have been introduced and acted on in the House of Representatives; one of these, H.R. 515, was passed by the House on March 20. This bill would amend the School Lunch Act and the Child Nutrition Act of 1966 to clarify responsibilities related to providing free and reduced price meals to prevent discrimination against children who receive them, to revise the program matching requirements and otherwise to strengthen the food service program for children in school and service institutions.

While there are many features of the Senate bill S. 2548 which are encouraging and pleasing, by the same token, it is a fact that there is no law that prevents private industry from assisting the National Government in trying to reach its objectives in proper nutrition for all schoolchildren in this country through the National School Lunch Act and the Child Nutrition Act. There is no law that prevents us.

It is a fact that it is a regulation of the Department of Agriculture that it is the discretionary judgment of the Secretary that denies the schools employing private industry the benefit of Government subsidies under the national school lunch program.

Specifically, this means that any school district which has assumed the same obligation toward its students to provide proper nutrition, as it has assumed to provide them with proper text books and equipment, is denied assistance simply because they have the initiative, the courage, and the willingness to look into the real needs of their students.

It is further a fact that in specific instances a national food service company when employed by a board of public instruction was able through direction and guidance to assist the school board in saving \$65,000 in its purchasing of food alone during the year of 1968-69. And this is a matter of record, gentlemen.

It is a fact that a national food service management company while talking to an independent school district which for the first time was participating in the National School Lunch Act and the Child Nutrition Act, under survey, made the claim that they could save the school district \$400,000 in the succeeding school year if employed only as a consultant for the purposes of direction and guidance of the operations of the school lunch program in the district.

It is also a fact that when a national food service company was in conference with the design architect of a major city it was brought to light that neither the educators, the architects nor the builders had coordinated in any manner to effect a system whereby schoolchildren could be fed under the most efficient conditions incorporating space and equipment. Specifically, the question was, "should a lunchroom for 600 schoolchildren be provided in a separate building or should three separate lunchrooms for 200 children apiece be supplied and on separate floors of the school building?"

When it was posed as to what the curriculum was and whether it permitted children to eat in successive periods rather than all at one time, the answer was that the architect and the planners did not know, that they had not been in touch with the educators. When it was asked what the length of the lunch period for the schoolchildren was, it was stated they did not know as the educators had not informed them. When it was asked where do these children go if they do not eat lunch or participate in a lunch program, the answer was they didn't know because no one had thought to ask the question.

All of these specific instances, and believe me, gentlemen, we could go on for the remainder of 2 days talking about specific instances—point to the fact that many men, while they may excel in their own field, necessarily do not have the skills necessary to help solve the problems of the day-to-day mechanics of providing a food service for schoolchildren.

Now that advances have been made within this past year to relieve some of the rigidity of the Department of Agriculture's rulings, whereby some few ways have been provided for independent enterprises to participate in the national school lunch program; a small light at the end of the tunnel appears, and centered in that light is one of the 2.5 million hungry little children we miss feeding every day.

In Senate bill S. 2548, on page 9 of line 23, in research and training the bill states the amendments provide for assisting State educational agencies in lengthening and strengthening the leadership resources of the State and local educational agencies to carry out more effectively the purposes of the act. The Secretary is authorized to make grants to

State educational agencies for research, surveys, and demonstration projects in the field of school food service. We most strongly urge that this particular section be expanded so that it would permit State educational agencies to employ private industry to design and formulate specific recommendations, particularly for equipment and facilities in those schools which do not have a facility to feed those students who most need it.

One line No. 8 of page 10, the funds are specified for establishing and maintaining research traineeships, planning and evaluation on a state-wide basis. Internships, personnel exchange programs and graduate fellowships, while we do not contest that all of these efforts would be very worthy ones, we do again encourage that they be extended so that capable people from private enterprise can be employed to provide the answers to the ever pressing questions of how we are going to do it.

On page 11, under the subhead of Nutrition specialist, the Secretary is also given authority to utilize funds to assist local districts. We again strongly and respectfully urge that this be expanded to include capable people from private industry.

It has been our experience that when any institution continues for a period in excess of 20 years (and the School Lunch Act at this point is some 23 years old), there is a grave danger that general administration, its regulation, and its principles will not change. We heartily encourage, therefore, a complete review of the fact that the principles and practices which have been employed for 20-odd years have just about expended themselves. The increase in the cost of food of 8.6 percent since 1961 is certainly more than enough reason to contemplate new and more innovative ways to expedite efficiency, not only in the existing program, but to design more efficiently for expansions of the present programs.

The Senate bill S. 2548 would reduce the present requirement that every \$1 Federal fund must be matched by \$3 of State fund and if it is pointed out since the State's matching funds include the money that the children themselves pay for their lunches—about two-thirds of the cash amount of the program—no State has ever had any difficulty meeting this requirement.

While it is worthy that the obligation of the State should be reduced to \$1 rather than a \$3 maximum ratio, it is questionable as to what then would happen in providing that \$1 of State funds. Would it continue—and that is a big question mark—to come from the money the children themselves pay for their lunches?

In the same section-by-section analysis of S. 2548, page 8, section 8, regulations and special development projects, there is a reference to the limitation which might restrict the selling of candy, pop and other food or beverage items which compete for the child's appetite and the available lunch money during the lunch and breakfast period. We heartily encourage any limitations or restrictions which would demand that all food sold on a school campus, a school property or within a school lunchroom or any part of the premises be handled through the school lunch program and not be an independent concession or privilege which extracts more than its share of the money from the schoolchildren because of the nature of the product sold.

There have been many, many disparaging comments made about providing candy and soft drinks in vending machines in high schools

and other locations. However, it is a common thing where candy stands and hot dog stands are operated on campuses of elementary and high schools selling nothing but candy, pop and other items of that nature under the direct guidance of the principal of the school. This can be demonstrated. It literally amounts to an accumulation of unappropriated funds.

Continuing the analysis on page 9 of the brief of the same section 8, there is a reference to special development projects. We would like to expand on this to encourage the Senate to invite private industry to set up and operate pilot programs for improving the methods and facilities for providing food service to children. One of the most practical ways to provide food service to needy children in schools where facilities are either nonexistent or at a minimum, is to provide them through what is commonly called the use of "convenience foods"—we say that "convenience foods" in sharp quotations, gentlemen—which are distributed from either a central commissary or from a large school whose kitchen acts as a commissary for a number of satellite schools.

Some of this work has been done very effectively in the New York City school system. As a matter of fact other school districts are now interested. However, in general few school districts have the skills and capabilities of establishing this kind of a program simply because they have not had the same exposure that is true in private industry.

On page 10 of the same brief, the suggestion that the Secretary make funds available for research, surveys, and demonstration projects in the fields of food service and for the dissemination of information obtained from these research groups is made. We suggest that this portion be expanded and conceived in a manner similar to the committees which were established to coordinate between industry and the military forces in World War II. Later when a similar committee was established to cooperate between private industry and the U.S. Navy for the development of equipment and good products for sailors at sea for a long period of time, its praises were sung far and wide.

The private sectors willingness and capability have hardly been tapped. In large measure the national school lunch program has had to operate without the advantages that would undoubtedly accrue from greater private sector involvement. Surely our representatives in Congress can begin to consider ways in which the private sector can participate more meaningfully in the national school lunch program.

At the present time the National Aeronautics and Space Administration has employed a vast section of private industry to provide food products and methods for service to the astronauts when they are in space or flight. Why not the same treatment for tomorrow's little astronauts? Today's children, who, too, are in flight from the horrors of hunger and malnutrition.

Gentlemen, let me introduce not a note of levity, but a note of very, very great concern. How many of us going back to our childhood can remember the children's nursery rhyme, "This Little Pig Went to Market."

Well, it is our confirmed opinion that unless steps are taken to enlist all the help that we can get, people may remember the national school lunch program as a fairy tale that goes as follows:

This hungry child went to school
 This hungry child stayed home
 This hungry child ate roast beef
 But this hungry child ate none
 While most hungry children went hungry
 all the day long.

Thank you.

The CHAIRMAN. Thank you.

Have you any figures to offer the committee as to the cost of the lunch if private enterprise were to undertake it?

Mr. COUGHLIN. It is our estimate, Senator, under a variety of conditions, that the cost of a school lunch today can be reduced in actual operation between 3 and 11 cents depending upon the nature and the character of the individual school district providing that lunch. Now, the condition varies from place to place. Where you have efficiency, where you have people who are vitally concerned and have limited themselves frugally to these things and who have adopted as many efficient things as they can get, the amount is low. It is 3 cents. But this is not true where they are uninformed.

Where a city or an independent school district has been under a pressure of explosive population growth, or where they have been uninformed in the techniques of operation and really only on inborn or their own experience, here the amount can be as much as 11 cents.

The CHAIRMAN. Well, that would mean that the restaurant or whatever facilities is engaged would deliver that lunch to the children in a particular area?

Mr. COUGHLIN. We would propose to operate the facility to obtain the product, to prepare it, serve it, and to clean the facility. This can be done, Senator, on a variety of contractual arrangements. But in all of them, I think the food service management companies throughout our industry would be willing to project and establish that their budget would be, what the savings would be, what the actual expenditures are anticipated as being for each area of expense connected with the preparation of the meal.

The CHAIRMAN. Would you envision a caterer to prepare the food in his own establishment and deliver it?

Mr. COUGHLIN. I can envision it, Senator, but I would recommend against it, because the facility and the need on location is slight, relatively speaking. To establish food services specifically facilities, and for instance, an urban school, is not a great investment. I mean a service counter properly heated that is mobile, a service counter properly refrigerated that is mobile—these things can be obtained relatively inexpensively. Good, disposable service ware can be used so that the establishment on location is not a big thing.

However, for a commercial company to establish preparation and transport facilities under all the public health law requirements, whatever, is a tremendous investment and no indication we have gotten so far from either Congress or the Department of Agriculture is that contracts will be longer than for 1 year.

Frankly, sir, this does not meet even the slightest similarity to what IRS will permit us to do in depreciating equipment. You cannot write it off in 1 year. You cannot earn enough from it. But we are not asking in H.R. 515 to make any kind of outrageous investment and have 1 year

to recover, or to go on faith that maybe we will have some kind of further program next year. This is why I think the admiral answered that to our knowledge, no company in the country has engaged in this experimental pilot program at this time. It is just a hazard.

The CHAIRMAN. Well, you know this program was originally conceived on a cooperative basis between the State and the Federal Government, particularly the local people. Many of them furnished food, some labor, and the Federal Government furnished surplus foods and also cash.

Now, under the program that we now have, the local people provide by way of food, labor, and so forth, about 74 percent of the cost of the program and the Federal Government the rest of it.

Now, if what you are proposing were adopted, do you not think that more money would have to be provided?

Mr. COUGHLIN. No, I do not, sir.

The CHAIRMAN. You do not?

Mr. COUGHLIN. No, I do not. In fact, I very strongly say I feel that way, for these reasons:

In our audit responsibility to any client, we must, in all of our contracts, generally, come up with an actual accounting statement at the end of an accounting period which establishes what money has been spent for what element of cost within that statement, whether it is for food or labor or for any other item of direct expense. Our experience is such, and I have had enough personal exposure to attest to this, that we can incorporate efficiencies and capabilities which say that not only would you not have to make a greater appropriation, but conceivably, you could maintain for the next few years some kind of an evenness and a balance in this program so that the increase in cost of food or the increase in cost of labor that was referred to this morning just might be balanced by those efficiencies and that you could literally look forward to a statement of saying, "We will not need more money."

And, incidentally, the food service management company could make its own rewards, or could gather its own rewards from that.

Incidentally, one of the other things which happens here, the amount of profits—and that is not a dirty word—that is a pretty good word among other things—is not something which is an undisclosed fact between a food service management company and its client. This word is talked about first and limited profits by contract are very, very common in our industry. The client knows the maximum limitation that we can make, either percentagewise or dollarwise. So what we propose to save and its distribution is readily discernible before a contract is ever, ever signed and agreed to, and control over nutrition, over portion size, over product quality—all of these things are within the control of the school.

We bring management methods, as the admiral pointed out. We are not grocery men, we are not selling products delivered at the back door to somebody else to prepare; we are management people. And we bring the techniques and the expertise and the knowledge that comes from providing these on a competitive basis for not only the industry but today's vast medical market, as well as the vast educational market. And we have the personal experience of serving a great many elementary and high schools of a private nature, and they find it much more profitable and more to their advantage to employ us.

The CHAIRMAN. It is conceivable, of course, that in large cities where you have a large attendance at one school, that may be a good way to proceed. But many of our thousands of schools are located out in the country, pretty far away from cities.

Mr. COUGHLIN. Senator, are you familiar in Minnesota?

The CHAIRMAN. Yes.

Mr. COUGHLIN. Would you believe Faribault, Faribault is 20 or 25 miles south of Minneapolis, total population 25,000 people. We do it there quite successfully.

The CHAIRMAN. Well, that is quite a city. There are some in my State, for instance, where you have probably 200 children coming from a neighborhood involving maybe 10 to 12 square miles. I am just wondering how that would work in small schools.

Mr. NUNN. There would be places of that kind where they just would not need us and would not employ us, Senator.

The CHAIRMAN. Because they could not pay for it.

Mr. NUNN. I doubt that, but it is not appropriate in all cases, of course. The point about it is that the school would not have us if they did not have a need satisfactory to themselves, whatever it is, for our use. We feel this is justified by the fact that more and more schools which are not entitled to the Federal subsidies and have no problem of that kind are more and more employing us. And there are big ones and little ones.

The CHAIRMAN. We had testimony here the last time, I think, that we had an amendment to this bill, providing for what you object to; that is, to deliver the food to the schools, cook it and prepare it and bring it to the schools.

Mr. NUNN. We can do that now.

The CHAIRMAN. You say that could not be done and you would not advise it?

Mr. COUGHLIN. Campbell's Soup Co., today provides a great part of the requirement of the New York City school system. The requirements for an economical manufacturing process of Campbell's Soup Co. are such that they cannot make products as specified by the New York City school system, which is one of the largest in the country. They do make adjustments in the manner in which they prepare their product to make it suitable for New York City. But a food service management company is essentially not in the business of manufacturing and delivering of food to a school, sir. This is not our business. It is impractical from an economic viewpoint, sir.

But if I may, there is something else in our industry. When the hearings were held on H.R. 515, our industry was represented by Mr. Harvey Stephens from a competitive company to our own, but a very progressive guy in our whole industry. He and I were originally associated for many years and we live with a simple principle. It is the principle of our present company today: If we cannot help a client and if he cannot afford our services, we have it as a responsibility to help him help himself. As you speak of the small school in the widely dispersed rural area or lightly populated area, one of the things we are saying in the expansion of the Senator's bill here, and we admire his effort so much, is to make it possible for a school district to employ without penalty the intelligence that will assist them to help themselves, to do it so they can be down in a training capacity on loca-

tion for that small school, for those women who will be there from the local area and the local neighborhood, who will exercise their capacities to arrange for deliveries and proper amounts of storage and things like that for those schools so that small school does not suffer by being the tail of the mammoth urban organization which has many, many other capabilities. If the school board has the right to do it, permit them to go in without penalty to help and not be confined by a regulation.

You see, we are not trying to dislocate nor destroy either the school lunch program or the people in it. There are very many worthy ones and I know a great many personally and work with them constantly. We have a demonstrated record of helping them.

The CHAIRMAN. Any questions, Senator Talmadge?

Senator TALMADGE. Mr. Coughlin, there are 14,000 schools not in the school lunch program. How many public schools not in the type A program are operated under contract with the food management company?

Mr. COUGHLIN. Quite a few, sir.

Senator TALMADGE. Twenty-five percent, 50, 75 percent?

Mr. COUGHLIN. No, a slight number, Senator, in terms of that.

Senator TALMADGE. A small percentage, in other words?

Mr. COUGHLIN. A very small percentage, but it has been going on since about 1951.

Senator TALMADGE. About what would the management cost be for a type A lunch prepared and served by a management company? The type A lunch, as you know, consists of milk, 2 ounces of meat, three-fourths of a cup of fruit, a vegetable, bread and butter. I am referring now to the management cost exclusively and not the total cost of the meal.

Mr. COUGHLIN. The management cost exclusively would not exceed 31½ cents, Senator. It may be less depending upon the total volume.

Senator TALMADGE. What would be the total cost per child per lunch?

Mr. COUGHLIN. The total cost per child for lunch?

Senator TALMADGE. Yes, for that type A lunch.

Mr. COUGHLIN. What that child spends for it? Realistically he is spending 35 cents in those areas where this type operation is going on today. It is competitive in the country with what the school district charges. We have to be.

Senator TALMADGE. Your estimate is 35 cents?

Mr. COUGHLIN. Yes.

Senator TALMADGE. I think you have answered my next question. Georgia's cost per lunch is 38 cents. This is the average cost, of course. I assume you figure you can do that cheaper, because you have testified to that. Is it 35 cents in your judgment?

Mr. COUGHLIN. Forgive me, I misunderstood you. You said what would the cost per child be? You in turn then told me that the cost in Georgia was 38 cents. Is that the cost to the child, Senator, or is that the cost to the State?

Senator TALMADGE. That is not the cost to the child. That is the cost to the school of providing the food and serving that particular type of

lunch, the average cost. It is 38 cents. Do you think your company or competitive company could do it that cheaply or cheaper?

Mr. COUGHLIN. Senator, I would be foolish to say yes or no to that without the opportunity to look at all the conditions which surround your service.

Senator TALMADGE. They vary from area to area.

Mr. COUGHLIN. I am familiar with the State of Georgia.

Senator TALMADGE. I know you have a very fine company and they operate in Atlanta and perhaps other areas of the State.

Mr. COUGHLIN. We just opened in Oglethrope University down there in that State.

Senator TALMADGE. I made the commencement address there last June. They gave me an honorary degree.

Thank you, Admiral Nunn and Mr. Coughlin.

Mr. NUNN. Thank you, sir.

Senator TALMADGE (presiding). The next witness is Miss Frances E. Fischer, president, American Dietetic Association.

STATEMENT OF FRANCES E. FISCHER, PRESIDENT, AMERICAN DIETETIC ASSOCIATION, CHICAGO, ILL.

Miss FISCHER. Thank you, Mr. Chairman.

I am Frances Fischer, the president of the American Dietetic Association and assistant professor of nutrition of Case Western Reserve University. I am accompanied by Miss Josephine Martin, chief consultant of school food service of the Georgia Department of Education.

I, too, would like to call on the expertise of Miss Martin, who, in addition to her other qualifications is a member of our association to whom we look for advice and I may call on her again today.

Senator TALMADGE. She has testified twice already, once on cross examination and once on chief.

Miss FISCHER. We respect her expertise.

Senator TALMADGE. So do we.

Miss FISCHER. I am very grateful to the committee for this opportunity to present recommendations on behalf of the American Dietetic Association, the professional organization of more than 21,000 dietitians and nutritionists who are responsible for the application of the scientific principles of nutrition.

First of all, let me pay tribute to all those individuals and agencies who have worked to make the school lunch program a success:

To the first parents and teachers who realized the relationship of nourishment to the quality of school performance and who worked voluntarily to initiate some type of meal service in schools;

To school administrators and community leaders who became aware of the contribution that food service in schools could make to the well-being of children, and who worked to provide the funds to expand and develop more sophisticated lunch programs; and

To the Congress of the United States for the passage of the National School Lunch Act of 1946, and subsequent legislation in which they have recognized the value of in-school feeding as both a nutrition measure and as an effective way of educating schoolchildren in nutrition.

School lunch programs have certainly come a long way in the United States since 1853, when a school feeding operation was established by the Children's Aid Society of New York in a vocational school for the poor where meals were served to all who attended. Ten years ago a daily average of 11 million children were eating lunches in programs receiving Federal assistance. By 1968, the school lunch program was available to 19 million children.

Despite the progress that has been made, there is much more to be done. It is estimated that some 32 million children are enrolled in schools that do not participate in the school lunch program. First priority must be given to taking the necessary actions so that food service can be made available in all schools. Equally important is making financial assistance available to those children in need of free or reduced-price meals.

Both H.R. 515 and S. 2548 would contribute greatly to expanding and improving the school lunch program. The American Dietetic Association endorses both bills, but we believe that S. 2548, which has been introduced by Senator Talmadge, is more responsive to the existing problems that confront schools and prohibit them and their students from participating in the school lunch program. We therefore urge the enactment of S. 2548.

Meals served at school should be available to all children without discrimination as to their ability to pay. We further believe that such meals should be of the best possible quality, available to the greatest number of children and provided at the lowest possible cost. We are happy, therefore, with the provision in both S. 2548 and H.R. 515 that will help to relieve any existing discrimination against children and will assist in expanding the scope of the program. We also believe that we should have as our goal uniform standards among the States regarding eligibility of the students. This would be in line with the action of this committee relating to food stamps.

In the meantime, the provisions that would amend the present program to require States to contribute appropriate tax funds to the non-Federal share of the programs should help to keep the cost of the lunch within a price range acceptable to many children and parents.

Awaiting annual appropriations does not induce long-range, creative planning. Authorization of appropriations to carry out the provisions of the School Lunch Act and of the Child Nutrition Act of 1966, 1 year in advance should help to facilitate program planning.

As advocates of the need for improvement in nutrition education as one of the primary factors in improving the health of human beings, we of the American Dietetic Association welcome the provisions of S. 2548 and H.R. 515 that permit up to 1 percent of the funds appropriated for the school lunch program and child nutrition program to be used for education and training in the nutrition field for program workers and participants, and for surveys and studies to improve the program. This gives recognition to the fact that, in addition to poverty, ignorance and indifference are the enemies of sound nutrition practices. We recognize, however, that some States and some school lunch programs could effectively use more than the 1 percent of the appropriated funds for training and education in nutrition. We recommend, therefore, that provision be made for increasing the proportion

of funds earmarked for education and training as we gain experience with this aspect of the school lunch program.

While nutritional education programs already have some link to the school lunch program, this is the first legislation that specifically earmarks funds for this program. We welcome this step forward and recommend that this be a first step in providing nutrition education for all individuals and families with the incorporation of nutrition education as a requirement in school curriculums. Nutrition education is one of the most neglected areas in our education. This subject receives little emphasis in schools because teachers have little training in it. (There is a need to recognize nutrition as a biological science and so teach it.) We believe that nutrition education should be a requirement in the preparation of all teachers. However, we realize that the implementation of this program is not a part of this bill. Further we should like to recommend that consideration be given to the use of the school lunch program as a laboratory in the teaching of the principles of applied nutrition. Using the school lunch situation as the environment in which to learn the application of good eating habits that will influence both the health of the individual and his family can do much to increase interest in the program, and to improve their health, as will enforcing the provision of S. 2548 and H.R. 515 that would discourage the selling of snack foods in competition with the school lunch programs. We realize that the school lunch program is limited in its effect on the total dietary intake of a student. It is served about 180 days of the year. We do believe, however, that the educational effect of school feeding programs in developing sound food habits cannot be over-emphasized. We therefore endorse the provision of S. 2548 that gives assistance to State agencies to provide the qualified nutrition personnel that are so badly needed.

S. 2548 authorizes an additional 1 percent of the appropriations to be used for research, demonstrations, traineeships, and the dissemination of nutrition information. This association strongly supports this authority of S. 2548, but we recommend that a provision be added to encourage cooperation between State and local health and educational agencies in the research, survey, and demonstration projects that are authorized. Since nutrition is a discipline of health, we should encourage a health input in efforts to improve the school lunch program. Furthermore, the shortage of nutrition personnel is so acute that efforts to improve their utilization should be encouraged.

We therefore urge that efforts to improve this would not be limited to school lunch personnel, but would include the teachers who ultimately can reach the children and their families.

The amendment to H.R. 515 of Congressman William A. Steiger, from Wisconsin, would provide for the creation of realistic program evaluation so that the educational and nutritional aspects may be reviewed. This would be one of the cooperative efforts of the Department of Agriculture and the Department of Health, Education, and Welfare. As a proponent of the need for comprehensive nutrition program planning that will utilize the expertise of all agencies of the government in promoting better health for the population in this country, we agree with the amendment to H.R. 515 as offered by Congressman Steiger. We hope that it will be added as an amendment to S. 2548.

Furthermore, we of the American Dietetic Association would like to see nutrition education as related to the school lunch program become a part of comprehensive, coordinated, community nutrition programs. We should like to suggest that trained nutritionists work with families and the local school administration for the purpose of reviewing the availability of meal service in school, its contribution to the family meal pattern, as well as the possibility of involving the local school lunch personnel in the nutrition education program. School lunch personnel have worked with Government donated commodities for almost 30 years. They have developed an expertise in the planning and preparation of meals using these foods which could be used to enhance the diets of everyone concerned.

Problems limiting the availability of food services in small, older, remote school districts are usually the lack of space, lack of equipment and lack of facilities for delivering a meal. S. 2548 provides the necessary authority to overcome these obstacles.

I have already briefly expressed the policy of the American Dietetic Association concerning the feeding of all children. We believe that nutrition services under the supervision of qualified nutrition personnel should be a component of all health related programs. In addition, we give priority for the provision of such programs to children and youth in the growing years. Therefore, legislation designed to explore the possibility of expanding feeding programs to more fully meet the needs of schoolchildren certainly has our support.

The school lunch program is a program for youth in a country where the projected figures for 1975 estimate that between 51.8 and 58.4 million students will be enrolled in the elementary and secondary schools. By sheer force of numbers alone, the lunch program must have an influence on the diet in the United States. Through the use of millions of pounds of surplus commodities, plus billions of dollars worth of purchased foods, the noon meal has already enriched the diets of children who have participated in the program.

S. 2548 proposes a new section 16 of the National School Lunch Act that would authorize a National Advisory Council on Child Nutrition. Although we recognize the importance and value of having an advisory committee to assist in the administration of the National School Lunch Act or the programs in the school lunch, we wonder if the title of the committee might imply a broader area of responsibility than is actually intended.

The American Dietetic Association recommends that the Food and Nutrition Board of the National Academy of Sciences be consulted in the development of national nutrition policies for all persons, including children. Furthermore, we recommend that a national advisory council on nutrition be established at the White House level to implement national nutrition policies.

We would suggest that the title of the proposed advisory council in S. 2548 be changed to National Advisory Council on the School Lunch Program. I believe that is essentially what Miss Martin discussed this morning.

In addition, we would recommend that representatives of the Department of Health, Education, and Welfare—the primary Federal health agency—be included as members of the proposed council. Finally, we would hope that there would be provision for cooperation and

coordination between the recommended National Advisory Council on Nutrition at the White House level and the proposed National Advisory Council for the School Lunch Program.

Our obligation to those we are not reaching and helping to enjoy optimum nutrition in this land of plenty remains unfulfilled until we are providing them with every opportunity to develop a sound mind in a sound body. The potential for child feeding programs combined with nutrition education as a vital component in developing sound dietary practices and thus combating hunger and malnutrition has always existed. The focus which such programs are now enjoying should lead to broader endorsement of these programs. Adoption and future expansion of legislation like that which is being considered here today should help each of us to achieve our mutual goals for the people of the United States.

Let me say again that the American Dietetic Association is grateful for the opportunity to present our views.

Senator TALMADGE. Miss Fischer, I congratulate you on a very fine and comprehensive statement.

Your organization, you state, is composed of 21,000 dieticians and nutritionists who are responsible for the application of the scientific principles of nutrition. Just where and what do these 21,000 people that are members of your society do? How many of them are engaged in serving food in educational institutions?

Miss FISCHER. I suspect between a thousand and 1,500, roughly, of the 21,000.

Senator TALMADGE. Where are the other 19,000 or 20,000?

Miss FISCHER. We have a large percentage of them working in hospitals. We have a number who carry the title of nutritionists, who are nutritionists in State, city, county health departments, who are the nutrition specialists at the State level with the Extension Service. We have a number of our members, a fair proportion, that are teaching in colleges and universities. I suspect that is the largest number of our group.

Senator TALMADGE. They all have degrees in nutrition?

Miss FISCHER. Yes, they have degrees, usually from a school of home economics with a major in foods and nutrition of institutional management, and some additional work, either an additional degree or a hospital internship or some other kind of specified experience.

Senator TALMADGE. Let me say that I am flattered indeed that 21,000 people with the qualifications that your group possesses could think well of the bill I have had the honor to introduce.

Mr. Chairman, the witness has finished her testimony and I only asked one or two questions.

The CHAIRMAN (presiding). Did you read all the bills before us?

Miss FISCHER. Yes, I have read them all.

The CHAIRMAN. Have you any particular choice of any, or did you suggest any particular one?

Miss FISCHER. I think we are particularly gratified in both bills with the emphasis on nutrition education. Our association feels that all people should be fed, but that any feeding program is enhanced by the educational aspect, and I think perhaps the Senate bill has more money for free and reduced-price lunches and additional money for training in nutritional personnel and for research. But I think either

the Senate or the House bill we would be in favor of. We would endorse either or both.

The CHAIRMAN. As I indicated during the hearings, on the food stamp bill, we have money in the appropriation bill to employ 5,300 nutrition aides. They are trained and supervised by the State extension service and more or less contact the people who obtain stamps so that they can give them information on how to prepare a balanced meal. If we could get these people to work through the Extension Service on the school lunch program, we might be able to have all this work in one area rather than have two or three places where the information could be obtained.

Miss FISCHER. Could I make a comment, sir?

The CHAIRMAN. I wish you would.

Miss FISCHER. I am not sure whether you were here when Senator Talmadge was asking me about the qualifications of the 21,000 dietitians and nutritionists in our association. I think we are using the term "nutritionist" in a little different context than you are speaking of when you are speaking of the 3,200 nutritionists being trained to work on a person-to-person basis in the county. Are these the persons who sometimes carry the title of "Program Aide" with the Extension Service under the recent appropriation?

The CHAIRMAN. During the hearings by the committee headed by Senator McGovern, we found that one reason people don't eat the proper food is that they do not know any better. That they need guidance. That was the burden of the testimony of two or three or four witnesses. So what we did was immediately call this matter to the attention of the Department of Agriculture.

The Department proceeded to obtain people to work with the various recipients of food stamps to try to get them more knowledgeable about food, you know, the combination of foods that give a proper diet. I was in hopes that we could do something along that line, using those same people, in order to help in the school lunch program. If we have to get many more nutritionists to work in the food stamp and then more in the school lunch program, it might be that we will not be able to get the money to do all of that.

Miss FISCHER. I think the same people are working in both.

The CHAIRMAN. I think what we ought to do is try to work that through the Extension Service and not have a separate bureaucracy. I think you have a better chance of doing it that way than to provide for it separately for this school lunch program.

Miss FISCHER. I would agree with you that the same people could cooperate. I think we are still using the term "nutritionist" differently.

The CHAIRMAN. I would assume they would have the qualifications?

Miss FISCHER. Yes.

The CHAIRMAN. Is it not possible for a good nutritionist to prepare a diet for a certain area and let the Extension Service show people how to use that?

Miss FISCHER. Indeed, yes.

The CHAIRMAN. Well, that is what I think we ought to work on.

Miss FISCHER. It is just the terminology that I guess I am talking about. Yes, indeed.

The CHAIRMAN. The Extension Service, as I remember, was established back in 1914. It did a great service to the country, to the

farmers, in disseminating what was obtained through research. I think through their efforts we were able to produce more food than we ever did in our whole history. In fact, I do not think there is a nation in the world who produces more than we do for a given acreage. It strikes me that that same organization, if they were able to instruct the farmers on growing the food, certainly could instruct consumers as to how to make that food more palatable and give them more vitamins, produce a balanced diet.

Miss FISCHER. You may be interested that the person who is going to follow me as president is a specialist in nutrition with an Extension Service in one of our States.

The CHAIRMAN. All right. Thank you very much.

Miss FISCHER. Thank you.

(Supplemental statement filed by Miss Fischer is as follows:)

CHICAGO, ILL., October 16, 1969.

HON. ALLEN J. ELLENDER,

Chairman, Committee on Agriculture and Forestry, Old Senate Office Building, Washington, D.C.

Dear Senator Ellender: I am taking this opportunity to thank you for your kindness when I presented testimony on September 29, 1969, on legislation to amend the National School Lunch Act. The members of The American Dietetic Association appreciate your interest in legislation that is designed to improve the nutritional status of the population of this country.

I should like to add to my remarks concerning the membership of The American Dietetic Association. Our 21,000 members educated in the profession of dietetics include 800 individuals who would be classified as "nutritionists" according to the definition of the American Public Health Association and the Dictionary of Occupational Titles. I believe that your reference to several thousand nutritionists employed by the Department of Agriculture refers to the aides that have been trained during this past year by the Extension Service to work with families in areas of nutrition.

I respectfully request that this letter be inserted following my remarks in the printed record of hearings.

Sincerely yours,

FRANCES E. FISCHER,

President, American Dietetic Association.

The CHAIRMAN. That is all the witnesses we have scheduled for today and the committee will stand in recess until 10 o'clock tomorrow morning.

(Whereupon, at 5:30 p.m., the committee recessed to reconvene at 10 a.m., Tuesday, September 30, 1969.)

SCHOOL LUNCH AND CHILD NUTRITION PROGRAMS

TUESDAY, SEPTEMBER 30, 1969

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

The committee met, pursuant to recess, at 10:08 a.m., in room 324, Old Senate Office Building, the Honorable Allen J. Ellender (chairman) presiding.

Present: Senators Ellender (presiding), Holland, Talmadge, Jordan of North Carolina, McGovern, Aiken, and Bellmon.

The CHAIRMAN. The committee will please come to order.

Dr. John Perryman, will you step forward, please?

STATEMENT OF DR. JOHN N. PERRYMAN, EXECUTIVE DIRECTOR, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, DENVER, COLO.

Mr. PERRYMAN. On behalf of the officers and 48,244 members of the American School Food Service Association, I wish to express appreciation for the opportunity extended to the panel to appear before the committee on behalf of S. 2548. All members of our panel have prepared statements. In the interest of time, we have asked them to summarize. I would like first of all to introduce our panel: Our resource member, Miss Josephine Martin; from the State of Utah, Mr. Rodney Ashby, who is administrator of School Food Services, and chairman, State directors and supervisors section, ASFSA.

From the State of Michigan, Mr. Howard Briggs, director, School Food Services, board of education, Detroit, Mich.

From the State of Massachusetts, Mr. Thomas P. O'Hearn, director of food services, archdiocese of Boston and chairman of the legislative committee, ASFSA.

And from the State of Missouri, David R. Page, director, School Food Services, St. Louis.

Before the members of the panel comment on the specifics of the proposed legislation, I would like to explain, in part, the reasons for our appearance here today.

The very fact that there is a Talmadge bill is indicative of your interest and the interest of the Congress in the school food service program—in the awesome task of assuring that this Nation's children are fed.

The White House has also expressed urgent concern over the matter of hunger and malnutrition in the United States, and I spent 2 days of last week in meetings of Panel V:4 (large-scale meal delivery systems) of the White House Conference. During those 2 days we

heard repeated presentations—I didn't count them but I daresay 15 or more—from various groups, departments, and agencies telling what they are doing right in the matter of feeding hungry Americans. I do not blame them—self-preservation is the strongest of all human instincts—but I determined then and there to go home and redo my testimony to say to you this morning what I feel needs to be done to feed hungry Americans.

The late President Kennedy, in opening the World Food Congress in this city on the morning of June 4, 1963, stated :

We have the means, we have the capacity to eliminate hunger from the face of the earth in our lifetime. We need only the will.

In my judgment that statement was correct in 1963 and is even more correct today. We do have the technology, we do have the know-how, we do have the food production to eliminate hunger in our Nation. What we need is the will, the clear-cut, continuing commitment from the Congress to the State legislatures, to the boards of education across the land to get the job done. In my judgment S. 2548 is clear evidence that the Congress of the United States is in the vanguard of such a national commitment. I then go on regarding various parts of the bill. The association supports the bill, believes that it is outstanding legislation.

I would like to call particular attention to the development of expertise. Those provisions of S. 2548 proposing assistance to local school districts to employ nutrition specialists and those provisions proposing funds for the training of nutrition specialists are deemed by us to be some of the most worthwhile and forward-looking legislation in the field of school food service since the passage of the original National School Lunch Act. We are also in agreement with the establishment of a National Advisory Council and hope that a representative of American School Food Service Association may be privileged to serve thereon.

In the matter of overt identification, we believe the only real way to do away with the implied shame of poverty, the embarrassment of insolvency, is to do away with segregation against solvency. We attempt to build young bodies through physical education courses, we attempt to build young minds through a wide spectrum of studies. It seems only fitting and proper that we should attempt to build both bodies and minds through a school food service program which is a fundamental part of the educational program, paid for from funds provided by the Federal, State, and local governments.

We of the American School Food Service Association believe that food service in the schools of our Nation should be provided on exactly the same basis as any other phase of education in the school.

My comments on this bill have been highly favorable. In my judgment it is excellent legislation and, if passed into law, will take not one but many steps in the direction of filling the food needs of our youthful population. But no matter how farsighted the planning of our Congress may be, the Federal Government cannot do the job alone—we must take the folks at home with us if any program is to succeed. This we are not now doing in many instances.

Attitudes of school administrators toward food service on school premises have varied, to say the least. These attitudes have run the gamut from school administrators who have found in their school food

services a golden opportunity for education to those administrators who view food service with disdain and consider it unworthy to be a part of the formal education process. There are boards of education even today who, like Pontius Pilate, wash their hands of all responsibility either moral or financial for their food service programs.

As we sit here today in Washington discussing new steps to properly feed the youth of the Nation as a part of their educational process, there sits just across the river the vast school district of Fairfax County, Va., undoing everything you are trying to do. After 17 years of providing at least a measure of financial support for its school lunch program, that board of education has this very year divorced itself financially from the program completely. They have announced they will do the same in the future and are now even asking the food service department to find ways of paying the hostesses who relieve teachers of noontime supervision.

Educators and administrators throughout the Nation must come to the realization that school food service is no longer an option, it is the vanguard of the new sense of collective responsibility which is shaping our Nation. The school administrator of the 1970's will be well advised to spend his time, not on the deliberation of whether or not he will have food service as a part of his school, but rather on how to give direction to this potent and volatile force within his area of responsibility.

We in American School Food Service Association believe that a nationwide public information drive is needed to educate our people on the meaning of good nutrition and its relationship to health and learning. Appeals for assistance in such a public information program to the Office of Economic Opportunity and the Department of Agriculture have thus far met with no success. Therefore, we are endeavoring to go it alone, and with the help of an industry committee are seeking to raise a modest budget of \$50,000 per year to talk to the people of our Nation about the importance of human nutrition. Purveyors to our market are helping in this effort, and I am pleased to say that several thousand dollars have also been received from the largely minimum wage incomes of our own members.

If we had only a fraction of the money being spent on communication with the public in regard to smoking—either for it or against it—we could develop the countrywide determination and will of which President Kennedy spoke to end malnutrition as well as undernutrition for all time. Again permit me to say, on behalf of those of us involved in the work of feeding our school population, our hearts are gladdened at the thought of such legislation as S. 2548, H.R. 11651, and H.R. 515, but we must not permit local communities, through a lack of understanding, to undo all that you are endeavoring to do. A public information program on human nutrition is a must, for only by working together on national, State, and local levels will hunger finally be eliminated. I am reminded of the words of Matthew: "That if two of you shall agree on Earth as touching anything they shall ask, it shall be done for them * * *." Let us all agree on Earth to seek an end to hungry children.

(The prepared statement of Mr. Perryman follows:)

On behalf of the officers and 48,244 members of the American School Food Service Association, I wish to express appreciation for the opportunity extended

to the panel to appear before the Committee on behalf of S. 2548. The panel members are: Mr. Rodney Ashby, Administrator, School Food Services, State Board of Education, 136 East South Temple, Salt Lake City, Utah 84111, Chairman State Directors and Supervisors Section, ASFSA; Mr. Howard Briggs, Director, School Food Services, Board of Education, 5057 Woodward Avenue, Detroit, Michigan 48234; Mr. Thomas P. O'Hearn, Director of Food Services, Archdiocese of Boston, 488 Beacon Street, Boston, Massachusetts 02115, Chairman Legislative Committee, ASFSA; Mr. David R. Page, Director, School Food Services, 3431 School Street, St. Louis, Missouri 63106; Chairman of the panel: Dr. John N. Perryman, Executive Director, American School Food Service Association, 4101 East Iliff Avenue, Denver, Colorado 80222.

Before the members of the panel comment on the specifics of the proposed legislation, I would like to explain—in part—the reasons for our appearance here today.

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The late President Kennedy, in opening the World Food Congress in this city on the morning of June 4, 1963 stated, "We have the means, we have the capacity to eliminate hunger from the face of the earth in our lifetime. We need only the will." In my judgment that statement was correct in 1963 and is even more correct today. We do have the technology, we do have the know-how, we do have the food production to eliminate hunger in our nation. What we need is the will, the clear-cut, continuing commitment from the Congress to the State Legislatures, to the Boards of Education across the land to get the job done.

In my judgement S. 2548 is clear evidence that the Congress of the United States is in the vanguard of such a national commitment.

ADVANCE FUNDING

One of the most encouraging aspects of the bill is to be found in Section 1, making funds available in advance of the fiscal year of use. This assurance of on-going support will be enormously meaningful to school administrators. As we discuss on this final day of September, legislation which materially affects the operation of the current school year, time already becomes a barrier to optimum implementation in this year.

SPECIAL ASSISTANCE

We commend the dramatic increase proposed in special assistance. We take particular encouragement from the fact that this is a three year program, very wisely phased upward. My Executive Board would wish me to pledge to you the full support of our national organization in putting fully to work this splendid additional resource from its first year of availability.

NONFOOD ASSISTANCE

With 7 million children attending schools with no food service facilities whatsoever, there can be no question but that the Non-food Assistance provisions of S. 2548 are desperately needed. But here again I would speak to you of need for a nation-wide commitment, not only from Washington, but from state and local levels as well. With such a commitment we can get the job done, and done—in my judgement—within the framework of school operated food service programs. Without it, we cannot get the job done, no matter who the operator might be.

STATE MATCHING

A panel representing American School Food Service Association put forth a similar recommendation in April 1968 in testimony before the House Education and Labor Committee. We believe in the principle of state matching funds. We further strongly support the provision of administrative funds for state departments. Most, if not all, of our state directors have been hampered in the administration of their assigned duties because of lack of staff.

DEVELOPMENT OF EXPERTISE

Those provisions of S. 2548 proposing assistance to local school districts to employ nutrition specialists and those provisions proposing funds for the training of nutrition specialists are deemed by us to be some of the most worthwhile and forward looking legislation in the field of school food service since the passage of the original National School Lunch Act. We are also in agreement with the establishment of a National Advisory Council and hope that a representative of American School Food Service Association may be privileged to serve thereon.

OVERT IDENTIFICATION

We would like to say a special word on this subject. Deliberate identification of children receiving reduced price or free meals would be contrary to the sensibilities of every person in this room, I have no doubt. Such tactics as free lunch lines or public distribution of special tickets in the classroom are inexcusable. On the other hand, being completely realistic, absolute privacy is very nearly an administrative impossibility, if not for no other reason than the garrulous nature of children themselves.

The only real way to do away with the implied shame of poverty, the embarrassment of insolvency, is to do away with segregation against solvency. We attempt to build young bodies through physical education courses, we attempt to build young minds through a wide spectrum of studies. It seems only fitting and proper that we should attempt to build both bodies and minds through a school food service program which is a fundamental part of the educational program—paid for from funds provided by the federal, state and local governments.

We cannot and should not discriminate in public education on the basis of race, color or creed. How then can we justify discrimination in the school lunchroom on the basis of family income? If you are convinced, as I'm certain you are, that school food services are a part of education, then let us remove the kind of discrimination we would not tolerate in some other phase of the public education program.

We of the American School Food Service Association believe that food service in the schools of our nation should be provided on exactly the same basis as any other phase of education in the school. This conclusion is based upon two premises:

First is that in the history of free world education, it is repeatedly stated that the philosophy and purpose of our education is the enlargement and enrichment of human personality. If the purpose of education is to teach the individual to live life at its fullest and best, surely the discipline of school food service is as much a part of education as chemistry, trigonometry or English literature.

The second premise is simply that there is no way to remove the stigma of free or reduced price meals, other than by removing the test of financial need.

Such has been the experience with publicly supported education in the United States. If we consider it fair and appropriate to ask taxpayers to make an investment in education for buildings, for teachers and for the tools of learning, we cannot in good conscience fail to ask them to provide this most important instrument of learning. The sound body and receptive mind that are the results of proper nutrition.

THE NATIONAL COMMITMENT

My comments on this bill have been highly favorable. In my judgment it is excellent legislation and, if passed into law, will take not one but many steps in the direction of filling the food needs of our youthful population. But no matter how far sighted the planning of our Congress may be, the federal government cannot do the job alone—we must take the folks at home with us if any program is to succeed. This we are not now doing in many instances.

Attitudes of school administrators toward food service on school premises have varied, to say the least. These attitudes have run the gamut from school

administrators who have found in their school food services a golden opportunity for education, to those administrators who view food service with disdain and consider it unworthy to be a part of the formal education process. There are Boards of Education even today who, like Pontius Pilate, wash their hands of all responsibility either moral or financial for their food service program.

As we sit here today in Washington discussing new steps to properly feed the youth of the nation as a part of their educational process, there sits just across the river the vast school district of Fairfax County, Virginia, undoing everything you are trying to do. After seventeen years of providing at least a measure of financial support for its school lunch program, that Board of Education has this very year divorced itself financially from the program completely. They have announced they will do the same in the future and are now even asking the food service department to find ways of paying the hostesses who relieve teachers of noon-time supervision.

We receive similar accounts from Long Island to California, Boards of Education which have already cut their food service programs adrift or are seriously considering doing so. There is developing in this country a frightening contradiction for those who turn their backs on school food service in this day and age. We have seen dramatic changes in the teaching of math and science in our schools, we have seen rapid shifts in integration programs as the vision of the black man in the United States sweeps past the point of integration to the first rumblings of pride in black identity. We have seen a sociological hurricane tearing away the preconceived notions and many of the old and outdated philosophies of education. The eye of the social maelstrom now rests upon the concepts of abundance for all and, as it should and must, this concept of abundance begins with food. The drive to end hunger and malnutrition in the United States today has become the pivotal force of our decade and within this climatic drive to end hunger, the pivotal force is school food service—for it is already a reality, already organized, already reaching a mass of humanity in already structured groups in already predisposed situations through already established channels.

Educators and administrators throughout the nation must come to the realization that school food service is no longer an option, it is the vanguard of the new sense of collective responsibility which is shaping our nation. The school administrator of the 70's will be well advised to spend his time, not on the deliberation of whether or not he will have food service as a part of his school, but rather on how to give direction to this potent and volatile force within his area of responsibility.

We in American School Food Service Association believe that a nation-wide public information drive is needed to educate our people on the meaning of good nutrition and its relationship to health and learning. Appeals for assistance in such a public information program to the Office of Economic Opportunity and the Department of Agriculture have thus far met with no success. Therefore, we are endeavoring to go it alone, and with the help of an industry committee are seeking to raise a modest budget of \$50,000 per year to talk to the people of our nation about the importance of human nutrition. Purveyors to our market are helping in this effort, and I am pleased to say that several thousand dollars have also been received from the largely minimum wage incomes of our own members.

If we had only a fraction of the money being spent on communication with the public in regard to smoking—either for it or against it—we could develop the country-wide determination and will of which President Kennedy spoke to end malnutrition as well as under-nutrition for all time. Again permit me to say, on behalf of those of us involved in the work of feeding our school population, our hearts are gladdened at the thought of such legislation as S. 2548 and H.R. 11651, and H.R. 515, but we must not permit local committees, through a lack of understanding, to undo all that you are endeavoring to do. A public information program on human nutrition is a must, for only by working together on national, state and local levels will hunger finally be eliminated. I am reminded of the words of Matthew "That if two of you shall agree on Earth as touching anything they shall ask, it shall be done for them. . . ." Let us all agree on Earth to seek an end to hungry children.

The CHAIRMAN. All right, Mr. Perryman.

Do you wish the others to submit their statements?

Mr. PERRYMAN. Yes; I would like to call first on Mr. Ashby.

The CHAIRMAN. Please identify yourself for the record and then you might highlight your statement. All of the statements will be put in the record.

STATEMENT OF RODNEY A. ASHBY, ADMINISTRATOR, SCHOOL FOOD SERVICES DIVISION, UTAH STATE BOARD OF EDUCATION, SALT LAKE CITY, UTAH

Mr. ASHBY. I am Rodney A. Ashby. I am administrator of the School Food Services Division of the Utah Board of Education. It is a real honor to be invited to discuss this subject and material.

It is my responsibility as State director and as the chairman of the State Directors and Supervisors Section of the American School Food Service Association to report a little bit about the financing and a study that was made in February 1969, relative to the use of section 32 transfer funds.

I made a study of the 50 States, the District, and the territories, and found some very interesting and discouraging situations simply because, in the first place, the House had appropriated \$100 million and, through testimony, this was cut to \$50 million, and later the appropriation wound up to be \$41,838,862.

The Department of Agriculture, early in October last year, when it seemed as though there would be additional money, called all of the States together in three district meetings. These were well attended and the enthusiasm was very high. However, letters of credit were issued sometime after November 1, 1968, for part of the administrative fund, which was allocated for the first time in history, but only 60 percent of the tentative section 32 allocation to States.

Now, 60 percent of the tentative allocation was not sent out until after November, although the meetings were held in early October. As of May 5, 1969, none of the balance of the 60 percent had been received by the State, or 40 percent of the funds had been released to the States at that time and we were limited to that amount because we had no idea how much more we would be getting.

The February survey indicated that the total of \$41,838,863 letters of credit of \$25 million left a balance of \$16,735,000 that no one had any idea how much we would get.

Six States indicated that they might not be able to use the total tentative allocation, but all the rest indicated that they would be able to use that amount and more.

During March, I received a letter from these States that said they probably could not use all of their allocation, and they had changed their position by that time from February to March.

On page 3, I have listed a quote from each of the letters.

From Texas, Mr. Hicks says, "We are reducing the rate of reimbursement 1 cent for lunches under section 4 for March, April, and May."

J. H. Walker, from Mississippi says, "We will use all money available to us. The time element made it necessary to go into a crash program. We could use more money; however, uncertainty, proliferation of programs with the accompanying regulations contributes to confusion and malfunction from the summit to the depths."

Jack Koetter from Montana was another one who answered in this regard.

Elizabeth Angell of Rhode Island indicated that they were far short of very limited nonfood assistance funds for necessary equipment; \$1,310 was very inadequate for their needs.

Al Jennings of Oklahoma reports, "We anticipated 40 schools would qualify as section 11 but to our amazement there were 152 schools. We had to stop approving applications on February 12."

I draw your attention again to the fact that in October, the meetings were held and the kickoff came and we were encouraged to go ahead immediately, but it was the latter part of November before we received any money and then only 60 percent of it. The 40 percent did not come until after May.

On page 4—for more than 20 years, all States have had to plan and budget conservatively. Selected statistics published by the USDA give the value of USDA commodities and cash per child. I have listed here from 1955 to 1968 the amount of money per child per year as reported. You will notice that we started with 1955 at \$14.35—these are per child in the program—and in 1968, got up to \$21.90. But all the way through here, we have 16, 16, 14, 17. There is no place in all these years where we have had a real increase to the point where we could really go out and involve additional children.

So we say commodity values have been erratic. It is impossible to prepare realistic budgets for an expanding program under such uncertain support.

On page 5, to properly budget, operate existing programs, and develop new and expanded programs, there must be consistency in current and expanded support.

Crash programs starting very late in the year, then operating for weeks or months with the uncertainty of further assistance, will never achieve the tremendous task facing us.

I get calls from districts in our State, what about 1969-70? You want us to increase 20, 30, 40 percent; where do we stand? We are operating now on letters of credit, which means that we are limited to what we spent last year in September and October, and if we went ahead, we would either be out of money and have to close the program entirely or we would have to anticipate and guess what we might be getting. All States are in a similar position.

Regulations should be written with much more flexibility to provide for varying conditions by States. There is a lot of difference in expanding programs in a State where they are now serving 60, 70, or 80 percent of all the children as compared to States serving 15 to 45 percent. Rigid regulations deter rather than promote expansion.

If we are going to encourage large schools or districts to provide additional lunches, they must be assured of sufficient funds to provide for expansion.

We have received letters of credit. The money actually is not drawing interest. It is not used, it is not drawn on until we have earned it, and to appropriate about what we figure will be spent or used by the States, or a little less than that, is inconsistent with the idea of expansion, because local boards of education just will not feel comfortable and enthused about going ahead without knowing pretty well what they are going to be able to receive. They do not want to start something and then have to close it up.

To achieve best results, then, advanced appropriation keyed to current budgets make it essential. It is my judgment that the realization of our ultimate objective could have moved much faster had we been able to achieve sponsors and adequate support to enable them to implement their programs properly and expand them to the fullest extent of their ability. As an example, fiscal year 1969 estimates of potential operations as reported by States and territories reflect this uncertainty and conservatism.

If we are going to keep up with the mandate that has been given us, then we need additional funds and we need them now in order to involve additional programs, particularly in places where we do not now have programs organized and to expand in those where we do have them organized.

So conservatism at any level is hard to justify when the health of our Nation's children is threatened. As mentioned previously, we are currently operating on a level of support as established last year, because we are on the letter of credit system.

States are facing legal action right now and threatened boycotts. It should be apparent from past experience that advance funding, State support of programs, consideration in writing regulations to allow for differences between States, and an appropriation to allow for expansion are essential if we are to even partially achieve the objectives as stated by the President and the illustrious Congressmen.

This State support is very important and is spelled out in this proposed legislation.

On page 8, I have just summarized here and I think I do not need to go over those except to emphasize one or two items.

Item 6, clarification of a free and reduced-price lunch is essential. Current provisions and regulations are impossible at the local level. Unless we have free lunches for everybody, it is just absolutely impossible for the school administrator to not have a program for everyone who wants to go into it far enough and not find discrimination or overt identification. It is not quite as obvious in some places as others, but it is an almost impossible situation.

Section 11 funds must be keyed to the needy child and follow the child and not have to be only given to those who happen to live in a ghetto area. There are needy children in all of the school districts in the State of Utah to some extent and this is true in every other State. So the money needs to go there and not be tied up to a ghetto area.

I would like to emphasize also the No. 10, a system of accountability which will assure prompt reporting by States, thus making possible improved management of funds at the State and Federal levels. We need more State funds from many of the States and we need a system of accountability in order to give the Department of Agriculture an opportunity to make additional funds available in supplementary appropriations in order for us to use the money, especially when it is coming as late as it is at the present time.

Thank you, sir.

(The prepared statement of Mr. Ashby follows:)

Mr. Chairman and members of the Committee: My name is Rodney A. Ashby. I am Administrator of the School Food Services Division, Utah State Board of Education. I appear here today in my capacity of Chairman, State Directors and Supervisors Section of the American School Food Service Association, in support of S2548.

It is a privilege to appear before this distinguished committee. It is my responsibility to report results of a study made during February 1969 of the use of Section 32 Transfer Funds by the 50 states, the District of Columbia, and the territories, as well as the deterrent effects of inadequate, delayed funding.

Early last Fall, as you well know, a bill was passed by the House to transfer from Section 32 Funds \$100 million annually for three years to feed needy children. Then, on the recommendation of the U.S. Department of Agriculture the amount was pared by the Senate to \$50 million for one year, and this was the amount enacted into law. In apportioning the funds there was a further reduction to \$41,838,863 for feeding needy children.

The Department of Agriculture invited state directors to attend area meetings in October 1968 to discuss ways and means of getting the program implemented as quickly as possible. These meetings were helpful, yet funds were delayed to the point where many states' original enthusiasm was dampened.

Letters of credit were issued some time after November 1, 1968 for part of the administrative fund and 60% of the tentative Section 32 allocation to states. As of May 5, 1969 none of the balance, or 40% of the program funds, had been released to the states.

The February survey indicated that most states were in need of additional money to contain programs already started. Twenty-five states originally estimated they would use the tentative allocation. Twenty-five said they could use more than the tentative allocation. Here is the picture as I interpreted the conditions in the states and territories as of February 1969.

Total available.....	\$41, 838, 863
Letters of credit issued for 60 percent.....	25, 103, 234
<hr/>	
Balance not available as of May 5, 1969.....	16, 735, 629

Six states indicated they might not be able to use the total tentative allocation. During March I received letters from these states indicating they need the tentative allocation and more if available.

POSSIBLE EXPANSION OF THE PROGRAMS TO NEEDY CHILDREN AS REPORTED

Several states were out of Section 11 and 32 money by February and were uncertain as to when or how much additional Section 32 money would be available to them.

Mr. Charles Hicks, Chief Consultant from Texas, will not be turning any money back as indicated on the survey. March 20 he wrote, "We are reducing the rate of reimbursement one cent for lunches under Section 4 for March, April and May. This is necessary because of an increase of 350 schools. We do not have sufficient Section 32 funds to reimburse all Section 11 schools. We are able to approve only about half of the schools which have applied for nonfood assistance."

J. H. Walker, State Director, Mississippi, reports, "We will use all money available to us. The time element made it necessary to go into a crash program. We could use more money; however, uncertainty, proliferation of programs with the accompanying regulations contributes to confusion and malfunction from the summit to the depths."

Jack W. Koetter, State Director, Montana, reports, "I have requested all of Section 32 funds tentatively allocated to Montana."

Elizabeth F. Angell, State Director, Rhode Island, reports, "A more recent review of our program shows we will need all of our tentative allocation. We are far short of very limited nonfood assistance funds (\$1,310) for schools desperately in need of help in procuring necessary equipment to expand feeding to low income areas."

Al Jennings, State Director, Oklahoma, reports, "We anticipated 40 schools would qualify as Section 11 but to our amazement there were 152 schools. We had to stop approving applications on February 12. We figure this is about half of the schools we would serve if money had been available."

For more than 20 years all states have had to plan and budget conservatively. Selected statistics published by the USDA give the "Value of USDA Commodities and Cash Per Child." This report indicates that federal support has been meager and in some years erratic. Total cash and commodity assistance for a fourteen-year period verifies this fact.

VALUE OF U.S. DEPARTMENT OF AGRICULTURE COMMODITIES DISTRIBUTED AND CASH PER CHILD TO ALL STATES AND TERRITORIES

[Taken from U.S. Department of Agriculture selected statistics]

Fiscal year	Sec. 32/416	Sec. 6	Commodity total	Federal cash	Grand total
1955	\$6.88	\$1.17	\$8.05	\$6.30	\$14.35
1956	9.21	1.40	10.61	6.37	16.98
1957	11.08	.79	11.87	4.55	16.42
1958	5.56	1.30	6.86	7.33	14.19
1959	4.69	3.54	8.23	7.79	16.02
1960	4.87	4.76	9.63	7.31	16.94
1961	4.58	4.54	9.12	6.97	16.09
1962	6.67	4.87	11.54	6.96	18.50
1963	6.79	3.94	10.73	7.26	17.99
1964	7.17	3.70	10.87	7.55	18.42
1965	10.44	3.49	13.93	7.66	21.59
1966	5.46	3.22	8.68	7.82	16.50
1967	5.96	3.14	9.10	8.15	17.25
1968	10.45	2.95	13.40	3.50	21.90

Note: Commodity values have been erratic. It is impossible to prepare realistic budgets for an expanding program under such uncertain support. It is also evident from the cash apportionment that expansion has not been possible. Coupled with the irregular commodity support, the States have done well to take care of the normal increase in attendance. Hopefully, the determination and support in 1969-70 is being seriously planned and carried out with a degree of integrity.

To properly budget, operate existing programs, and develop new and expanded programs there must be consistency in current and expanded support.

Crash programs starting very late in a school year, then operated for weeks or months with the uncertainty of further assistance, will never achieve the tremendous task facing us. I had a call from one of our larger districts inquiring about support for 1969-70. All I could answer was that I didn't know, except that under provisions of a continuing resolution we are held to last year's expenditures.

Regulations should be written with as much flexibility as possible to allow for variable conditions within the states. The problems of expansion in a state currently serving 60 to 70% of all children are much different than in a state serving 15 to 45%, yet the need is just as great when consideration is given to the individual child. Rigid regulations deter rather than promote expansion.

If we are to encourage large schools or districts to provide additional lunches, they must be assured of sufficient funds being available to permit expansion consistent with the ability of the board of education to develop programs without being skeptical regarding availability of funds for completion of the project objectives.

We must be aware of the fact that districts across the country operate on exceedingly tight budgets. We seldom find a district with excess funds which they are able to divert to handle unforeseen contingencies that may arise. Their experience with federal assistance makes them extremely conservative in planning programs of the magnitude that we contemplate. This is especially true of *crash* or experimental programs.

To achieve best results advanced appropriations keyed to current budget making are essential.

It is my judgment that the realization of our ultimate objectives could have moved much faster had we been able to assure sponsors adequate support to enable them to implement their programs properly and expand them to the fullest extent of their ability. As an example, fiscal year 1969 estimates of potential operations as reported by states and territories reflect this uncertainty and conservatism. Had the state directors been able to engender in local boards a feeling of optimism and security we could undoubtedly have involved students in a nutrition program utilizing \$85 to \$100 million instead of \$41,839,000 or less. Even now we are handicapped in implementing expansion because we are limited by provisions of the continuing resolution process. It appears that we will be well into the current school year before we know for a certainty this year's appropriation and level of support. Expansion is limited by and dependent on assurance of funds to carry out planned programs.

Under the provisions of letters of credit the appropriation is drawn as earned and needed. To hazard the curtailment of the programs because of uncertainty of funds is inhuman when the health of children is at stake. A few excess dollars available if needed is much more defensible than hungry children denied food

because of our fear of appropriating a little more than will be used. A conservative budget and a hesitancy to move forward aggressively will extend our failures for another twenty-five years.

Conservatism at any level is hard to justify when the health of our nation's children is threatened. As mentioned previously, we are currently operating on a level of support as established last year. Everyone is expecting us to increase services to needy children, yet as a matter of fact there is no additional money available as of this date to expand over last year's level of performance. The degree of expansion will be reflected by availability of additional funds, state and federal, to provide for the additional services needed. These funds must be known when budgets and programs are being planned in March and April of the previous fiscal year.

States are facing legal action and threatened boycotts. It should be apparent from past experience that advance funding, state support of programs, consideration in writing regulations to allow for differences between states, and an appropriation to allow for expansion are essential if we are to even partially achieve the objectives as stated by the President and the illustrious congressmen.

Our problem has been and still is that our speeches are not matched with dollars. I hasten to add that in some instances the will to win regardless of the dollars is somewhat disheartening. The establishment of a division of Food and Nutrition Service in the U.S. Department of Agriculture is encouraging.

By way of summary, the following items are extremely important:

1. Authorize appropriations one year in advance.
2. Carry over of funds from one fiscal year to another.
3. Substantial increase in nonfood assistance for new programs and for replacement of obsolete equipment in current programs.
4. Provide substantial administrative expenses to states without the current minute and time-consuming accountability and verification of need.
5. State matching funds which will give every state responsibility and a partnership in providing improved nutrition for its children.
6. Clarification of a "free and reduced-price lunch." Current provisions and regulations are impossible at the school level.
7. Section 11 Funds must be keyed to the needy child, not just to such a child provided he is in a disadvantaged area or ghetto.
8. Flexibility at the system level in use of funds to expand programs.
9. Emphasis on nutrition education of children, and professional development of school food service personnel.
10. A system of accountability which will assure prompt reporting by states, thus making possible improved management of funds at the state and federal levels.

These provisions, coupled with the enthusiasm and devotion of current food service personnel working under the direction of state and local boards of education, will hasten the day when hunger will be eliminated in America. Senate Bill S2548 contains much needed and desirable legislation.

Mr. PERRYMAN. May we have Mr. Howard Briggs next?

STATEMENT OF HOWARD W. BRIGGS, DIRECTOR, FOOD SERVICE DEPARTMENT, DETROIT PUBLIC SCHOOLS, DETROIT, MICH.

Mr. BRIGGS. I am Howard Briggs, director of the Detroit School Food Service Department, Detroit, Mich.

The Detroit public schools are interested in providing food to children, especially children located in poverty areas of our city. Poor nutritional habits are a problem in all of our schools, but we feel that the problem is most acute in poverty areas. We are willing to endorse any program that will allow us to provide this much needed food service.

Senate bill 2548 indicates a movement in the right direction. There are many sections of this bill that we are in complete agreement with. There are other sections that we take some issue with and there are areas of need that have not been included.

We very much favor the advanced funding in the carryover of funds from one year to the next. We feel this would allow us to do a

better job of planning and the carryover of funds would allow us to meet our plans even though we have been delayed either through delayed construction or delivery of equipment.

The increased appropriation to nonfood assistance—this is an area that we are very much in favor of. However, we would like to see this section expanded or a new section included to provide construction or remodeling funds.

In Detroit, the majority of our schools are 40 years or more old. These same schools are generally the schools that are in the poverty areas; the vast majority of them are located there. We are doing some new construction, but our old buildings are still there. They were not built at a time when school lunch was considered as part of the program. They lack facilities. In some cases, if they had kitchen facilities, because of overcrowded conditions, this space was remodeled for classroom space. And we feel that in some cases, to tear down a wall or to put up a wall would facilitate service in these buildings, or the possibility of moving in a portable unit for serving and dining space would be beneficial. Again, we would expect that the State office or State administrative agency would be required to approve our plans in advance so that there would be some control.

We feel in section 11, we are very much in favor of the increased appropriations, but we feel there would be a more equitable distribution of funds to the States if the formula for distribution were based on potential, as was the distribution of section 32 transfer funds.

We further believe that there is some justification in some school districts for financial assistance to provide free lunches of up to 100 percent of the cost of the lunch, as opposed to 80 percent.

During the 1968-69 school year, we had 74,902 children, aged 5 to 17, who qualified under Public Law 89-10, title I. During the same period of time, we provided an average daily participation of 8,000 free lunches a day to needy children. This year, primarily because of increased Federal funds, we hope to increase this number to 12,000 per day, at least 12,000; possibly more if we can. It represents an increase of 50 percent, but it is still a long way from meeting the need of the Detroit public schools.

One of the big problems we have in Detroit would be the lack of funds, not just the food service department, but for the school district in the whole. Two years ago, the board embarked on a course of deficit financing to meet its needs. We are doing the same thing again this year. By the end of June 1970, the deficit is estimated to be \$25 million to \$30 million. Under these kinds of conditions, it is necessary for the board to establish priorities. It means anything that costs money must be looked at very carefully. To provide food service, even if the free lunches are provided for, it still costs the school district some money. We are estimating that the board provide support to the food service department ranging anywhere from \$700,000 to just under a million dollars a year. So that Detroit is interested. But it is difficult with the lack of funds.

Five years ago, we were serving 23,000 meals per day. Last year, we served 60,000 meals per day. We have added 75 programs in the last 5 years. Sixty-six of these programs were located in poverty areas of our city. We still have about 70 schools located in poverty areas that we must provide service to. But to provide school food service to the 70

schools and the needy children that we are not providing meals, we feel it will be necessary to double our achievement of the past 5 years. This is true in the effort and in money.

We believe that Senate bill 2548 provides for a more realistic level of financial support for school food service programs along with increased flexibility. It further provides for research and training that will be needed if school food service programs are to expand as rapidly as is needed. We also believe the advisory council will assist in documenting present and future needs.

We believe that we have sufficient manpower in the Detroit public schools or that we can acquire it to develop the needed food service programs. We have a staff of dedicated people that are interested in providing services to children. We have in the past generated the vast majority of the financing needed to provide and expand our food service programs. Unfortunately, we seem to have reached an impasse in securing the funds necessary to complete the task that we started many years ago.

(The prepared statement of Mr. Briggs follows:)

The Detroit Public Schools are interested in providing food to children, especially children located in poverty areas of our city. Poor nutritional habits are a problem in all of our schools, but we feel that the problem is most acute in poverty areas. We are willing to endorse any program that will allow us to provide this much needed food service.

Senate Bill 2548 indicates a movement in the right direction. There are many sections of this bill that we are in complete agreement with. There are other sections that we take some issue with and, there are areas of need that have not been included.

We are in complete agreement with Section 1 which provides for the appropriation of funds a year in advance and for a carry over of funds from one fiscal year to the next. This would allow us to make our plans a year in advance without having to make last minute changes due to a cut-back in appropriations. It would insure better utilization of the funds that are made available under this act. The carry over of funds would insure the fulfillment of plans interrupted, or delayed, by factors outside the school lunch program, such as, delayed construction or delivery of equipment.

We are in agreement with the provisions of S. 2548 providing for increased appropriation to Non-Food Assistance. However, we would like to see this section expanded, or a new section included, to provide construction or remodeling funds.

The majority of the schools in Detroit are 40 or more years old. We have three schools currently in use, which the original building was constructed ninety (90) years ago; eleven that are 80 years old; 14 that were built 70 years ago; 33 that are 60 years old; 76 that were constructed 50 years ago; and 78 that were built around 1929 and are 40 years old. The vast majority of schools that are located in our poverty areas, without food service, are these older buildings. Providing food service to these buildings will require extensive remodeling or the use of a portable building to provide adequate space for the serving and eating of meals. We would expect that the state administrative agency would be required to grant advance approval for the use of funds for this purpose.

The state matching requirements, as proposed, are more realistic than the existing requirements. The transition period provided should allow most states to comply without too much difficulty.

The changes that have been proposed in Section 11 of the National School Lunch Act are far reaching, and should go a long way in providing lunches to needy children. We feel that there would be a more equitable distribution of Section 11 funds to the states if the formula for distribution was based on "potential" as was the distribution of the Section 32 Transfer funds. Further, we believe that there is justification in some school districts for financial assistance, to provide free lunches, of up to 100% of the cost of operation.

During the 1968-69 school year, we had 74,902 children, aged 5-17, who qualified

under Public Law 89-10, Title I. During the same period of time, we served a daily average of 8,000 free lunches to needy children. This year, primarily because of increased federal funds, we will increase the number of free lunches, served to needy children, to at least 12,000 per day. We recognize that, even though this represents an increase of 50%, it does not meet the needs of Detroit. For the past two years, and again this year, the Board of Education has embarked on a course of deficit financing to meet its needs. At the end of this school year, the district's deficit will be an estimated 25 to 30 million dollars. Increasing the number of free lunches served to needy children, is one of many problems presently confronting the Detroit Board of Education in its goal to provide an integrated quality education for the students in the Detroit Public Schools.

In the last five years, we have increased participation of the Type A lunch from 23,000 per day to 60,000 per day. We have added the lunch program to seventy five locations, sixty six of which were located in poverty areas. We have 178 schools located in poverty areas and we are providing food service to 108 of these schools. About 130 of the 325 Detroit schools are without food service. Seventy of these schools are located in poverty areas.

To provide food service to these seventy schools and the needy children that we are presently not providing free meals, it will be necessary for us to double our achievement of the past five years. This is true in effort and in money.

We believe that we have sufficient manpower in the Detroit Public Schools, or can acquire it, to develop the needed food service programs. We have a staff of dedicated people that are interested in providing services to children. We have in the past, generated the vast majority of the financing needed to provide and expand our food service programs. Unfortunately, we seem to have reached an impasse in securing the funds necessary to complete the task that we started many years ago.

Senate Bill 2548, provides for a more realistic level of financial support for school food service programs along with increased flexibility. It further provides for research and training that will be needed if school food service programs are to expand as rapidly as is needed. We also believe the advisory council will assist in documenting present and future needs.

Mr. PERRYMAN. Mr. O'Hearn.

STATEMENT OF THOMAS P. O'HEARN, CHAIRMAN, LEGISLATIVE COMMITTEE, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, AND DIRECTOR, FOOD SERVICES, ARCHDIOCESE OF BOSTON, DEPARTMENT OF EDUCATION, BOSTON, MASS.

Mr. O'HEARN. Mr. Chairman, Mr. Thomas O'Hearn, chairman of the legislative committee, American School Food Service Association, and director of food services for the Archdiocese of Boston, department of education.

Mr. Chairman and members of the committee, I am most grateful for the opportunity of appearing before you and your committee. My panel associates are most distinguished, and I am proud to be associated with them in a common effort to alleviate the physical plight of an estimated 7 million of our Nation's schoolchildren. Well-documented nutritional evidence is available, indicating this estimate to be reasonably accurate. I would also like to thank Dr. Perryman for his efforts in arranging for our appearance here today.

For quite some time now, we have all been reading headlines to the extent that there is hunger in the United States, referring to Americans as the "Hungry Americans," and poor children can't have school lunches, and so forth. As a result of this, public opinion seems to be placing the blame on this Congress for not having succeeded by now in closing this nutrition gap. This disturbs me because, realistically, the Congress should not be expected to accept this responsibility alone.

When I think back, Mr. Chairman, to your efforts and the efforts of

other Senators and Congressmen in this area, it vindicates my position in this respect completely.

I do not take this position in a patronizing way, but because of a strong feeling that a majority of us responsible for school food services should have, long before now, communicated to the Congress in a more dramatic way the inevitability of our present crisis. We should have long ago acquainted you folks in a dramatic way with the inevitability of the crisis we are facing now. We have all been attempting to solve problems by small measures when a full measure of assistance would have been the ounce of prevention initially needed, rather than the pound of cure essential now in our common fight to alleviate the plight of all of our undernourished children.

In my written testimony, I refer to the inadequacy of the \$43 million we had last year. I think that fact has been pretty well established. It merely enabled us to scratch the surface to reach some of the children that showed visible signs of malnutrition. I think it is well recognized that much more money is needed, so I am going to skip in my oral comments some of this technical testimony.

It is realized that about 3 million more children than we have been reaching are in need of help nutritionally. It is also realized that most of these deprived children, at least many of them, reside in our large urban areas and are being educated in antiquated school buildings, as indicated by the gentleman from the city of Detroit. Problems relating to building replacement, redistricting, and the locating of central kitchen facilities contribute to an unavoidable slow rate of progress in the extension of essential food services in most of these areas.

In the city of Boston, in attempting to comply with the State of Massachusetts racial imbalance law, the city has run up against so many obstacles in this redistricting problem that their whole new building construction program has been slowed down considerably. The city of Boston School Department, School Committee, has voted—they did so 3 years ago—that no new school building was to be constructed without that building containing food service facilities. They have in the formulative stage plans for four centralized kitchens and are entertaining thoughts of trucking lunches from those four central locations to all of the schools in the city. Whereas there are 143 schools in Boston, I sadly state that only 13 of them during this past year have been reached with these essential food services. They do have a long way to go and, sincerely, I believe that they are minded in the direction of making available these meals to all of the children.

We have to reach out and service 3 million additional children in the Nation if our common objectives are to be reached.

In my next paragraphs, I refer to the fact that in the Commonwealth of Massachusetts, we have 600 public and parochial schools in 29 cities and towns in which lunches are not available. It can be seen from this information that we still have a long way to go and a whole lot more money is needed. Rather than to add any more comments to those made by Mr. Ashby and Mr. Briggs, I am going to waive that.

We have been invited here today, Mr. Chairman, and members of the committee, to express our views on the provisions of S. 2548 introduced by Senator Talmadge. This legislation in providing for increased appropriations and calling for greater contributions by the State basically represents an enlightened approach and, if enacted,

would provide the Nation temporarily with a most formidable weapon to use in its fight to eliminate malnutrition among children. My temporary qualification is premised on a conclusion that moneys in addition to those called for in this bill will ultimately become necessary, if the Congress should decide in its wisdom to provide a full measure of assistance.

Since 1946 a provision—the area that I am reaching into now I consider most vital—since 1946, a provision of the regulations issued under the National School Lunch Act has established a maximum reimbursement rate of 9 cents on a type A lunch. In compliance with the intent of the matching provisions of the act a few States such as New York, Massachusetts, Utah, Louisiana, Vermont, and New Jersey are presently appropriating moneys for school lunch program purposes. New York and Massachusetts laws stipulate that moneys appropriated may not exceed amounts needed to maintain reimbursement rates at the present maximum allowable rate of 9 cents per lunch. It is very difficult for many of us to understand why this maximum rate has not been periodically adjusted to compensate for the significant food cost increases which have taken place since 1946. To correct this inequity, I strongly recommend that the following amendment be inserted in section 7 of S. 2548 at item (b) and that the succeeding items in this section be relettered.

Now, I have attached to my written testimony the suggested amendment. But it gives permission or it makes it mandatory on the part of the USDA and their district offices to adjust these maximum rates in accordance with flexible food costs.

Now, the key to this whole thing is—and what makes the suggested change here important—presently 16 percent of the children served under the School Lunch Act, which I believe you fathered, Senator, are served on a free or a reduced-price basis. The question comes up as to how much longer that original school lunch program can carry this free or reduced-cost load without help—food costs have increased—without raising their prices inconsistent with the ability of the children to pay for the lunches.

Now, by permitting or by continuing to authorize Agriculture to maintain that reimbursement rate at 9 cents, we are in effect negating the intent of Senator Talmadge to enlarge the matching provisions in his bill, and properly so, because these States that are already contributing money are not permitted to contribute additional moneys in excess of 9 cents. They are not permitted to contribute additional moneys to the program to take up the gap caused by increased costs.

So what's your route going to be? It is evident that hundreds of thousands of children are going to be priced out of the program and that 2½ million more children that have been getting these free lunches under the original national school lunch program are going to become the responsibility of the section 11 provisions of Senator Talmadge's bill.

I do not believe, Senator, that in projecting the amounts there, you have considered the involvement of possibly an additional 2½ million children. Now, these numbers of children can be minimized if we are given flexibility in these maximum reimbursement rates per se. If the amendment is adopted and reimbursement rates are based upon 50 percent of the cost of the food that goes into the meal, why, then,

these States that are contributing moneys will almost automatically have to contribute amounts, ample amounts, to make up to whatever the rate has been arrived at.

I hope I have been able to get across the message of this shift here: Unless you have a change in the maximum rate, you are going to have an additional responsibility for the 21½ million children who are served free and reduced-price lunches under the national school lunch program as it stood.

It should be pointed out, gentlemen, at this time that this suggested formula for establishing a realistic maximum rate would not in any way commit the Congress to an additional section 4 appropriation. It would, however, permit the States to appropriate voluntarily additional moneys to the program in conformity with the suggested matching provisions of S. 2548.

I have probably talked enough, so I am going to say, Mr. Chairman, and members of the committee, I urge you to recommend favorably the passage of S. 2548 subject to the amendment which I have recommended. The enactment of this legislation by the Congress would contribute immensely to the future good health of millions of our Nation's children. We cannot afford to gamble with the future for too soon it will be the past.

I took that quote out of a Boston magazine by a fellow named George Santayana. I have not been able to find out yet whether he is an architect or a poet, but it sounded very good.

Thank you.

(The prepared statement of Mr. O'Hearn follows:)

Mr. Chairman and Members of the Committee: I am most grateful for the opportunity of appearing before you and your Committee. My panel associates are most distinguished and I am proud to be associated with them in a common effort to alleviate the physical plight of an estimated 7,000,000 of our nation's school children. Well documented nutritional evidence is available indicating this estimate to be reasonably accurate. I would also like to thank Dr. Perryman for his efforts in arranging for our appearance here today.

For quite some time now various news media have been reporting these estimates under a variety of distressing headlines such as "Hunger U.S.A.", "The Hungry Americans" and "Poor Children Can't Have School Lunches". Unfortunately public opinion seems to be placing the blame on the Congress for not having succeeded by now in closing this apparent nutrition gap. This disturbs me, because realistically the Congress should not be expected to bear this responsibility alone.

I do not take this position in a patronizing way, but because of a strong feeling that a majority of us responsible for school food services should have, long before now, communicated to the Congress in a more dramatic way the inevitability of our present crisis. We all have been attempting to solve problems by small measures when a full measure of assistance would have been the ounce of prevention initially needed, rather than the pound of cure essential now, in the night to alleviate the plight of all of our undernourished children.

During the past school year the Congress provided a small measure of assistance in appropriating an additional \$43,000,000 for use by the States in initial attempts to feed the most needy children. Within the limitations imposed by the amount of the appropriation only limited progress was made. Greater advances must be made and we have a responsibility here today, Mr. Chairman and Members of the Committee, to acquaint you not only with what has been done, but, as well, with some idea as to what additional financial assistance is needed to complete the job.

Prior to the availability of the additional \$43,000,000 only about 2.5 million needy children had been receiving free or reduced priced lunches each day. During the latter part of the 1968-69 school year this number increased to 4 million children per day. Had these additional children been receiving lunches

during the first part of the last school year an appropriation of \$77,000,000 would have been necessary.

Approximately 3,000,000 additional children must be served each day, if our common objectives are to be reached. Many of these deprived children reside in large urban areas and are being educated in antiquated school buildings. Problems relating to building replacement, redistricting and the locating of central kitchen facilities contribute to an unavoidable slow rate of progress in the extension of essential food services in most of these areas.

The Commonwealth of Massachusetts, for example, still has at least 600 public and parochial schools in 29 cities and towns in which school lunches are not available. Although authorities in these areas may be interested in installing necessary facilities they are unable to do so due to a lack of funds. Inflated general education costs appear to be exhausting available local tax dollars. An estimated \$4,000,000 would be needed to install food service equipment in these schools.

During the past school year Massachusetts received an allocation of \$717,292 out of the \$43,000,000 appropriated on an emergency basis. To reach all visible needy children during the present school year a minimum allocation of \$1,800,000 will be needed. An increased allocation of equipment monies for distribution by the Commonwealth to needy cities and towns is also essential on an equitable matching basis. Although these statistics apply only to Massachusetts, I am confident that they reflect the situation as it exists, with slight variations, in all other States. It is only with this thought in mind that they have been presented.

We have been invited here today, Mr. Chairman and Members of the Committee, to express our views on the provisions of S. 2548 introduced by Senator Talmadge. This legislation in providing for increased appropriations and calling for greater contributions by the States basically represents an enlightened approach and, if enacted, would provide the nation temporarily with a most formidable weapon to use in its fight to eliminate malnutrition among children. My temporary qualification is premised on a conclusion that monies in addition to those called for in this bill will ultimately become necessary, if the Congress should decide to provide a full measure of assistance.

Since 1946 a provision of the regulations issued under the National School Lunch Act has established a maximum reimbursement rate of .09 cents on a Type A lunch. In compliance with the intent of the matching provisions of the Act a few States such as New York, Massachusetts, Utah, Louisiana, Vermont and New Jersey are presently appropriating monies for School Lunch Program purposes. New York and Massachusetts laws stipulate that monies appropriated may not exceed amounts needed to maintain reimbursement rates at the present maximum allowable rate of .09 cents per lunch. It is very difficult for many of us to understand why this maximum rate has not been periodically adjusted to compensate for the significant food cost increases which have taken place since 1946. To correct this inequity, I strongly recommend that the following amendment be inserted in Section 7 of S. 2548 as Item (b) and that the succeeding items in this section be re-lettered: (See Appendix)

In my opinion failure to adopt this Amendment will result in hundreds of thousands of children being deprived of needed lunches unless they become an additional Section 11 responsibility. Approximately 16% of our needy children presently are being provided for under this program. It is evident that the indicated funding provisions of S. 2548 are not intended to assume this additional burden. In addition, if States continue to be restricted by this unrealistic maximum rate, many more worthy children may well be priced out of the program.

It should be pointed out at this time that this suggested formula for establishing a realistic maximum rate would not in any way commit the Congress to an additional Section 4 appropriation. It would, however, permit the States to appropriate voluntarily additional monies to the program in conformity with the suggested matching provisions of S. 2548.

Mr. Chairman and Members of the Committee, I urge you to recommend favorably the passage of S. 2548 subject to the Amendment which I have recommended. The enactment of this legislation by the Congress would contribute immensely to the future good health of millions of our nation's children. We cannot afford to gamble with the future for too soon it will be the past. Thank you very much.

APPENDIX

Section 8 of the National School Lunch Act is hereby amended by inserting the following sentences immediately after the first sentence in this Section.

The Secretary in establishing the maximum rate of reimbursement which states may pay schools for meeting the prescribed minimum nutritional requirements shall take into consideration the actual national average purchase cost of food necessary to provide such meals. However, in no event shall the Secretary set the maximum rate of reimbursement at less than 50% of the current national average cost of food per meal in each fiscal year. Nor may the states or USDADO wherever applicable reimburse schools in an amount which is in excess of this rate times the number of meals served or the actual cost of food purchased whichever is the lesser. Except that in schools meeting the established criteria for need the Secretary may establish a rate in excess of 50% of the national average cost of obtaining food.

Mr. PERRYMAN. Mr. Page.

STATEMENT OF DAVID R. PAGE, DIRECTOR, DIVISION OF FOOD SERVICES, BOARD OF EDUCATION, ST. LOUIS, MO.

Mr. PAGE. I am David Page. I am director of the division of food services of the board of education of the city of St. Louis.

I have a prepared text here. I would appreciate this being made a matter of record. I thought that in line with Dr. Perryman's suggestion and yours, Mr. Chairman, we would just highlight these things that are in our statement here.

Our statement starts off by giving you some historical facts on the operation of school lunches in the city of St. Louis. We have had school food service programs in St. Louis since the turn of the century at the high school level. However, in the elementary schools, we only had food service in one-third of the schools in 1967, and about that time, we like to say, we invented a program of nutrition service to all schools. This is now installed in all the city schools in St. Louis.

Prior to the installation, one of three elementary schools had no food service. We now have food service in all schools in the city.

As a part of my testimony here today, I would like to present to you, Mr. Chairman, and other Members of the Senate here, a copy of our most recent publication called "St. Louis Score Card." If this looks to you like a baseball lineup, that is what it is. It is a box score of conditions in the St. Louis schools. This typifies the plight of the large cities and cites our activities in St. Louis. Score Card outlines in detail the activities going on in St. Louis in trying to solve some of our problems and our new elementary lunch programs outlined and depicted in section 6, pages 22 and 23.

Our lunch is called, in order to have a name on it and to have good public acceptance in the city of St. Louis, Vit-A-Lunch. It is a cold lunch. It is completely nutritious and it is geared to type A lunch. Pictures are shown in the book of children eating the lunches, assembly lines producing lunch; lunches packed on racks to the roof of the kitchen; trucks making deliveries, volunteer mothers serving lunches, and some 400 or 500 volunteers in St. Louis help in this capacity every day.

Two other points are made in Score Card that I want to call to your attention. They are both in section 1, page 5. One indicates that 70 percent of the children in St. Louis live in neighborhoods classed at the poverty level. The second point I make to you in the Score Card is indicated in section 1 on page 5. It says, "The poverty plight is emphasized as follows: In 1966"—and I am sure it has changed since then—"St. Louis, with 15.5 percent of its State's total population, 25.5

percent of all Missouri recipients of public assistance, and 37.1 percent of the recipients of aid for dependent children."

The special assistance funds provided by the Perkins amendment to the act, which incidentally were not available until December 1, 1965, helped us considerably in providing more lunches to children. Needy lunches in our system have increased from an average of 803 per day in 1966 to 11,000 per day in 1969, with a conservative estimate on my part of 15,000 to 18,000 free or reduced-price lunches in 1970.

Free and reduced-price policy is indicated in our testimony. I would like to indicate to you that we do not feel that there is identification or discrimination. Everyone uses the same cards for their lunches; the buyer's full price, the buyer's reduced price, and the reduced-price lunches. Your legislation, we feel, provides and we need funds as early as possible in order to operate effective food service programs. Additional funds are needed for needy lunches. In addition to operating funds in needy areas—and this is excellent and certainly is needed—and as Mr. Briggs said, up to 100 percent in some places in lieu of the 80 percent, because this is difficult when funds are short in a school system.

Funds for nonfood assistance would help us to be more efficient and would add a variety to our menus. Nutrition expertise would be extremely helpful and would benefit all, the needy as well as the affluent. Affluence in itself does not assure good nutrition, as you know.

The National Advisory Council—we certainly are in favor of this. However, in line with the baseball vernacular, I am not sure I agree with the full lineup of the organization there. Particularly I would like to have that food management specialist spelled out a little more in detail.

As a matter of information and a matter of record on our poverty plight on free and reduced-price lunches, they have reduced from 4 percent of our lunches in 1963 to 61 percent of our lunches in 1969. The number of lunches served at the elementary school level in St. Louis have increased from 870,000 in the same period to 2½ million lunches for the year.

St. Louis' program was limited to a type A meal in the elementary schools last year and it is now in all schools. We served a type A lunch in two schools experimentally in 1969 for the last 2 months and 35,000 additional needy meals were distributed in 8 weeks, approximately 1,000 per day.

We put a name on our lunch in the high schools. We called it the Gateway Special, kind of in keeping with the Gateway arch that is down on the riverfront in St. Louis. We like to say to parent groups it is a gateway to good nutrition, gateway to a good food bargain. And we hope that this name, Gateway Special, will catch on just as well as has Vit-A-Lunch in our community.

I concluded my comment with this, Mr. Chairman: Sufficient funding to provide lunches for children in the hands of school lunch directors will mean more good sound programs for the benefit of all boys and girls at all levels. All of this will help us to narrow and, hopefully, close the gap between the 50 million eligible schoolchildren in the Nation and the 20 million now participating in school lunch. As this nutritional gap is narrowed and closed, we then will be assured

that effective steps are being taken so that all children of the Nation are given adequate nutrition.

Thank you.

(The prepared statement of Mr. Page follows:)

Mr. Chairman and Members of the Committee, may I express my pleasure and appreciation to you for the opportunity to offer my viewpoint on Bill S2548 and how it will affect the lunch program in the Public Schools of the City of St. Louis.

We have been offering food service in the St. Louis schools at the high school level since the turn of the Century. Food services in our elementary schools have been rather recent. The first few elementary schools to offer food service were opened during World War II. The number of elementary schools offering food service in the spring of 1967 was 55 of some 170 schools. This meant that only one in three schools at the elementary level were offering nutritiously adequate noonday lunches. Therefore, no matter how hungry a child might be, in two out of three schools, he had no chance for food service.

Much has been written and discussed about the inability of the hungry child to learn. As our Superintendent of Schools, Dr. Kottmeyer, stated to the House Education and Labor Committee on January 28, 1969:

"The schools cannot escape the problems of feeding hungry children, because hungry malnourished children are unable to learn and the best teaching will be wasted on them unless they are fed."

A sense of justice prevails and, therefore, our desire in St. Louis to offer a uniform and nutritiously adequate noonday lunch in the 115 schools without service and to offer the same service in all 170 schools.

With this in mind we created a packaged lunch called Vit-A-Lunch and applied this lunch universally in all St. Louis Public Elementary Schools—the lunch meets Type A meal standards. The program started in September 1967 and the whole city was covered by the spring of 1969.

As a separate part of my testimony, I would like to present to you Mr. Chairman, with the compliments of our Superintendent the most recent publication of our St. Louis School District "St. Louis—Score Card"—a report on the condition of the schools—typical of the plight of the large cities of America. This cites the activities in trying to solve the problems confronting an urban school system. This publication outlines in detail many problems of a typical large city and in Section VI, pages 22 and 23, pictures of our Vit-A-Lunches are displayed, i.e., children eating the lunches; assembly lines producing lunches; lunches packed on racks almost to the roof of the kitchen; trucks making deliveries and volunteer mothers helping children to eat lunches.

St. Louis, like many large cities, have many old school buildings in areas where there are many poor families—a quotation or two from "Score Card" is as follows:

"Some 70 percent of the children in the St. Louis Public Schools live in neighborhood classed as poverty areas by the federal government. The few remaining areas of affluence in the city have exceptionally small public school enrollments".

(See Section I, page 5)

"St. Louis poverty plight is further emphasized in the Gladstone Report to the City Plan Commission. In 1966, the city with 15.5% of the total population of the State of Missouri, had 25.5% of all Missouri recipients of public assistance and 37.1% of the recipients of Aid for Dependent Children".

(See Section I, page 5)

Vit-A-Lunch assures us of sound basic nutritious lunches being available to all of these children in all of these schools on an equal basis.

Special assistance funds received last school year have helped us in the expansion and development of our needy lunch program. These funds were not available until December 1, 1968, and until that time Title I funds, sorely needed for the improvement of literacy skills in our poverty schools, were hesitantly and reluctantly used for this purpose. The availability of "special assistance" has helped us to reduce our Title I bill for needy lunches.

Needy lunches in our system have risen steadily over the past several years as indicated in the following chart:

1966, 803 per day average.
 1967, 1,171 per day average.
 1968, 5,475 per day average.
 1969, 10,800 per day average.
 1970, 15,000 per day average.

Our policy on needy lunches is as follows:

Children on ADC or Food Stamp Program, or equally as poor; in elementary schools free if three or fewer are enrolled in one school; four—\$1.00 per month for the family; five—\$2.00 per month for the family; six—\$3.00 per month for the family; and so forth for each child above three determining the family rates. In high schools the needy lunch is 10¢ per child. In all schools the principal has the privilege of issuing free lunches to any child in dire circumstances.

There is no identification or discrimination between those who pay full prices, 25¢ in elementary schools and 40¢ in high schools, and those who eat at the needy rates. All students use the same meal cards, those who pay and those who eat free or at reduced prices.

Your legislation S2548 would provide additional funds for operating expenses in needy schools and this would be helpful. At present, funds are limited to food purchases and non-food assistance (equipment cost). Operating funds to pay salaries of attendants for distributing lunches, in our opinion would be helpful. As of now a very limited number of teachers aids in Title I schools provide this distribution service and additional help is needed. At the same time this would relieve Title I funds of this financial burden.

Additional funds for equipment would be useful in making our preparation and serving more efficiently and to add variety to our menus, thereby increasing participation.

Employment of experts, specially trained in child nutrition, for assistance at the state and local level would be meaningful in the dissemination of nutrition information to principals, teachers, parents and the general public—making all aware of the importance of good sound basic nutrition and how important it is to the child's ability to learn. This would be extremely helpful as it would be beneficial to all children. The needy as well as the affluent would benefit from good nutrition education.

As a matter of information to the committee, listed below is the number of elementary meals served in the St. Louis Public Schools for the last five years and along with this is a listing of the number of free and/or reduced priced meals served:

Year	Number of meals served	Free and/or reduced price	Percent
1963-64.....	871,000	36,000	4.13
1964-65.....	1,209,000	226,000	18.69
1965-66.....	1,778,000	465,000	26.15
1966-67.....	1,697,201	536,054	31.58
1967-68.....	1,570,598	610,554	38.87
1968-69.....	2,435,648	1,497,810	61.47

The total number of nutritious meals has increased from less than 900,000 in 1963-64 to 2,435,648 in 1968-69 and will further increase in 1969-70 with expected increased participation. With the adoption of "Special Assistance" the nutritiously adequate meal has now been extended this September to all high schools which traditionally served all foods a la carte. This will now further increase the figures shown above for 1969-70 assuring us that all children who are in need are receiving a sound nutritious noonday lunch. (In two experimental high schools, 35,000 additional needy lunches were distributed between March 17th and June 10th, 1969—this in addition to the number listed above for elementary schools.)

Any help that can be extended is needed, financial help of any kind will permit us to extend services to more and more children. All large city school systems in the nation are suffering from lack of tax revenue to support schools. The cost of operating large school food services programs in any city is a drain on the already short tax funds. We, therefore, have no choice other than to seek federal help, this being the area where the majority of our tax dollars are routed. Additional special food service assistance to feed needy children will assure us of adequately caring for the "child too hungry to learn".

Sufficient funding to provide lunches for children in the hands of school lunch directors will mean more good sound programs for the benefit of all boys and girls at all levels. All of this will help us to narrow, and hopefully close, the gap between the 50 million eligible school children in the nation and the 20 million now participating in school lunch. As this nutritional gap is narrowed and

closed, we then will be assured that effective steps are being taken so that all the children of the nation are given adequate nutrition.

The CHAIRMAN. Off the record.

(Off-the-record discussion.)

The CHAIRMAN. Senator Spong.

**STATEMENT OF HON. WILLIAM B. SPONG, JR., A U.S. SENATOR
FROM THE STATE OF VIRGINIA**

Senator SPONG. Mr. Chairman, I wish to speak in behalf of S. 2548 and to commend Senator Talmadge for introducing this splendid measure. I have a statement I would like to submit in its entirety and I will speak from it.

We do not have all of the medical and scientific knowledge about hunger and malnutrition which we should have. I do, however, have access to two surveys conducted in Virginia. I think they would be of benefit to this hearing and wish to call them to your attention.

The first study was conducted by the University of Virginia Hospital Clinic, which serves an 11-county area in central Virginia. The survey covered 1,143 children who came to the clinic, that is, children who came for medical care of some type and children who were mostly from low-income families. Of the children studied, large percentages had had less than the dietary requirements, as prescribed by the National Research Council in 1964, on the day preceding their clinic visit. While some allowance must be made for daily variations in diet, I believe the findings of the study are still revealing. I have a chart on the survey there, Mr. Chairman. For the 1 day, 49 percent of the children had had less than the recommended daily requirement of milk. The percentages of children receiving less than the recommended daily requirements in other categories were as follows: 37 percent in meat, 44 percent in green and yellow vegetables, 63 percent in citrus fruits, and 27.5 percent in other fruits. Limited though the study is, it suggests serious deficiencies in many children's diets.

Deficiencies can, of course, be found in the diets of children in all economic strata. For those in the higher strata, education is generally the answer, but for those in the lower brackets, education and assistance are often necessary if adequate nutritional levels are to be obtained. One of the major assets of the school lunch program is that it can provide a nutritional meal for all schoolchildren, if those who can afford it can be induced to participate and if those who cannot afford it can be assisted in such a way that they can participate.

The second study, as the first, has its limitations, but it, too, is revealing. It involved only children who were seen in a clinic in the Appalachian region of Virginia and it is based solely on anemia rates. Of those children studied, infants had a high anemia rate of about 50 percent; the rate for the preschool child was slightly less, averaging about 43 percent; and the rate for the school-age child dropped significantly—to 7.5 percent for the 6- to 9-year-olds and to 2.5 percent for the 10- to 14-year-olds. It is theorized that Headstart, school lunch programs, and school breakfast programs account at least partially for the dramatic decline in the rates for school-age children.

Dr. Thomas McDonald of Grundy, Va., who conducted this study, is currently conducting a more controlled study. Using a sampling of

first-graders from all income levels, he is checking specifically for iron deficiency anemia and protein deficiencies. The initial results of the second study generally bear out the first findings regarding preschool children, with the anemia rates only a few points lower. If followup tests, which are scheduled for next spring, substantiate the data regarding anemia rates of school-age children, then we should have additional evidence of the value of child nutrition programs. Furthermore, it may suggest that a child's nutrition can be improved without medication and without changing domestic dietary habits. While the latter may be desirable in some instances, it is clearly a difficult and long-range approach to overcoming dietary deficiencies.

If we assume that there are deficiencies in many children's diets—and there are supporting studies in addition to the one I mentioned—and if we assume that school lunch programs can substantially benefit children, then the legislation before his committee takes on a new importance.

I am pleased to note that when the committee on school lunch participation published its study of the school lunch program, "Their Daily Bread," only one-fifth of the States had higher participation rates than Virginia, which recorded 55-percent participation.

By 1969, the participation rate had risen to 57.4 percent; 574,600 lunches were served daily, an increase of more than 41,000 over the previous year.

Still, much remains to be done. Many children do not participate. While 86,541 free and reduced-price lunches were served in Virginia in fiscal 1969—15 percent of all lunches served—there were more than 186,000 children qualifying under the formula for title I of the Elementary and Secondary Education Act.

Furthermore, I have been told of cases in the State where children alternate days for receiving free lunches and where some children in a single family receive free or reduced-price meals while others do not.

Children may not understand lunch quotas and State and Federal fiscal problems, but they can see when their classmates are eating or drinking milk. Children may not know about commodities and special assistance, but they can tell if their lunch ticket is green and the ticket of the child who paid his quarter or 30 cents is yellow. Children may not understand why, but they know if they are tired or irritable or if they have stomach cramps. They may not realize that their learning is being hindered, that their chances for competing successfully later in life are being diminished or that perhaps their lifespan is being shortened, but they do know if they do not feel like reading or doing their arithmetic.

Because of what children cannot comprehend and because we, hopefully, have the foresight to provide our children with the things which will enable them to develop into productive citizens tomorrow, the burden to act is on us.

The school lunch program is an apt vehicle for assisting children in their growth years. The program needs expansion. The bill before this committee would do that.

The program needs to be well planned and well operated. The section in the bill providing for advanced funding would help insure this. I noted in testimony before the education subcommittee earlier this year that late funding is one of the greatest educational problems

we have today and we simply must take steps now to make funds available at an earlier date.

Schools in areas with concentrations of low-income children need special consideration; the bill allows for that.

Additional research and training is needed in the field of child nutrition; the bill would promote this.

In closing, I would like to note that one city in my State has an exceptional school lunch program. That city is Norfolk. In order to develop the program, the city turned to funds under title I of the Elementary and Secondary Education Act to supplement funds from the lunch program. With these funds the city developed an efficient and economical operation through the use of satellite kitchen facilities; it established a uniform system of eligibility for lunches and prohibited overt identification of those receiving free and reduced-price lunches. I had an opportunity to visit the program earlier this year and to discuss it with the director, Mr. Harry C. Mayo, Jr. I was impressed with the operation and I believe that it deserves commendation. Even in this model program, however, this bill introduced by Senator Talmadge would be of significant benefit because it would permit Norfolk to feed more pupils than they are presently able to feed now. Again, I commend Senator Talmadge. I think this is a good bill and I hope the committee will report it promptly to the Senate in order that the Senate might give further consideration to it.

Thank you very much, Mr. Chairman.

The CHAIRMAN. Any questions of Senator Spong?

(No response.)

The CHAIRMAN. Senator, the problem in the past has been in getting States to contribute more funds, as you know, and the Talmadge bill provides for the contribution from the States from a certain formula that is a little different from the formula in H.R. 515.

Senator SPONG. I understand that it is dollar for dollar now as opposed to \$1 for \$3. I might say in fairness to Senator Talmadge that I believe the bill will cost both his State and mine. I think Louisiana has already done enough.

The CHAIRMAN. We led the way in the Nation, as you know.

Senator SPONG. You could be in better shape than we would. But I think States ought to participate more.

The CHAIRMAN. Should anything be put in here to make it obligatory, if that is possible? As I have said, this program has been on the statute books since 1946. Very few States joined at the beginning. The reason why many did not join voluntarily is because of the cost. H.R. 515 has a formula in it which would make it possible to collect from the States from 4 to 10 percent, increasing to the latter level over a period of 6 years. Of course, the committee will have to make some kind of decision as to what the States ought to contribute. I am just wondering if you have any thoughts to give to the committee about that phase of it.

Senator SPONG. Mr. Chairman, I would like to give some additional thought to the question, but initially I believe the program is important enough that it should be made obligatory. I also believe the merits of the proposed bill would be an incentive to States to participate.

The CHAIRMAN. Any questions?

Senator HOLLAND. Mr. Chairman, I am called elsewhere by a very serious matter. I want to make two comments, if I may, and, with your permission, leave the hearing.

First, I want to express my thanks not only to Senator Talmadge—I agree with most of the provisions of his bill. He knows already that there is only one provision with which I seriously disagree and I think he himself has probably a different view with reference to that particular provision, as to its meaning, rather, than when the bill was produced. I want to thank Senator Spong. I want to thank these gentlemen who are serving on this panel which is here today.

There is one exception. I think that the comment made by the chairman of the panel with reference to Fairfax County, Va., was not only unfortunate but very unfair. It does not do any good to point fingers and call names. I want to read that part of his statement with which I completely disagree:

“There are boards of education even today who, like Pontius Pilate, wash their hands of all responsibility either moral or financial for their food service programs. As we sit here today in Washington discussing new steps to properly feed the youth of the Nation as part of their educational process, there sits just across the river the vast school district of Fairfax County, Va., undoing everything you are trying to do. After 17 years of providing at least a measure of financial support for its school lunch program, that board of education has this very year divorced itself financially from the program completely. They have announced they will do the same in the future and are now even asking the food service department to find ways of paying the hostesses who relieve teachers of noontime supervision.”

I think that remark was most unfortunate and most unfair. There are present here on this panel men who regret the fact that in their own States, in their own cities, there are large areas which are not served at all by the school lunch program. I honor them for recognizing that fact in their statements. They have been very clear and to the point in that regard. None of us is doing a completely perfect job in this matter. But the poorest way ever to get better cooperation is to sit and find a community like Fairfax County, Va., and aim at them comments of this kind, likening them to Pontius Pilate.

The second thing I want to correct is a statement made two or three times indicating that members of the panel may think that the \$45 million voted by the Congress last year out of section 32 for the special feeding programs funds was the total contribution from section 32 funds to the child nutrition program. Of course, Senator Talmadge and Senator Spong, Senator McGovern, and our distinguished chairman, and all members of this committee know that that is not the case. I wanted simply to submit for the record the appropriate and fair figures.

There was included in the regular bill for the school lunch program a transfer from section 32 of \$64,325,000 for fiscal 1969. We also added \$45 million on the floor, making a total available of approximately \$109,325,000 for fiscal year 1969 from section 32 funds.

From section 32 funds for the 1970 act, there is included in both bills passed by the House and the Senate these amounts: \$194,266,000, for the regular child nutrition program plus \$100 million for the special feeding programs, or a total of \$294,266,000. These items are not in conference and have been made available to the Department.

I want to make that very clear, because not only this committee but the Subcommittee on Appropriations which handles this matter has, I think, about as much understanding of this problem and as much sympathy with the effort to meet it as anyone else. Section 32 is making a much larger contribution than the \$45 million which was mentioned by some members of the panel and which may have been misunderstood by members of the panel as being the total contribution of section 32.

Mr. Chairman, I end by again expressing my very great appreciation to Senator Talmadge for coming to grips with so many problems which the bill will meet, and to Senator Spong, who I think is approaching the matter of his great Commonwealth's need in this field much more sympathetically and much more effectively than was the case with the approach made by the chairman of the panel.

Mr. Chairman, I am sorry, but I will have to be excused.

Senator SPONG. I would like to thank Senator Holland. I must leave also. I feel, however, that as a representative of the Commonwealth of Virginia, I must make some further reference to Fairfax County.

Until this morning, I knew nothing of the situation in Fairfax County, but I would like to say, for the record, that the board of education in that county, which is Virginia's largest county now, has an almost unmatched record for progress in education itself. I do not know the effect of any action they have taken on the future of the school lunch program or any other program, but they have consistently demonstrated a dedicated attitude toward education in general. I am certain they gave a great deal of thought to any action they might have taken.

Thank you.

(Supplemental statement filed on the above matter is as follows:)

FAIRFAX COUNTY PUBLIC SCHOOLS,
Fairfax, Va., October 10, 1969.

Hon. WILLIAM B. SPONG, JR.,
U.S. Senate,
New Senate Office Building, Washington, D.C.

DEAR SENATOR SPONG: The recent testimony by Mr. Perryman before the Senate Agriculture Committee was most unfortunate in that it did not represent the facts as they exist in the Fairfax County Public School district. Obviously Mr. Perryman has been misinformed. So that the record may be straight, I would like to introduce these facts:

The Fairfax County School Board has long been a leader in the public school lunch program. A hot food lunch program is operating in all schools in the county with the emphasis upon the Class A program, as recommended under the guidelines of the U.S. Department of Agriculture. The district has provided funds for the facilities and the equipment. In addition, it provides funds for the transportation of foods to schools, for the storage and delivery of NSDA commodities, and for the replacement of equipment and updating of equipment facilities in existing schools. Extensions to the program have been made, which include providing breakfast for needy children and cooperating with community service agencies in seeing that lunches are provided for programs, such as Headstart and Day Care Centers.

In the past few months the school lunch program staff has been reorganized and accounting centralized so that the revenue from the more affluent schools could help meet the deficit from the cafeteria operations in the less affluent schools. This change has provided for more equitable and better economic use of foods. Having served in a number of school districts, this is one of the finest school lunch programs I have seen.

I trust this information will be of help in clarifying the situation.

May I extend to you and any other member of your committee an invitation to visit our schools and see our programs in operation.

Sincerely,

LAWRENCE M. WATTS,
Division Superintendent.

Senator TALMADGE. Mr. Chairman, may I compliment the Senator from Virginia, Mr. Spong, on his excellent statement. I am deeply grateful to him for his remarks.

Senator SPONG. Thank you.

(The prepared statement of Senator Spong follows:)

"A hungry child cannot learn."

"The child who is malnourished does not perform well. He does not run and play to the extent that other children do."

"We've had fewer discipline problems since we began the breakfast program."

"The children in that school are a little shorter, a little fatter and a little paler—probably because of a great deal of carbohydrates in their diets and not enough iron and protein."

"Malnutrition may be directly related to inability to read. Certainly, it is related to the ability to learn."

These quotes are from Virginia teachers, public health personnel and pediatricians. They are talking about Virginia children.

At this point, we do not know all that we should medically and scientifically about hunger and malnutrition, either about its relation to proper growth and development or about its extent. On the basis of existing evidence, including recent studies conducted at the University of Colorado Medical Center by the Cornell Medical School, we can, however, probably correctly assume a direct relationship between diet and proper development.

While more extensive and more detailed studies are needed, I believe two surveys which have been conducted in Virginia are of significance to this hearing.

The first study was conducted by the University of Virginia Hospital Clinic, which serves an 11-county area in central Virginia. The survey covered 1,143 children who came to the clinic, i.e., children who came for medical care of some type and children who were mostly from low-income families. Of the children studied, large percentages had had less than the dietary requirements, as prescribed by the National Research Council in 1964, on the day preceding their clinic visit. While some allowance must be made for daily variations in diet, I believe the findings of the study are still revealing. For the one day, 49 percent of the children had had less than the recommended daily requirement of milk. The percentages of children receiving less than the recommended daily requirements in other categories were as follows: 37 percent in meat, 44 percent in green and yellow vegetables, 63 percent in citrus fruits and 27.5 percent in other fruits. Limited though the study is, it suggests serious deficiencies in many children's diets.

Deficiencies can, of course, be found in the diets of children in all economic strata. For those in the higher strata, education is generally the answer, but for those in the lower brackets, education *and* assistance are often necessary if adequate nutritional levels are to be obtained. One of the major assets of the School Lunch Program is that it can provide a nutritional meal for all school children, if those who can afford it can be induced to participate and if those who cannot afford it can be assisted in such a way that they can participate.

The second study, as the first, has its limitations, but it too is revealing. It involved only children who were seen in a clinic in the Appalachian region of Virginia and it is based solely on anemia rates. Of those children studied, infants had a high anemia rate of about 50 percent; the rate for the pre-school child was slightly less, averaging about 43 percent; and the rate for the schoolage child dropped significantly—to 7.5 percent for the 6-9 year olds and to 2.5 percent for the 10-14 year olds. It is theorized that Head Start, School Lunch Programs and School Breakfast Programs account at least partially for the dramatic decline in the rates for school-age children.

Dr. Thomas McDonald of Grundy, Virginia, who conducted this study, is currently conducting a more controlled study. Using a sampling of first graders from all income levels, he is checking specifically for iron deficiency anemia and protein deficiencies. The initial results of the second study generally bear out the first findings regarding pre-school children, with the anemia rates only a few points

lower. If follow-up tests, which are scheduled for next spring, substantiate the data regarding anemia rates of school-age children, then we should have additional evidence of the value of child nutrition programs. Furthermore, it may suggest that a child's nutrition can be improved without medication and without changing domestic dietary habits. While the latter may be desirable in some instances, it is clearly a difficult and long-range approach to overcoming dietary deficiencies.

If we assume that there are deficiencies in many children's diets—and there are supporting studies in addition to the one I mentioned—and if we assume that School Lunch Programs can substantially benefit children, then the legislation before this committee takes on a new importance.

I am pleased to note that when the Committee on School Lunch Participation published its study of the School Lunch Program (*Their Daily Bread*), only one-fifth of the states had higher participation rates than Virginia which recorded 55 percent participation. By 1969, the participation rate had risen to 57.4 percent: 574,600 lunches were served daily, an increase of more than 41,000 over the previous year.

Still, much remains to be done. Many children do not participate. While 86,541 free and reduced price lunches were served in Virginia in fiscal 1969—15 percent of all lunches served—there were more than 186,000 children qualifying under the formula for Title I of the Elementary and Secondary Education Act. This means there were more than 186,000 Virginia children who were (1) from families with incomes of less than \$2,000 for four persons, (2) from families receiving welfare and not counted in (1), (3) delinquent, (4) neglected, or (5) in foster homes. In addition, there were many children from large, marginal income families who do not show up in statistics, but who may need help just as the 186,000.

Furthermore, I have been told of cases in the state where children alternate days for receiving free lunches and where some children in a single family receive free or reduced price meals while others do not.

Children may not understand lunch quotas and state and federal fiscal problems, but they can see when their classmates are eating or drinking milk. Children may not know about commodities and special assistance, but they can tell if their lunch ticket is green and the ticket of the child who paid his quarter or thirty cents is yellow. Children may not understand why, but they know if they are tired or irritable or if they have stomach cramps. They may not realize that their learning is being hindered, that their chances for competing successfully later in life are being diminished or that perhaps their life span is being shortened, but they do know if they do not feel like reading or doing their arithmetic.

Because of what children cannot comprehend and because we, hopefully, have the foresight to provide our children with the things which will enable them to develop into productive citizens tomorrow, the burden to act is on us.

The School Lunch Program is an apt vehicle for assisting children in their growth years. The program needs expansion. The bill before this committee would do that.

The program needs to be well planned and well operated. The section in the bill providing for advanced funding would help insure this. As I have noted a number of times, late funding is one of our greatest educational problems and we simply must take steps to make funds available at an earlier date.

Schools in areas with concentrations of low-income children need special consideration; the bill allows for that.

Additional research and training is needed in the field of child nutrition; the bill would promote this.

In closing, I would like to note that one city in my state has an exceptional School Lunch Program. That city is Norfolk. In order to develop the program, the city turned to funds under Title I of the Elementary and Secondary Education Act to supplement funds from the lunch program. With these funds the city developed an efficient and economical operation through the use of satellite kitchen facilities; it established a uniform system of eligibility for lunches and prohibited overt identification of those receiving free and reduced price lunches. I had an opportunity to visit the program earlier this year and discuss it with the director, Mr. Henry C. Mayo, Jr. I was impressed with the operation and I believe that it deserves commendation. Even in this model program, however, this bill would be of significant benefit.

The bill is a good bill.

I urge the committee to report it promptly to the Senate in order that it may be considered on the floor in the near future.

The CHAIRMAN. Off the record.

(Off-the-record discussion.)

The CHAIRMAN. From the State of Utah, how much is the State actually contributing per year to the school lunch program? I mean in cash?

Mr. ASHBY. A total of a million dollars and three-quarters, about 6 cents a meal.

The CHAIRMAN. Are there any other funds coming from other sources than the State and Federal Governments?

Mr. ASHBY. From the children, but not from any other subdivision, with the exception that in the mention of the contribution by the local districts, we have estimated that there is a great contribution made by the local districts when they build buildings and remodel buildings and put all the original equipment into these places. There are some districts that are niggardly about developing the program and they charge telephone bills, utilities, and everything else they can to the program. But we have worked against that and tried to get the local districts to contribute what they could toward the program. But building the buildings and equipping them in the first instance is a tremendous responsibility and a tremendous contribution.

The CHAIRMAN. In your study of S. 2548, have you been able to state how much more or less will be contributed by Utah?

Mr. ASHBY. Would have to be contributed on the matching basis?

The CHAIRMAN. Yes.

Mr. ASHBY. We are over the contribution at the present time.

The CHAIRMAN. So that would mean that the Federal Government would have to put up a million dollars more?

Mr. ASHBY. That is right. We have been able to go ahead with the State fund. Our law was passed in 1943, before the national law was made permanent in 1946.

The CHAIRMAN. Yes.

Mr. ASHBY. This gave us a real start on the program. We went into elementary schools and high schools, not just elementary or just high school, and all of our districts in the State of Utah now are in the program 100 percent, with the exception of Salt Lake City. They are coming in now as fast as they can.

The CHAIRMAN. Now, the administration appeared here yesterday—that is, members of the administration—who testified that they, the administration, were for H.R. 515. That bill provides that 4 percent of the State and local matching requirements—increasing to 10 percent in 6 years—must be contributed by the States. What have you to say about that feature of the bill?

Mr. ASHBY. I have not studied exactly what that would mean. However, if I remember correctly, all of the bills that have been introduced so far and the matching requirements were well above the total amount that would be required at the State level.

The CHAIRMAN. You mean even H.R. 515?

Mr. ASHBY. Right.

The CHAIRMAN. I have not had an analysis made of it at all, but that would be one of the important things to consider.

Mr. ASHBY. Yes.

The CHAIRMAN. Because, as you know, many States have not joined this program because of the cost involved.

Mr. ASHBY. Right.

The CHAIRMAN. As a matter of fact, Congress had to pass special legislation in order to provide for the furnishing of equipment to feed the children.

Mr. ASHBY. Right.

The CHAIRMAN. That, of course, is still the law. I am sure that appropriations will be made to meet that.

Mr. ASHBY. Our State fund has helped us a good deal. We have not any high school program that is charging more of totally paid children than 35 cents. Most of them are less than that. We go down to as low as 25 cents clear across the board, elementary and secondary.

The CHAIRMAN. Well, does your statement reflect the amount contributed by the children?

Mr. ASHBY. The average amount, dividing the total amount of money collected at the door by the total number of lunches, is around 23.5 cents.

The CHAIRMAN. And you are feeding how many?

Mr. ASHBY. We are feeding 8 million, nearly 68 percent without considering Salt Lake City, because they are just coming in and they are only serving about 10 percent now.

The CHAIRMAN. Sixty-eight percent of the—

Mr. ASHBY. The total children in the State of Utah. It is a small State.

We have an interesting way of raising the State fund. It is a special tax on wine and liquor. This was in existence for about 18 years and then, at 4 percent, that was added to the retail cost. Then 5 years ago, they raised that to 8 percent, so that doubled the amount, which gave us an opportunity to well match the Federal money and commodities, and certainly came in handy the year that the Government commodities were way off, which is a real problem to us.

The CHAIRMAN. Now, the gentleman from Michigan.

Mr. BRIGGS. Yes, sir.

The CHAIRMAN. According to your statement, Detroit would need much more money than it now has.

Mr. BRIGGS. Yes, sir.

The CHAIRMAN. To what extent can the amount be increased by either the city or the State in order to assist Detroit in providing food for children?

Mr. BRIGGS. In Michigan, we are making some progress on State appropriation. It gets a little further every year. It made the board of education—the board of education endorsed it 2 years ago. Last year, they recommended it to the education committee for consideration. The attitude seems favorable, a little bit more favorable this year.

As far as the school district itself, right now, we are in difficult straits financially. Not—I would not want you to think that food service is singled out to save money, because every department is hurt with cutbacks, to maintain and stay within a budget that we are not really doing, because we are going into deficit financing. I suppose in a sense we are breaking the law, because supposedly there is a State law that says we cannot go into deficit financing.

So we have several problems. I think food service over the years has probably fared better than some of the other departments as far as support from the board of education, because they do build our kitchens and they do put in the initial equipment. Now, the initial equipment runs us about \$80,000 for a base kitchen.

We need about 3,000 square feet and I have really no idea what construction costs are running today. But at \$30 a square foot, it becomes a sizable, again, \$90,000 for a kitchen. We have 14 such base kitchens. One should be completed by next September and two more in planning stages.

The CHAIRMAN. Do you know the situation outside of Detroit in Michigan?

Mr. BRIGGS. Not too well. We have other areas besides Detroit—I think Pontiac, Grand Rapids—again it would be urban areas that are in financial difficulty. Basically, education in Michigan is in financial difficulty. Tomorrow, the Governor is convening a special session of the State legislature to consider educational revision, which at least possibly could increase State income tax from 2 to 3 percent, with the funds directed specifically toward education. There is not necessarily a taxpayers' revolt, but I guess there is as far as school taxes are concerned. We have lost several millage proposals as far as additional money for operation. It is not just Detroit that is losing them—all suburbs and other communities in Michigan are losing millage elections.

The CHAIRMAN. What do you think would happen to the food program in Michigan if it were possible for the Congress to tell them that they must put a certain amount in, in order to be able to obtain Federal funds? In other words, be specific so that the program can be operated in all schools?

Mr. BRIGGS. I am not sure I can answer it other than the fact that the attitude—there seems to be an interest in the State legislature for school lunch. So from this standpoint, if it becomes mandatory, I really do not know how they would react, but it is possible that it would be favorable.

The CHAIRMAN. That is a question you have to consider, since it is in two bills before us—that is, it is my belief that something would have to be done. Whether we can force the issue in the States remains to be seen.

Now, Massachusetts, Mr. O'Hearn.

Mr. O'HEARN. Yes, Senator.

The CHAIRMAN. What percentage of the children are fed in Massachusetts? That is, in schools; do you know?

Mr. O'HEARN. Children, about 55 percent. There is a 55-percent rate of participation in the schools in which lunches are being served.

The CHAIRMAN. How much does the State provide for that purpose?

Mr. O'HEARN. Under the national school lunch program, the allocation—please permit me to use approximate figures. I do not have the charts, but they are reasonably accurate—the State of Massachusetts is getting about three and a half million dollars a year Federal allocation, and they are contributing close to \$4 million. When this matching bill was drawn originally, there was a clause inserted in that bill which stated that, notwithstanding any provision to the contrary, the State appropriation was not to exceed the Federal. When Federal funds

started to run short, the appropriations and ways and means committees of our legislature up there waived that notwithstanding any provision to the contrary provision and we are in excess of a dollar-for-dollar basis.

But bringing in again the importance of the suggested amendment, unless you gentlemen and Senator Talmadge agree to the insertion of that amendment, you are taking Massachusetts off the hook, because any additional moneys, they are already meeting the matching requirements of the bill, and they will not be obligated to appropriate any money, whereas realistically, they are needed to offset increased food costs.

I am repeating myself. Your original program—I am going to call it that—has been taking care of some of these free and reduced-price lunches due to increased costs that the original program is not going to be able to do it any more and it is going to become a responsibility of your section 11. So in your projections, you would have to include a transition of these children who have previously been fed under section 4 as a responsibility of section 11.

Now, with regard to matching, the States on the matching, I think New Jersey last year for the first time appropriated \$3 million. Just before I left Boston to come down here, I had heard that the Illinois Legislature had acted, and I believe they are considering an appropriation of \$5 million. I do not know at what stage that is. My source of information indicates that it has gone through the Illinois Legislature. Neither do I know the provisions of the particular bill. I only have the \$5 million fact, which is encouraging.

The CHAIRMAN. There is no doubt that the States are providing more funds and will in the future provide more funds, I am sure.

Now, Missouri.

Mr. PAGE. Yes, sir.

The CHAIRMAN. What does Missouri furnish by way of cash?

Mr. PAGE. So far as Missouri is concerned, Mr. Chairman, very little except for administration expenses. I really do not see anything right on the immediate horizon. I would anticipate that this would and could cause a problem, but if this bill is written in this fashion, some action would either have to be taken down there or maybe some priorities established on funds that are available in Missouri. But at the present time, the only funds that are available from the State level—now, remember, I am a local-level person; I can only speak from what I receive. We do not receive any real substance per se in the city of St. Louis from the State.

The CHAIRMAN. The receipts you have, I presume, come entirely from the Federal Government and the children?

Mr. PAGE. That is correct, sir.

The CHAIRMAN. Do you get any local help?

Mr. PAGE. Yes, the local district puts in some money for the operation—

The CHAIRMAN. Donations?

Mr. PAGE. Well, for administration expense generally and capital improvement, replacement of large equipment; things of this nature. Of course, as Mr. Ashby said, tremendous sums in capital improvement and buildings. But this would be a problem, as I see it.

The CHAIRMAN. Are there any further questions of members of the panel?

Senator Talmadge?

Senator TALMADGE. Mr. O'Hearn, may I see if I understood the intent of your suggested amendment? You think that, without this amendment, if Congress increases funds available and commodities available from the Federal level, there may be States that would reduce their own local effort? Is that what you are driving at?

Mr. O'HEARN. No. Under the present regulations, Senator, States like Massachusetts and New York are only permitted to reimburse national school lunch programs—schools, not section 11—at a maximum rate of 9 cents, regardless of how much money the State is willing to contribute to the program. Since 1964 up until the present time, the original national school lunch program has assumed a burden of somewhere between 5 and 15 percent of the children served in school on a free and reduced-price basis. Due to increased food and labor costs, due to an unwillingness of these schools to want to increase prices to a point that is consistent—consistent with pricing the children willing to pay, who are out of the program—but they have been unwilling to continue to assume the burden of these free and reduced-price lunches that they have been assuming. So those children will then become a responsibility of section 11. They will then be drawing on the suggested appropriations that you are indicating in your bill.

Now, if it were the original intent of the act to have in some of these schools the original program continue to bear the cost of some of these lunches, why, we are negating the purposes of your matching provisions by letting these States off the hook. I think it rather healthy to try to let some of these programs continue to carry the cost of some of these lunches.

Senator TALMADGE. I agree. I think all children that can pay the cost of the lunch should do so. I think a greater effort is going to be required, both on the Federal, local, and State level, to take care of these reduced prices for lunches and those that are going to be required to be free. But I certainly do not think the Federal Government nor the local government nor the State government ought to undertake the burden of paying for a child's lunch that the child can pay for himself.

Mr. O'HEARN. No, but you would not be here, Senator; you would not be doing that. If the maximum reimbursement rate were changed, there would be no obligation on your committee to appropriate additional moneys under section 4. It would then be incumbent upon the States to make up the difference between the rate factor that was arrived at—you know, in relation to the number of children that were participating—between that factor and the new maximum rate that was established. Per se, in Massachusetts at the present time, the Federal Government is contributing 4.5 cents—let us say 4 cents—and the State itself is contributing 5 cents. All right. The cost of that—under this setup, these programs are assuming somewhere between 5 and 15 percent of the free and reduced-price load. Food costs have gone up considerably. It now costs 56 cents to serve a complete lunch. When we started, it was way down around 20 cents or 25 cents. These schools have room, financial room, to assume this burden. But now, because of increased costs and because of their unwillingness to price these lunches beyond many children who may continue to have a willingness to pay, they are in this situation.

Senator TALMADGE. After the committee adjourns, I wish you would check with my legislative assistant and one of the staff of our committee here, Mr. Stanton, to go into that matter fully and let us be certain that we are working to achieve what we both want to achieve.

Mr. O'HEARN. Right; I should have stated, but I was reaching for brevity, that this amendment has been approved by the State director section of the American School Food Services organization and has the approval of your own State director, Miss Martin, with the realization of what will happen unless this amendment is inserted.

The CHAIRMAN. Any further questions?

Senator TALMADGE. No further questions.

(Supplementary statement filed by Dr. Perryman is as follows:)

DENVER, COLO., October 6, 1969.

HON. ALLEN J. ELLENDER,
Chairman, Senate Agriculture Committee,
Old Senate Office Building, Washington, D.C.

DEAR SENATOR ELLENDER: The recent testimonies by representatives of American School Food Service Association regarding the Talmadge Bill did not make reference to the use of food management companies since this issue was not involved in S. 2548. Furthermore, since our witnesses were not questioned on this subject, our views were not made known. However, in consideration of the fact that an amendment to admit food management companies was proposed by other witnesses, we would like to express our judgement on such an eventuality and, if possible, have these remarks entered in the record as a part of our testimony.

The American School Food Service Association is very much opposed to the admission of food management companies into school food service. Our thinking is as follows. We believe the place of industry in education is to provide the tools therefor and, in appropriate instances, advice and consultation; we do not believe the proper place of industry is to take over a portion of the educational system or the educational process. We believe the problem to be a basic one, Senator Ellender, and not a problem confined to school food service. Since the Federal Government started appropriating hundreds of millions and billions of dollars for the educational system in the United States, many different facets of industry have taken the approach that our schools really should be in the hands of the businessman and not in the hands of educators. In our area of food service, there is reason to believe that the interest of the business community would not stop with the preparation and delivery of food. Already one of the major food service companies has indicated its willingness to do all purchasing for schools, not only food. Are we then at the point of having text books and teaching materials purchased on a lowest cost basis? Is the next step then the hiring of teachers on this basis? What will be the limits of business involvement in our educational systems once the trend has begun?

It is difficult for us to see exactly what function the food management companies can perform that school food service operations cannot. As an example, when we were meeting with food management company representatives in the offices of the Department of Agriculture last December 12 and 13, we were advised by food management that they too would have to tool up for school district contracts, that they did not presently possess the equipment to take on large-scale jobs and, that furthermore, they would be reluctant to purchase the equipment on short-term contracts. They expressed a strong preference that school districts purchase the equipment which they would then use. One then asks why should not the school district purchase and operate the equipment itself, thereby eliminating many difficult questions such as who is responsible for what in the event of injury, accident, vandalism, etc., if equipment has one owner and another user?

A situation recently came to our attention in the State of Michigan, Senator, which would seem to indicate an excellent and proper working relationship between industry and a school district. The district was hard pressed financially to continue its school food service program and was considering abandonment of its food service program altogether. The Director of the program saw some equipment exhibited at our convention in Detroit in August which she believed

would meet the needs of her community. Since that time, the manufacturer has made a presentation to the Board of Education, the Board has accepted the system of meal delivery, the community has acquired the equipment and is using it effectively and apparently happily. In this instance, the inventiveness and the initiative of industry has been combined with the concern for children of a school district for the best interests of all.

We believe very much in the use of industry inventiveness and initiative, but our thinking regarding the optimum relationship between education and industry can perhaps best be illustrated by this analogy. Repeatedly the firms with which we have worked closely and amicably for many years, have told us that many of their new ideas for equipment, packaging, labeling and processing have come from our members—persons engaged in school food service. This is fine—this is advice and counsel. It does not mean that our friends in industry would want our members to come into their plants to attempt to engineer and execute the suggestions they have made. In the same way, expertise can be made available to the school administrator without surrendering a portion of his plant, his responsibility and his purpose to an outside source.

If we are to hold school administrators responsible for such vital areas as teaching, then it would seem that they should not be asked to abdicate their responsibilities for school food services—a phase of education which may have a greater bearing on the future of the child than any other single program in the school.

In our judgement, a good school food service facility should not only provide nourishment which will contribute to the physical well-being and receptiveness of the child, but should also be a living laboratory for the teaching of good nutrition. We believe this function is best kept in the hands of educators.

I respectfully request that these remarks be admitted to the records on the S. 2548.

Sincerely,

JOHN PERRYMAN,
Executive Director,

THOMAS P. O'HEARN,
*Chairman, Legislative Committee,
American School Food Service Association.*

The CHAIRMAN. Senator McGovern?

STATEMENT OF HON. GEORGE S. McGOVERN, A U.S. SENATOR FROM THE STATE OF SOUTH DAKOTA

Senator McGOVERN. Senator, I just wanted to commend Dr. Perryman and the excellent panel here today. I have known Dr. Perryman for 10 years. He was a consultant at various times during the Kennedy administration.

I was pleased to see in his statement that he is still being consulted by this administration, because he is a nationally known authority in this field.

I would like to identify myself with his statement and the others that have been made here.

I do want just to take a moment, Mr. Chairman, to say that I am pleased to support Senator Talmadge's bill. I think it is the best child-feeding legislation that has been introduced in the Congress and I am glad that he has added my name at my request as a cosponsor.

I do think that we have a longer-range goal that will call on us for a more comprehensive reordering of all of our child-feeding programs. I do not think it is possible for that to happen in this session of the Congress, and I am going to support the legislation offered by the Senator from Georgia. But what is really needed is the kind of program that is suggested by Dr. Perryman that provides an adequate nutritional level for every child in the country without regard

to the economic discrimination of demeaning means tests or things of that kind. I believe the answer is a single program utilizing schools as a delivery system to bring nutrition education and both a breakfast and a lunch to preschool and school-age children. I would like to see us work over the next 2 years toward a goal that would operate this program the year around, not just on a 180-day school year, since nutrition does not take a vacation. I think we should have one funding provision, instead of the 16 sources that we now have for Federal funds, to provide breakfast and lunch to every pupil regardless of economic status.

The rationale for that is the same as the basis on which we provide buildings, textbooks, and teachers.

Senator TALMADGE. Will the Senator yield at that point?

Senator MCGOVERN. Yes.

Senator TALMADGE. We tried to achieve flexibility, as you are aware, by making the funds interchangeable to take care of local needs and—

Senator MCGOVERN. I think that is one of the many good features in this bill.

Senator TALMADGE. The needs of one particular area might be equipment and the need in another area may be food, the need in another area may be a dietitian. It can vary from school to school and State to State.

Senator MCGOVERN. What I am really proposing here, I will say to the Senator, is something that can perhaps be applied to your goal in the Congress. I think this measure is one that can and should be passed this year. There are three procedural amendments I would like to suggest—I do not offer them now, but I would like to suggest them to Senator Talmadge for his consideration.

Senator TALMADGE. I wish you would please offer them for the benefit of the full committee and the staff so we can look at them. I am sure that this bill is far from perfect. It is my first endeavor in this field, as the Senator knows. My staff is very competent and they worked with the local people and the State people and the Department of Agriculture people to try to come up with what they thought was needed. I am indeed flattered that these experts from all over the country have been coming in and testifying almost unanimously for it.

Senator MCGOVERN. I think the Senator is entitled to draw great satisfaction from that, because insofar as it is possible to amend our existing program this bill is excellent. That program has accomplished an enormous amount of good, to the credit of Senator Ellender and others who authored that program some 23 years ago. I think that operating as this bill does, as proposed by the Senator from Georgia, as really amendments to the existing program, it is very progressive. What I am talking about here is a future goal which would be designed to treat nutrition among children as an essential education service just as textbooks or education. All of which are free in our public schools.

The procedural amendments, I would like to suggest for the Senator's consideration, and I will insert a more detailed explanation of those for the benefit of the committee, are a package of three amendments designed to assure uniform eligibility for free and reduced-price lunches. They are aimed at enabling the Department of Agriculture

to enforce its own regulations and its own guidelines. I think these amendments will strengthen the avowed purpose of the national school lunch program, but whether they are accepted by the Senator or not, it is my hope that this will be adopted. I want to do what I can to assist him in that effort.

Senator TALMADGE. I am grateful indeed.

(The prepared statement of Senator McGovern follows:)

Our children are the nation's most precious resource. The time has come to face up to the full implications of this. We must affirm the principle that every child has the right to the nutrition required for good health, just as the right to education has been recognized for every American child.

As a people we cannot afford the loss of intellectual resources and productivity that results from an incomplete effort to feed our children. This alone should prod us toward innovative solutions to the problems of child nutrition.

The Congress should move as quickly as possible to revamp present child feeding programs and adopt comprehensive child nutrition legislation to assure the nutritional well-being of all our children from infancy through adolescence.

After twenty-three years of operation, the National School Lunch Program has contributed inestimably to the well-being of our nation. Unfortunately, however, it still reaches only $\frac{1}{3}$ of the nation's school children. At least seven million and perhaps as many as nine million children go to schools without facilities for food service. Availability of school lunch is not based on need, but on past participation and average per capita income: a formula which inhibits programs and works against children in our inner cities.

Funds are desperately needed to bring lunches to the 8.4 million school age children who require free and reduced price lunches.

Furthermore, we need to strengthen the school breakfast program. The Department of Agriculture has failed to request any increase in funds for the School Breakfast Program; yet that program has served only 275,314 children in its peak month. In my view, breakfast is at least as important as lunch. The breakfast program should be expanded.

The long-range nutritional impact of our child feeding programs is at best uncertain. After twenty-three years, "graduates" of the National School Lunch Program, teen-age mothers, are among the nation's worst fed citizens.

We can no longer afford a program that befuddles its local administrators, not to mention the Department of Agriculture, with 16 separate Federal sources of funds for feeding children—sources which overlap and leave children in one category unfed while the school returns unspent money from another category. Piecemeal amending of present laws will probably not adequately reform our present hodge-podge of child feeding programs. What we need is a comprehensive new structure designed to eliminate present inefficiencies, over-lapping and gaps.

I believe the answer is a single program utilizing schools as a delivery system to bring nutrition education and two nutritious meals a day to all pre-school and school age children. Since hunger does not take a vacation, this program should operate year round and not be limited to a 180 day school year. It should have one funding provision, to provide breakfast and lunch to each pupil regardless of economic status, thus ending eligibility requirements and the demeaning welfare aspects of the program. Since we now know that good nutrition is as important to learning as are textbooks and teachers, we must treat nutrition as an educational service to be provided by the school in the same manner as other school services.

I propose Congress set as its goal the implementation of such a program within the next five years.

Nevertheless, with this goal in mind, I consider S. 2548, authored by Senator Talmadge, a progressive interim measure which can and should be passed this year. It is the best child feeding proposal yet introduced in the Congress. I am pleased to be a co-sponsor of Senator Talmadge's bill.

It greatly increases special assistance funds to needy schools. It defines a reduced price lunch. It attacks the equipment assistance problem head on. It requires state matching funds from state revenues. And most importantly, it allows for the interchange of funds among programs and the carryover of appropriations from year to year.

In one particular area, however, I believe S. 2548 needs improvement. During the hearings of the Select Committee on Nutrition and Human Needs nearly every witness testified to the unevenness of local administration and operation of the National School Lunch Program, especially in the area of eligibility for free and reduced price lunches. My concern for this problem leads me to suggest a package of three amendments to S. 2548, all of which, I believe, will be complementary to that bill. They will assure that poor children are fed at school—an assurance that cannot now be given by the Department of Agriculture.

The first would provide for national eligibility standards for free and reduced price lunches to be fixed at a minimum of \$4,000 per year for a family of four to be revised annually to reflect cost of living changes, a provision which the Senate last week adopted for the Food Stamp Program.

Second, I suggest an amendment replacing the term "school" with the term "local educational agency", a term synonymous with "school district." This would end the option available to states and local authorities to allow schools rather than school districts to be contracting agencies. It would reduce to one-fifth the number of governing bodies instituting local school lunch policy and result in more uniform administration of the program.

Third, I urge an amendment to require that state plans of operation set forth a comprehensive description of the manner in which the applicant state proposes to assure food service programs in every school in the state by the school year 1972-73. The state would also be required to set forth in its plan precisely how it would utilize its child feeding funds each year. This procedure would be coupled with a reporting system requiring each local educational agency to report monthly to the state and the state to the Department of Agriculture on the number and percentage of eligible children receiving free or reduced price lunches.

These proposals are designed to assure uniform eligibility for free and reduced price lunches and enable the Department of Agriculture to enforce its own regulations and guidelines. I believe these amendments will strengthen the avowed purpose of the National School Lunch Program. It is my hope that Senator Talmadge, as the author of S. 2548, will consider these further suggested improvements in his already excellent bill.

The CHAIRMAN. Congressman Perkins.

STATEMENT OF HON. CARL D. PERKINS, REPRESENTATIVE IN CONGRESS FROM THE SEVENTH CONGRESSIONAL DISTRICT OF KENTUCKY

Mr. PERKINS. Senator Ellender and members of the committee, it is a great pleasure for me to appear here today to endorse the bill, S. 2548 in its purpose and most of its specifics. I want to compliment the distinguished Senator from Georgia for sponsoring it.

Senator TALMADGE. I am grateful indeed. As the Congressman knows, we are considering the bill that you sent over from the House at the same time. I take it from your statement that you would desire this committee to substitute S. 2548 for your bill.

Mr. PERKINS. That is correct. I am presently circulating your bill among the membership of the Committee on Education and Labor for cosponsors. I shall then introduce it in the House. Then if we have to go to conference, we can more easily reach agreement.

Senator TALMADGE. I am indeed flattered, sir.

Mr. PERKINS. The Senate bill is a remarkable bill. It is for that reason that I appear here today to endorse it.

The bill provides a 50-50 matching formula. H.R. 515, which is also before the committee, provides for a graduated matching formula, stopping at 10 percent. They may come a time when we can realistically expect all of the States to match our Federal school lunch dollars on an equal basis but I fear that if we went at this time to a 50-50

matching formula, we might reduce the school lunch program rather than expand it.

I make that statement because I conducted extensive hearings a year ago into the school lunch program, I know it will be impossible for Kentucky to come up to 50 percent in the foreseeable future. By setting a lower contribution rate and getting the States involved over a period of years, I think would benefit the school lunch program. In my eastern Kentucky coal mining area, we need all the money we can obtain from the State, but it would hurt us if Kentucky's inability to match kept Federal help away.

The focal point of proposals before the committee, including the two House bills, is more money directed to supplying free or reduced price lunches to needy children and to equipping schools to enable them to provide food service. All proposals center around section 11 type assistance. S. 2548 goes beyond an infusion of more funds to revise the basis for a distribution of those funds. Section 11 as it stands on the books permits payments by a State of special assistance funds to schools selected in the light of economic problems of the schools and the area which they serve. Thus the poor children attending an affluent school can be shortchanged. The Talmadge bill would require section 11 funds to follow the child. In this respect, the bill is better than the provisions of the two House-passed bills.

The House bill and S. 2548 both provide for advance funding. I urge your retention of this feature as one of the most helpful to local school officials. Local school boards approved in the spring of 1969 budgets for the school year we are now in. Congress has not yet approved the appropriation for the program for the same school year. It can readily be seen that chaos is created in all programs where there is Federal financial support.

We tried to do something about the forward funding position in our school bills, but we have not had it fully implemented in appropriation bills. But sometime in the future, I think that day will arrive. The advance funding provision will be of tremendous benefit to orderly conduct of the school lunch program.

I urge favorable action on S. 2548 and I assure you that I shall urge my colleagues in the House to go along with the Senate version.

It is a great pleasure for me to be here and I am proud that we are taking steps to improve the free lunch program in the country.

Thank you.

The CHAIRMAN. Congressman, as you know, one of the difficulties in the past was our inability to get the States to contribute.

Mr. PERKINS. Correct.

The CHAIRMAN. Now, the fact that you make it obligatory in this instance—I mean in this bill—would you want to put any kind of compulsion on the part of the State if it is possible to?

Mr. PERKINS. Yes, at a rate that they can meet, that is realistic, like the approach that we took in the House bill. I think the quicker we get them involved, the better off we will be in the long run. This program will eventually run into the billions of dollars in my judgment, over a period of years, if we are to take care of all hungry children. It costs now, from all sources of Government and children, several billion dollars a year.

The CHAIRMAN. Two and a half.

Mr. PERKINS. We have so many million youngsters in need of school lunches that are not being reached today. I think we ought to bring the States in at a realistic figure and not require too much contribution. And when the general assemblies of the various States realize that they have to make a contribution, they will gladly come in if we do not try to put it all on them at once and drive them away when they cannot make the contribution. I know we have only a dozen or so States making contributions at this time, but most of them are putting up some administrative money—all of them, I think. I think the States should carry a small burden to start out with. I think they will all gradually respond. That is the information I get.

The CHAIRMAN. Thank you very much.

Senator TALMADGE. Thank you, Congressman, for your excellent statement.

The CHAIRMAN. Mrs. Ryan.

STATEMENT OF MRS. EDWARD F. RYAN, NATIONAL PTA CHAIRMAN FOR LEGISLATION, NATIONAL CONGRESS FOR PARENTS AND TEACHERS, MANCHESTER, MASS.

Mrs. RYAN. I am Mrs. Edward F. Ryan of Manchester, Mass., national PTA chairman for legislation representing the National Congress of Parents and Teachers, the National PTA, with more than 10 million members who are very much concerned with the school lunch program.

We wish to express our general support of Senate 2548, with some further statement.

I should like to say that for many years, no activity has been closer to the hearts of PTA people all over this country than the school lunch program. PTA concern dates from the years following the First World War when widespread malnutrition among children became so evident. In the twenties and early thirties PTA's began serving hot lunches in schools, and later led in support of the Congress in enacting the National School Lunch Act. We have supported annual appropriations for the continuation and expansion of the program, and we regret that it was left to others to point out to the Nation how very far expansion of the program has fallen short of serving our children, and that malnutrition among children is again a major problem.

Our members have now warmly joined in the effort to bring that program to all children. It must be said that practically all of us, in government, in schools, in private life, have used much high-sounding language about equal educational opportunity, about the importance of education, and the need for educating every child to full use of his abilities. We have been inclined to take it for granted that every child comes to school on equal terms, and forget that millions do not. We have not always been mindful of the inescapable fact that a hungry child can't learn.

We in national PTA, more than 10 million of us, will not rest until all children are equally in a position to learn, whatever the number of children who require breakfasts and lunches as a part of needed school services. We regard this as an obligation in the way that public education is an obligation. Practically speaking, if public education is indeed an obligation, then it is only sensible to see that these

services are not wasted because children are too hungry to profit by them. And indeed the cost of the program, even at highest estimates, is small in comparison to the investment we place in our schools. It is also small against the greater cost of paying for dropouts; the costs of welfare, unemployment, delinquency and crime.

In respect to cost, we are glad to see the proposals for additional funds for children who are not able to pay for school lunches themselves that are before your committee. According to the reports of qualified observers, however, no increases yet proposed are adequate to meet the need. Undoubtedly these reports have already been presented to you, but let me stress our concern. According to the National Council on Hunger and Malnutrition in the United States:

There are approximately 7.5 million children of school age from poverty families under OEO standards who, in order to eat lunch, require free or substantially reduced price lunches.

The estimated cost is approximately \$415 million, in addition to present appropriations.

The chairman of the State directors and supervisors section of the American School Food Service Association, who appeared before you a few moments ago, reported a study estimating that 32.5 million children do not now participate in the school lunch program. Ten percent of these children need free lunches, and another 60 percent need price reductions. The additional cost under existing legislation, he reports, would be \$622 million, allowing for usual absenteeism. Thus even the \$200 million proposed by S. 2548 falls far short of actual need.

National PTA supports without reservation the appropriation of the largest funds needed to provide every child with a balanced and nutritious school lunch, as well as breakfast where indicated, as rapidly as food services can be established. Further, we urge that measures be developed and enacted to insure that this service becomes available in every school.

We are deeply concerned by the large number of inner city and other schools where lunches are not available, on one pretext or another. We are deeply concerned by the hungry children who are forced to sit in a lunchroom and watch other children eat. We believe steps should speedily be taken to enable States to require local action. We are also concerned with the continuing rise in school lunch prices, now commonly 50 cents or more, which will not only increase the number of children going hungry but will steadily erode the number of children from moderate-income families who participate in the program. We do not believe children should be made to carry the burden of inflation, but rather a Federal participation should increase with costs of the program.

We should like to see States participating in the cost of school lunch programs from State tax funds to a greater degree than at present. Yet we are mindful of the effect such a requirement may have on use of the program itself in poor States. We approve the proposals to reduce the percentage of State contribution required, and the supplementing of children's payments with tax funds to meet these requirements. The use of a sliding scale according to relative per capita income should be continued.

Finally, we are far from satisfied with current reports of methods by which free and reduced price lunches are made available to needy

children. We believe local practices must be greatly relaxed in many districts. Schools and teachers must be encouraged to see that every child is properly nourished, and every doubt as to payment resolved in favor of the child. Only the provision of adequate funds can make this attitude possible. Sufficient audit can be taken by comparing the number of free and reduced price lunches with the number of welfare and low-income families, or with a county's average family income. I do not speak of the accountability for reimbursible funds which must be unequivocal, but rather of limitations on free and reduced price lunches that inevitably keep some children hungry. We believe the time will come when lunches are a part of school services, simply because it is crucial to the total welfare that we educate all our children.

We shall be most grateful for your consideration of these great needs, and we appreciate very much the privilege of presenting these views.

The CHAIRMAN. Thank you very much. That is a very nice statement. As you know, I fostered the first bill.

Mrs. RYAN. I do.

The CHAIRMAN. And, of course, it needs changing because of changed conditions. But do you not feel as I do, that in order to get a bill of this character to work, we have to have full cooperation at the local level?

Mrs. RYAN. Yes. We are taking that into account. We are very much concerned that there is not and we think measures should be taken.

The CHAIRMAN. My great fear is that unless people at the local level continue to cooperate with the Federal Government, this program may be in danger, because if you let Uncle Sam do it all, there is no telling what it will cost.

Mrs. RYAN. I agree with that.

The CHAIRMAN. And there is no doubt that we must arrange in some way in this bill to make it so that we can have full local cooperation, responsibility on the part of local people.

Mrs. RYAN. I understand. Our national convention last May adopted a resolution for every PTA around the country to look into its own program and make sure, make it possible for every child to participate.

The CHAIRMAN. Here lately, we had from 8 to 12 States that did not participate at all. Now they are all participating in some way or other. In my judgment, this bill will fail unless we can get local cooperation. I am just wondering how we can do that legally. We will have to rack our brains and try to find some formula whereby we can get these local people to continue this excellent cooperation we have had in the past.

Mrs. RYAN. Yes, sir; I understand.

The CHAIRMAN. Thank you very much.

Mr. Stephens.

STATEMENT OF HARVEY T. STEPHENS, EXECUTIVE VICE PRESIDENT, ARA (AUTOMATIC RETAILERS OF AMERICA) SERVICES, PHILADELPHIA, PA.; AND MRS. EDYTHE L. ROBERTSON, STAFF FOOD CONSULTANT, ARA SERVICES, ALEXANDRIA, VA.

Mr. STEPHENS. I think I will move quickly through the prepared text, which you have, and get on. The hour is getting late.

The CHAIRMAN. Your whole statement will be printed in the record. You may proceed to highlight it.

Will you identify the lady with you?

Mr. STEPHENS. Yes. I am Harvey Stephens, executive vice president of ARA Services, Inc. With me this morning is Edythe Robertson, who is director of nutrition services for our school and college division.

I am most grateful for this opportunity to appear before you and present some facts and some thoughts of how industry may be capable of helping you attain your objectives for the improvement of nutrition in our country, and especially the nutrition of our young people. It is my purpose to put before you suggestions of ways which would make it possible to move in the direction of more than doubling the effectiveness of the national school lunch program in serving its objective of making available to our children an adequate level of nutrition.

First, I would like to preface my statement with a few facts about the nature and scope of the work of the food service management industry because it is little publicized and because little is understood about the depths of technical knowledge the industry has developed.

While I must speak mostly of ARA services, there are other companies similarly engaged. ARA currently provides the complete food service for 275 schools, colleges, and universities * * * the complete dietary service for 175 hospitals and other health institutions * * * the service in the dining rooms and cafeterias of thousands of industrial companies, business offices, Government installations (such as Kennedy Space Center) and for many airlines.

In the course of serving more people daily than any other organization in the world, we have accumulated a great deal of practical knowledge about nutrition and also about the eating habits and food preferences of people. For many years we have conducted organized studies of food preferences and nutritional intakes, particularly of students to whom we provide in many cases substantially all their meals for months at a time.

If there is one thought I can contribute to your deliberations on the nutritional problems of our country it is this, and it is drawn from studies involving many thousands of people. Any program designed to improve the nutritional status of the population as a whole or of groups within it has got to take food preferences into account or fail. Furthermore, food preferences are changing. Some are no longer what they were a few years ago. I can assure you this is so because our company has had to deal with the problem under a wide range of conditions. For example, a few years ago we responded to a call from the Food for Peace Office of the White House to plan, establish, and operate a model cafeteria for underprivileged students in Bogota, Colombia. We trained native personnel in the cafeteria operation and today the cafeteria serves as a model for future installations in Colombia. Prepared diets using locally grown foods and six surplus food items from the United States were served to the students. The recipes were taste tested and food was prepared in ways that would have acceptance by the children. A rather obvious first principle is that food can't nourish a child if he doesn't eat it. At the other end of the scale our customers have included the astronauts at Kennedy Space

Center and all of the athletes from 117 countries at the Olympic Games in Mexico City.

It is from students, however, that we have drawn the greatest amount of food preference data. We have been serving students for more than 40 years and many of our 2,000 standard recipes are the result of this experience. The depth and breadth of our data led to our being retained by the Department of Agriculture for two separate projects. One dealt with food preferences and was based on survey ratings of more than 200 foods by more than 50,000 students. The second was a food usage study on 50 college campuses across the Nation.

As part of our regular operations we evaluate the adequacy of the diets provided by determining the nutritional analysis of the quality and quantity of the foods we serve. During each academic year we conduct nutritional audits and food preference surveys at the schools we serve. This sample represents over 1 percent of the total college population of the United States. The audit covers boarding students eating 20 or 21 meals a week on campus. A nutritional audit is the actual comparison of the food served the students with the Department of Agriculture's moderate food cost plan. The nutritive quality of the food served is measured against the recommended dietary allowances established by the Food and Nutrition Board, National Research Council of the National Academy of Sciences.

To illustrate the food preference aspect of the nutrition problem I should like to give you three examples. Please bear in mind that these are based on college food surveys, a situation in which the food provided and the data collected represent all three meals and for most of the students represents virtually their total food intake.

First, according to the results of both our food preference surveys and nutritional analyses of food as served, 100 percent of the students were meeting their protein needs during the academic year 1968-69. There seems to be little problem there.

On the other hand, despite the variety of fresh and frozen green and leafy vegetables offered to the students, analysis of this food grouping showed little or no sign of improvement. During the past 8 years only 39 schools of more than 250 surveyed met or exceeded a standard requirement for riboflavin. Green and leafy vegetables are a good source of this vitamin. The failure of students to select this type of food despite our promotion and efforts to prepare and display it attractively indicate a real need for basic research by the Department of Agriculture to develop and introduce vegetables having greater appeal to today's taste. Results of our surveys indicate that not only students but the general public as well have a low preference for green and leafy vegetables, for if they were eaten regularly in the home, students would feel impelled to eat them on campus as well. While we constantly improve menus as a result of our audits and surveys, there is no way you can force people to eat what they don't want. The answer then must come from new foods and the early and continuing nutrition education at all age levels.

Here is a third illustration: One of the major nutritional problems of teenaged girls and women is iron deficiency. The American Medical Association advises that most women face iron deficiency, either because they don't make very astute food selections or else miss the benefits of iron supplementation. ARA nutritional analyses conducted dur-

ing the 1968-69 academic year at 23 women's colleges throughout the country indicate that women in 12 consumed less iron than that Standard National Research Council requirement.

This is so despite our greatest efforts to give iron rich foods both taste and eye appeal. Recommendations are now under consideration to attack iron deficiency in women by enriching breads, flours, and cereals as well as milk. However, our surveys also indicated that the preferences and therefore the consumption of these food items is continually decreasing. Only 18 percent of the female students in the colleges surveyed met or exceeded the recommended dietary allowance for flour and cereal. Less than 20 percent met or exceeded the RDA for the milk group. Under these circumstances, enrichment of cereal, grain and milk products will not make a significant contribution to the female college student's diet. The only answer would be either by strenuous efforts to change their dietary habits through nutrition education or the enrichment of foods widely acceptable to this group.

The skills and experience of the food service management industry can do little to reverse basic trends in food preference. On the other hand, by knowing these preferences and combining that knowledge with careful meal planning, there is much more that industry could be doing to provide nutritious meals to preschool and schoolchildren where meals are not now being served. Let us look at the present coverage of the national school lunch program, which is why we are here. Access to the program is available in 71,983 of our approximately 119,000 schools. However, only 18.5 million out of approximately 55.8 million children aged 5 to 18 participate in the program.

Thus, this program actually reaches only about 33 percent of the Nation's school-age children.

Enrolled in these same schools are an even larger number of children who could participate in the school lunch program, but who do not do so. There are over 21 million of these children, compared to the 18.5 million I mentioned a moment ago.

The reasons for their nonparticipation are various. In some cases, it is a matter of cost; the parents simply decide to have the child take his own lunch. In other cases, it is a matter of preference; the child does not like the school lunch as served. In some cases, the child simply skips lunch or is unable to pay for the lunch.

I have been speaking so far only of children enrolled in schools which have a school lunch program. In addition, there are approximately 11 million children enrolled in schools where there is no such program. This 11 million compares with a total figure of 39.5 million in schools with a program.

I am not going to go over this table on the next page. It is there. It is very significant, very meaningful. All of the figures are documented and can be referenced back to very authentic points of collection in the Federal Government.

(The table referred to follows:)

TABLE I.—1968 POPULATION DATA

Group	Number	Source
All children (age 0 to 18).....	74,325,000	Census. ²
All poor children (age 0 to 18).....	11,427,000	Do. ²
Non-school-age children (age 0 to 4).....	18,521,000	Do. ²
Non-school-age poor children (age 0 to 4).....	2,742,480	See text (p. 8).
School-age children (age 5 to 18).....	55,804,000	Census. ²
School-age poor children (age 5 to 18).....	8,684,520	See text (p. 8).
School enrollment.....	50,700,000	HEW. ⁴
School-age (not enrolled).....	5,104,000	Computed. ⁵
Enrolled without access.....	11,154,000	USDA. ⁶
Enrolled with access.....	39,546,000	Do.
Participating with access.....	18,536,000	Do.
Nonparticipating with access.....	21,010,000	Do.

¹ Tables prepared from published data for a panel of the White House Conference on Food, Nutrition, and Health by Richard Burton and Dennis Young of the Urban Institute.

² Current Population Reports, U.S. Bureau of Census, series P-25, No. 416, Feb. 17, 1969.

³ Current Population Reports, U.S. Bureau of Census, series P-23, No. 28, Aug. 12, 1969.

⁴ Projections of Educational Statistics to 1977-78, U.S. Office of Education.

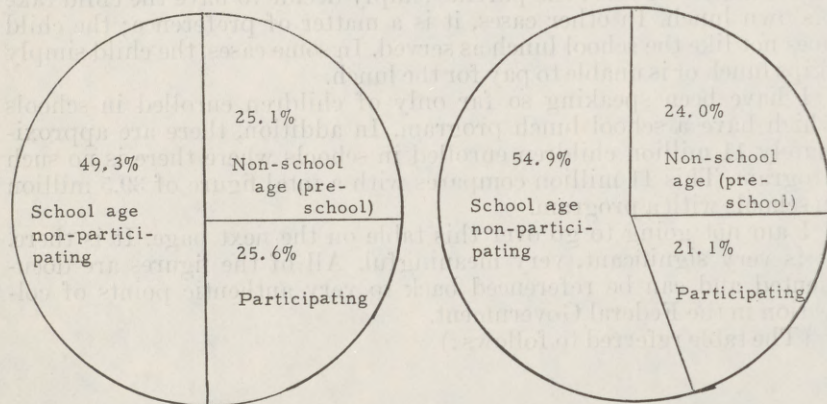
⁵ School-age children minus school enrollment.

⁶ Preliminary data from the National Survey of School Food Services, March 1968, U.S. Department of Agriculture.

Mr. STEPHENS. We have seen that the program at present reaches only about 33 percent of all school-age children. Within this figure, however, is another factor which must be recognized. When you divide the entire school-age population into poverty and nonpoverty groupings, you find that the program reaches better than 34 percent of the nonpoverty group, but only about 28 percent of the poverty group. In other words, the coverage is poorest among the children who need it most.

(The table referred to is as follows:)

Table II



Non-Poverty Child Population

Poverty Child Population

Mr. STEPHENS. Traditionally, revenues for the national school lunch program have been raised from three principal sources; (1) Federal, (2) State and local, and (3) children's contributions. The ratio of child contributions to total revenues has remained relatively stable, varying from 50 to 58 percent during the history of the program, 1947 through 1968 (reference table III.)

However, it is clear from the NSLP financial record that Federal cash contributions have declined from 30 to 11.5 percent of total support while State and local contributions have risen from 17.4 to 23.5 percent over the history of the program.

Furthermore, the fluctuations of the Federal commodity contribution, based on agricultural surplus, introduces considerable uncertainty into the planning of NSLP funds.

The Department of Agriculture is the regulatory agency that makes the smallest contribution to the NSLP, yet controls its policies and operation. In some instances, these controls are punitive measures which restrict the operational expansion of the lunch program to the needy.

(The table referred to follows:)

TABLE III.—PROPORTION OF TOTAL PROGRAM COST CONTRIBUTED BY CHILDREN'S PAYMENTS, STATE AND LOCAL GOVERNMENT CONTRIBUTIONS AND FEDERAL CONTRIBUTIONS, FISCAL YEARS 1947-68

Fiscal year	Total program cost	Children's payments	State and local funds	Federal contributions		
				Total	Donated ¹ food	Appropriations ²
	Thousands	Thousands	Thousands	Percent	Percent	Percent
1947	\$218,631	\$51.5	\$17.4	31.1	1.1	30.0
1948	276,737	50.0	18.7	31.3	7.0	24.3
1949	312,758	50.7	19.0	30.3	6.9	23.4
1950	367,643	48.2	19.2	32.6	10.5	22.1
1951	404,517	51.2	19.6	29.2	8.6	20.6
1952	433,738	55.9	21.4	22.7	3.8	18.9
1953	513,122	53.8	20.2	26.0	10.0	16.0
1954	594,330	51.0	19.3	29.7	15.9	13.8
1955	611,539	55.0	20.1	24.9	11.5	13.4
1956	696,868	54.1	19.8	26.1	14.3	11.8
1957	804,010	52.0	19.3	28.7	16.4	12.3
1958	809,462	56.0	22.4	21.6	9.4	12.2
1959	912,146	55.4	22.3	22.3	7.3	15.0
1960	1,002,676	55.5	22.0	22.5	7.1	15.4
1961	1,051,131	56.6	21.9	21.5	6.8	14.7
1962	1,168,674	55.0	21.0	24.0	9.7	14.3
1963	1,235,850	56.2	20.5	23.3	9.8	13.6
1964	1,327,179	55.9	20.3	23.8	10.2	13.5
1965	1,492,797	53.4	19.6	27.0	14.3	12.7
1966	1,501,103	56.8	22.1	21.1	7.8	13.3
1967	1,664,265	55.6	24.1	20.3	7.8	12.5
1968	1,872,011	53.2	23.5	23.3	11.8	11.5
Total (22 years)	19,270,229	54.5	21.3	24.3	9.9	14.3

¹ Includes sec. 32 and sec. 416 food donations, only.

² Includes sec. 6 food donations.

Although the National School Lunch Act¹ does not require it, the Department of Agriculture regulations, including the most recent dated September 23, 1968, implementing Public Law 90-308, the child nutrition program, specifically provide that any school which operates its food or milk services under a contractual arrangement

¹ To this effect, see the opinion of the General Counsel for the Department of Agriculture for O. V. Wells, Administrator, Agricultural Marketing Service, Op. General Counsel, No. 27, May 2, 1956.

with a food service management company or concessionaire, or under a similar arrangement, is not eligible for participation in the program, even though the school operates its lunch program on a non-profit basis.

The Department recently modified its regulation in this area but only insignificantly. It agreed to authorize perhaps six trial projects under narrowly controlled circumstances, but for reasons of insufficient local funds and no assurance of Government authorization beyond 1 year, none of these has come to fruition up to now as far as we know.

Let me illustrate the restrictive interpretation of the program. If a school board, after surveying its local situation, finds a lack of qualified personnel available to manage its school lunch program, it cannot turn to industry for help . . . not without being penalized. Should the school board decide to solve its problem by retaining a professional food service management company, it disqualifies itself from benefits under those three programs . . . even though the board is otherwise willing and does comply with the remaining regulations of the Department of Agriculture relating to the standards of eligibility for such programs. This penalty applies even if the school board's contract with the food service company limits the firm's fee to either a fixed amount or percentage of the volume. This disqualification means a loss of thousands of dollars worth of cash, milk, and commodities each year and the probable result that children will have to pay more for their lunch, or the size of the lunch must be smaller for the price paid, or the lunch service in the particular schools must run at an even greater deficit.

The food service management industry, together with many school districts, has protested against this regulation to the Department of Agriculture for years. The restriction may deprive the school district not only of the right to avail itself of professional management help, but also of access to the available manpower supply. This regulation forecloses the right of all but the most affluent communities to go the professional management company route, since to do so they must do without subsidies. This discrimination is not only unrealistic, but also contradicts the purpose of the program itself.

The National Education Association and the National School Boards Association have opposed the regulations (see the Congressional Record of April 17, 1968, page S4169.) So has the U.S. Commissioner of Education (see Congressional Record of April 17, 1968, page S4170).

It may be helpful to examine the reasons advanced by the proponents of the Department of Agriculture's restrictive regulation against the facts:

1. The use of food service management companies in the elementary or secondary school lunch service increases costs.

Well, there is also the strong likelihood that it would decrease costs in many schools through greater efficiency and less waste. Which would be the case can only be determined locally. And investigation and the right to decide should be left to individual boards of education.

2. Outside food service companies, being motivated by the profit objective, will tend to serve the children what the children want rather than what is nutritionally adequate.

The fact here is that requirements for the "type A" lunch are specifically stated in the Department of Agriculture regulations. They can certainly continue to be met by the school through the medium of a food service management company. With more professional and appetizing preparation of the food, more of the children would be likely to participate in the school lunch program and thus more "type A" lunches would be eaten. It is also clear that if the local school board would hire a professional service company, it could also fire that company if the lunches did not measure up in all respects.

3. There can be no free lunches for the needy if the school's lunch program is operated by a food service management company.

This is most misleading inasmuch as the school administrator has the authority to provide the free meals when funds are made available by the State school food service director. The school district determines the number of requests for free meals to honor. The contractor is merely reimbursed for food, labor, and supplies and paid a management fee for his service, regardless of what the gross receipts actually amount to.

4. The monitoring job of the Department of Agriculture to insure that "type A" lunch standards are met by each participating school would become more difficult if schools are permitted to employ food service management companies.

The answer to this is very clear :

Monitoring of all Government-funded programs is the responsibility of the regulatory agency no matter who operates the food service.

5. "The Department of Agriculture would feel differently if all potential food service management companies were as qualified as your company, but they are concerned about schools hiring poorly qualified companies."

School boards are responsible for making multimillion dollar decisions wisely in the purchase of land, in the construction of buildings and in the hiring of teachers. They can be expected to exercise similar good judgment in determining the qualifications of a food service company.

Parenthetically, having served on school boards, I would suggest that a school principal can do more damage through the selection, poor selection of his faculty than he can through the poor selection of his faculty than he can through the poor selection of his food service company. Yet he is restricted in the operation of the school lunch program and is unrestricted insofar as a Federal agency in Washington is concerned, an administrative one to boot, providing in terms of selection of the teachers for the faculty and the selection and building of the environment in which the processes of education take place.

In addition to service to schools, hospitals, industrial and other markets I have already mentioned ARA has just completed operation of food service facilities at 34 summer camps, principally Boy Scout camps. We are also working for public schools at both the elementary and secondary levels, unfortunately at a cost to them of disqualification from participation in the departments program. We currently serve 20 such schools in New Jersey where the boards of education have chosen to employ our professional food service management despite the fact that it means loss of the subsidies. The fact

that they have continued to employ our services, in some cases since 1956, reflects satisfaction both with the food and student participation. Student participation higher than that of most public schools operating their own programs. We feel this is due to the fact that the food is better prepared, a more appetizing variety is offered and at comparable prices to participating schools elsewhere in the State.

6. "Volunteer help would not be available to the food service."

This is not reasonable. Why can't a food service management company utilize and direct volunteers? Any savings so realized would be reflected in its accounting under its management fee contract with the school. Incidentally, all volunteer help handling food are required by law to pass food handlers' examinations.

I might add here, parenthetically, that in our hospital division, we make use of a lot of volunteer people who participate in the operation of hospital food services as a part of their own community service and we feel just as competent and capable of using those people and the input of enthusiasm which we generally get from them in the school lunch program, as we do in any volunteer help area.

A further inconsistency in the present situation is that the administration has been constantly urging the private sector to cooperate more in the public sector. This regulation precludes such cooperation in an area where the industry could perform an efficient and valuable service.

For these reasons, gentlemen, it is our sincere conviction that the removal of this regulation as it affects the entire school lunch pre-school child nutrition and related programs would produce a number of distinct benefits for the youth of the Nation:

1. In many cases, the nutritional quality of the school lunches would be distinctly improved through professional preparation and awareness of food preference trends.

2. More attractive, better tasting food would increase student participation in the school lunch program.

3. More efficient use of money and commodities through elimination of waste.

4. Improved efficiency through granting individual school boards the option of employing either self-management or professional management, depending on local conditions and availability of people and talent.

5. Trained, professional food service personnel would be made available to help resolve the problems of the school lunch program.

I want to add a sixth which was omitted in the typing of this, that we would be permitted or we would help reach areas now not served by existing school lunch delivery systems.

In order to remove these restrictive regulations, we call your attention to the amount of the following proposed amendments to the National School Lunch Act and the Child Nutrition Act which are contained here and which were submitted to the committee yesterday by Admiral Nunn. We suggest that:

Section 2 of the National School Lunch Act (42 U.S.C. 1751) be amended by adding at the end thereof, the following new sentence:

A school shall not be excluded from the benefits under this chapter merely because it engages the services of a food service company on a fee-for-service basis provided the school-lunch program would otherwise qualify for benefits

under this chapter, and provided further that the school retains the right to control the quality, and extent of the general nature of the food service and the price of the food to be charged to the children.

Section 12, Paragraph (c) of the National School Lunch Act (42 U.S.C. 1760) be amended by eliminating the period at the end thereof, and adding the following language:

Nor shall the Secretary or the State impose any requirement inconsistent with the Congressional declaration of policy as stated in Section 2 of the act.

Section 9 of the Child Nutrition Act (42 U.S.C. 1778) be amended by adding the following sentence at the end thereof:

A school shall not be excluded from the benefits under this chapter merely because it engages the services of a food service company on a free-for-service basis provided the school-lunch program would otherwise qualify for benefits under this chapter, and provided further, that the school retains the right to control the quality and extent of the general nature of the food service and the prices of food to be charged to the children.

Section 10 of the Child Nutrition Act (42 U.S.C. 1778) be amended by eliminating the period at the end thereof:

A school shall not be excluded from the benefits under this chapter merely because it engages the services of a food service company on a fee-for-service basis provided the school-lunch program would otherwise qualify for benefits under this chapter, and provided further, that the school retains the right to control the quality and extent of the general nature of the food service and the prices of food to be charged to the children.

Section 10 of the Child Nutrition Act (42 U.S.C. 1778) be amended by eliminating the period at the end thereof and adding the following paragraph:

Provided, however, that such regulations shall be consistent with the Congressional policy as expressed in section 9 of this act.

In an atmosphere of mounting criticism of the effectiveness of the school lunch program. I applaud the establishment in section 16(a) in S. 2548 of a National Advisory Council on Child Nutrition charged with the responsibility of making a continuing study of the operation of programs carried out under the National School Lunch Act, the Child Nutrition Act of 1966, and any related act under which meals are provided for children, with a view to determining how such programs may be improved.

However, the composition of the committee leaves a great deal to be desired. Of its 13 members, one will be a school administrator, a second a State superintendent of schools, a third will be a State school lunch director and five more will be employees of the Department of Agriculture. Thus, eight of the members will have a vested interest in existing programs. The ninth, a school board member, will be beholden to the first eight. The 10th and 11th, a person engaged in either child welfare or vocational education work, respectively, will in all probability be employees of some governmental subdivision. Only two out of the 13, therefore, could possibly come from the private sector which we have asserted represents an enormous potential contribution to the whole school lunch program.

Not only do we think that both of these remaining two members should come mandatorily from the private sector but that the whole composition of the Council ought to be rethought from this point of view.

Mr. Chairman, I can only add in closing that I would certainly add my emphasis to the statements which Dr. Perryman made in stating that we need more nutritional education, not only among adults but certainly in the school system and the preschool area. Headstart, I think, has done a tremendously outstanding job in bringing this whole concept of having us understand from childhood on that we are in effect what we eat, and that nutrition is an important part of our daily lives and our health.

The second thing I would certainly want to underline, having heard Mr. O'Hearn from Boston, is that we are facing a crisis. I have had much contact with Senator McGovern's committee, particularly in reading some of the work which Dr. Arnold Schaeffer of the Department of Health, Education, and Welfare has done for the first time, making nutritional evaluations around the country to determine the state of malnutrition and hunger in this country. As you all know, it is no longer a secret, we do have in this great area of affluence areas in these United States where there is not just malnutrition, which knows no income level, but there is hunger and, in some areas, starvation.

So we certainly applaud the need that is being highlighted by Senator McGovern and do emphasize along with Mr. O'Hearn that this is a crisis and something should be directed to solve it.

I happen to be serving at this point as one of the panel chairmen at the forthcoming White House Conference on Food, Nutrition, and Health. We expect that this whole problem of malnutrition and hunger will be getting national attention when this conference convenes here in Washington December 3, 4, and 5.

Let me close on this somewhat overworn analogy.

Recently, we saw two men walk on the moon. They were placed there by a tremendous effort, which was a joint effort of both the private sector, if you will, the for-profit sector of our economy as well as the nonprofit sector. It was through their coordinated effort that this was able to be done. There was certainly nothing wrong, as we all agreed and apparently as the people who planned this effort felt, in making use of the efforts, the skills, and the responsibilities of the private sector to accomplish that. Our plea here is that you, in the deliberations of your committee, do what you can to change the School Lunch Act so that the resources of American industry in the food business can be used to do something to improve and extend the benefits of the school lunch program, particularly to the 11 million children in this country who now are not reached by it.

At this time, I would be pleased to answer any questions that you may have.

The CHAIRMAN. You stated awhile ago that your association was employed in New Jersey?

Mr. STEPHENS. Yes, our company is employed in New Jersey.

The CHAIRMAN. Was that in school lunch programs?

Mr. STEPHENS. Yes, it is in public school lunch programs and our presence there disqualifies them from the Federal assistance in these programs, but they decided they would rather have us than the Federal aid, because we have been able to reduce their costs and improve the acceptability and student participation.

The CHAIRMAN. How many schools?

Mr. STEPHENS. Twenty schools.

The CHAIRMAN. Are they in large cities?

Mr. STEPHENS. They are in suburban areas, principally.

The CHAIRMAN. What do you do for them?

Mr. STEPHENS. We do everything for them. They give us the keys to the facility. We buy the food, prepare it, serve it, and we account for it.

The CHAIRMAN. You hire all the people?

Mr. STEPHENS. We hire the people, we train them. We hire the people who are there, generally, on the scene.

The CHAIRMAN. And you are contending that it is cheaper for them to do that?

Mr. STEPHENS. In some cases, we have reduced the costs, their previous costs, which include the Federal aid that they received.

In some schools, we are dealing with schools that are in relatively affluent segments of our society in suburban areas, where they are interested in more satisfaction of the student and they are not primarily concerned with the type A lunch. They are concerned with costs and this is a lot different approach than a school superintendent in a ghetto area may be concerned with.

The CHAIRMAN. Well, what is the average cost of a meal produced by your organization in contrast to the average school lunch cost?

Mrs. ROBERTSON. In New Jersey, the cost of a meal is 35 cents in elementary and in secondary, it is 40 cents. The price of our meals do not exceed that. We have no other funds to draw from. We provide the equipment of a class A type meal to the students in those 20 schools within that monetary allowance and returned to all but six schools money over and above what was needed to provide the service. We have the records to document this, sir.

The CHAIRMAN. Do you know what the contribution would have been to those schools that they did not take in order to have you?

You said in your statement, as I understand it, that these schools went on their own.

Mr. STEPHENS. Yes.

Mrs. ROBERTSON. Twenty schools.

The CHAIRMAN. Whatever it was, 20 schools. And they were no longer dependent on what the Government gave them. They preferred to forego that and use you.

Mr. STEPHENS. Yes.

The CHAIRMAN. Do you know what the amount was involved that they gave up?

Mrs. ROBERTSON. The amount of Federal funds?

The CHAIRMAN. Yes, Federal and local funds, in order to have you.

Mrs. ROBERTSON. Senator Ellender, I do not have that, but we have it recorded and I will make it available to you.

The CHAIRMAN. I wish you would, because that would be a good way to make your case. In other words, if these 20 schools were entitled to a certain number of dollars from the Federal Government that they did not get but sought to employ you and that you were able to return funds, I think that would make a good case.

Mr. STEPHENS. I agree with you.

The CHAIRMAN. So if you can present that.

Mr. STEPHENS. I will be glad to submit it to you.

The CHAIRMAN. How long do you think it will take you to do that?
 Mr. STEPHENS. A few days. We have all the information. We do not have it here.

Mrs. ROBERTSON. We can authenticate this with records from the 20 schools, because they have documented their case.

The CHAIRMAN. Now, were these 20 schools within the program, the national school lunch program?

Mrs. ROBERTSON. At one time, they were in the national school lunch program.

The CHAIRMAN. And they were before you took over?

Mrs. ROBERTSON. That is right, and we started actually back in 1949 with the first one and then continued to and at this time, we have 20 schools.

(The information is as follows:)

NEW JERSEY PUBLIC SCHOOL LUNCH PROGRAMS—MANAGED BY, ARA SLATER SCHOOL AND COLLEGE SERVICES

Name of school (1)	Location (2)	Date of opening service (3)	Enrollment 1968-69 (4)	Meal price to students ¹ (5)	Closed ² (6)	Revenue refund ³ (7)	Federal contribution ⁴ (8)
Pascack Hills High School	Montvale, N.J.	Sept. 10, 1964	1,180	\$0.42	×	×	\$41,300
Pascack Valley High School	Hillsdale, N.J.	Jan. 3, 1961	1,280	.42	×	×	44,800
Hoboken High School	Hoboken, N.J.	Mar. 18, 1963	1,425	.35	×	-----	49,875
Long Branch High School	Long Branch, N.J.	Sept. 7, 1962	1,450	.45	×	-----	50,750
Long Branch Junior High School	do	do	1,290	.45	×	-----	45,150
North Bergen High School	North Bergen, N.J.	Nov. 1, 1961	2,380	.45	×	×	83,300
Kawameeh Junior High School	Union, N.J.	Sept. 10, 1956	955	.35	×	×	33,425
Burnet Junior High School	do	do	1,200	.35	×	×	42,000
Union High School	do	Sept. 12, 1949	2,250	.35	×	×	78,750
Hillside Junior High School	Cranford, N.J.	Feb. 15, 1965	1,050	.40	×	×	36,750
Orange Junior High School	do	do	1,060	.40	×	×	37,100
Cranford High School	do	do	950	.40	×	×	33,250
East Paterson Memorial High School	East Paterson, N.J.	Sept. 6, 1967	1,600	.42	×	×	56,000
John F. Kennedy Elementary School	North Bergen, N.J.	Sept. 7, 1966	700	.42	-----	-----	24,500
Benjamin Franklin Elementary School	do	do	630	.42	-----	-----	22,050
Robert Fulton Elementary School	do	do	1,000	.42	-----	-----	35,000
Horace Mann Elementary School	do	do	1,400	.42	-----	-----	49,000
Total			21,800	-----	-----	-----	763,000

¹ Meal is equivalent to type A hot plate and includes bread, butter, and milk.

² In a closed school students are not permitted to leave the school during the lunch period.

³ Revenue refund is the money returned to the school after all costs of operation including the management fee are paid.

⁴ Value of Federal assistance not available to the school in accordance with Department of Agriculture regulations. Basis 0.20 per day per student enrolled, 175 days.

The CHAIRMAN. How do you obtain the funds? From the State or the children?

Mr. STEPHENS. We are paid by the school.

The CHAIRMAN. By the school?

Mr. STEPHENS. Yes; we submit a bill to the school which contains all costs of operation, which they audit, plus our fee. There is no profit in a sense that we have a variable income. We charge the school a fee for providing our professional service and it is either a percentage of costs or, in most cases, a fixed-dollar fee.

The CHAIRMAN. Would you know whether or not these funds come from the same sources, let us say, as the funds to pay teachers?

Mrs. ROBERTSON. The funds come from the students' participation and a small amount of nonfood funds from the State of New Jersey.

The CHAIRMAN. Would you be able to furnish how much came from the children and how much came from the State so that we could have that before us?

Mrs. ROBERTSON. Yes, we can.

The CHAIRMAN. If you will do that, I think it will strengthen your case a good deal. We had Admiral Nunn testifying here yesterday and Mr. Coughlin from the Canteen Corp. Is your association about the same?

Mr. STEPHENS. We are competitors.

The CHAIRMAN. Did you read their record?

Mr. STEPHENS. Yes.

The CHAIRMAN. As I understood them, they said they would not recommend that food be prepared by an association and then, because of sanitary conditions, it would have to be put on—

Mr. STEPHENS. I do not think you can generalize about that. As you may remember, when the McGovern committee recently had hearings at which the Urban League met—

The CHAIRMAN. I remember that very well.

Mr. STEPHENS. We brought you in a lunch and put it there. Now, this is a lunch which is being prepared off premises in a commissary, delivered to downtown Washington to feed some impoverished senior citizens that are brought together under the auspices of the Urban League.

The CHAIRMAN. As I recall, those lunches cost \$2 apiece.

Mr. STEPHENS. That is right.

The CHAIRMAN. And the recipient paid only 25 cents.

Mr. STEPHENS. That is right. That was a prototype program with a Federal grant from HEW to conduct a pilot project. My point is that there are all kinds of food-delivery systems. I would not say that only one system can be used or should be used.

One of the ways in which you are going to reach these 11 million kids who are going to schools where there are no school facilities is to take the food to them. It is possible to do that. It may cost a little more money in some cases. We do not know that, since we have not tried it. We have not been permitted to try. But to reach into those urban ghetto areas with a food-delivery system is not going to be the same kind of system as preparing food for students out in Montgomery County or Baltimore or the more affluent suburban community. The menus may be the same, the food may be the same, the nutritional value may in most cases be the same or better, because you are putting more nutrition in the lunch for the child in the ghetto area, rather than the lunch for the student who is coming from breakfast at home and going home to dinner at night.

The CHAIRMAN. As I recall the testimony before the McGovern committee, there were seven or eight employees of the Federal Government managing this.

Mr. STEPHENS. There were some volunteers from the Urban League and some paid employees hired by the Urban League.

The CHAIRMAN. I mean the one where the cost was \$2 and the recipient paid 25 cents.

Mr. STEPHENS. I think I can clarify that for you. All the cost of the food, the service, packaging, transportation, and server pickup is included in the cost of \$2.

The CHAIRMAN. You mean for the management?

Mr. STEPHENS. Yes; management and everything, complete cost. Distribution, cleanup afterward, everything else. There were on the scene some ladies who were there as volunteers from the Urban League, who were there as hostesses. The whole part of the impact of that program was not simply to provide lunch for these people, but was to bring senior citizens to a point where they could get together and relate to each other, and they had people from the Urban League who assisted in that program. But we did all the work, both before and after the service of lunch.

Mrs. ROBERTSON. Sir, this was one-half of their daily nutritional requirement, rather than one-third of their daily requirement. This was a request placed in the contract by the Urban League.

Mr. STEPHENS. I am not suggesting that that is how you reach 11 million children who are going to schools where there are no food-service facilities. I am suggesting that there are a variety of food-service systems which are used by professional companies that are involved in this as their work and can be adapted to fit these needs. I think we ought to be looking at the use of some of these systems if we are going to get at the solution of some of these problems.

The CHAIRMAN. I agree with you. There are a lot of schools, I know, in large cities where there are hundreds of students, children, and it might be well to plan as you suggest. From the evidence produced so far before the McGovern committee as well as here lately before this committee, you might be able to devise some ways and means of doing what you plan. That is why I suggest that you round out your statement by furnishing the facts about this New Jersey case.

Mr. STEPHENS. We will be glad to do it.

Mrs. ROBERTSON. Senator Ellender, may I add one thing?

In the existing regulations in the Department of Agriculture, there exists a discrimination within our own industry. If we were to provide the meals from our commissary, we could prepare them, package them and distribute them to the loading docks of the school and this is accepted. One of our corporations has the commissary operation. This type of operation is accepted. But at the same time, in the same industry, in the same company, if we were to go in and do the same job on the premises with our people, it is not authorized. I would like to have the Agriculture and Forestry Committee give this some thought.

The CHAIRMAN. That might be a quirk in the law for all I know.

Mrs. ROBERTSON. That is an interpretation of the Department of Agriculture in their regulation. It does not exist in the law.

The CHAIRMAN. I think you said it was left to the Department, to Mr. Hardin, to do it. I think he has authority to permit that if he chooses.

Mr. STEPHENS. That is true.

The CHAIRMAN. That is in the law as I remember.

Mr. STEPHENS. The law does not prohibit the use of a food service contract. It is the interpretation of a law by the administrative official. It was not the intent of the Congress so far as we could determine that this bar be placed on a company like ours. This has been an administrative ruling that has perpetuated for 14 or more years. This is what we think ought to be changed. We think the bars should be taken down and the children in this country should have access to the expertise and

the skills which are in one of the finest industries in the country, the food service industry.

The CHAIRMAN. I presume you would be satisfied with an amendment by the committee.

Mr. STEPHENS. That is what we would like, yes, sir.

Mrs. ROBERTSON. And we will prove our statements.

Mr. STEPHENS. That is right. We will demonstrate what we can do.

The CHAIRMAN. Senator Moss was unable to be here this morning and his statement will be inserted in the record at this point.

STATEMENT OF HON. FRANK E. MOSS, A U.S. SENATOR FROM THE STATE OF UTAH

Mr. Chairman, I appreciate the opportunity of appearing here this morning. I am a cosponsor of S. 2548, the bill introduced by Senator Talmadge to amend the National School Lunch Act and the Child Nutrition Act of 1966, and I commend the committee for moving so swiftly to strengthen and improve the food service programs for children now that we have cleared the comprehensive revision of the food-stamp program through the Senate. We must cover all fronts if we are to combat hunger and malnutrition in this country.

I have long supported the School Lunch Program. It has been a wonderful instrument for improving nutrition for millions of American children. Its enactment in 1946 was one of the legislative milestones of the last twenty-five years. I understand that the Chairman of this Committee (Senator Ellender) was one of the original architects of the program—we owe him a debt of gratitude.

But the time has come, certainly, when we should greatly broaden and strengthen the program—when we should make sure that meals will be offered to all school children in the same manner as public education is offered, without regard to where the student lives or the amount of taxes his parents pay.

Food is an important educational tool. No child can learn as well, or as swiftly, when he is hungry, or when he is undernourished generally.

I will not take the time to list each of the provisions of S. 2548, because I know the committee is thoroughly familiar with them, but I will mention a few which I feel are most important.

The bill prohibits overt identification of children who are unable to pay the full charge asked by the school or the service institution. Why we haven't done this long ago I don't understand. Certainly, the child who cannot pay should not be identified to his class mates.

The bill also provides for advance planning by school administrators by authorizing the appropriation of funds a year in advance of their use. This we must do not only for the school lunch program, but for all other programs which allocate Federal funds to our schools. It is chaos otherwise for our schools—they have no idea whether they can, or cannot, depend on Federal funds in drawing up their budgets.

I like also the provision which makes funds available for the purchase or expansion of equipment for school lunches. This has been needed for a long time.

Probably one of the most controversial of the items in the bill is the one which requires greater state participation in the funding of the school lunch program. It would insure that the state must pay part of the cost of child nutrition out of state revenues, rather than depending entirely on the funds which come from the dimes and nickles the students pay for the lunch themselves.

Let me say that my state of Utah has more than fully matched Federal funds through its School Lunch Law for some time, so this will not mean an immediate change for us. We think it most important that we provide administrative and program funds from a special tax for this purpose. As the program is implemented to reach a higher percent of Utah children the state will provide matching funds as required.

Mr. Chairman, I feel very strongly that all of the children in our country should be involved in school and non-school food programs. The potential benefits are varied and far-reaching. The School Lunch Program not only contributes immeasurably to the nutrition of the children in the community, but has some concomitant values in applied foods knowledge which go back to the homes and communities.

However, it has become evident that there must be more food education in the child-feeding program if we are to achieve our ultimate objectives. We have found that exposing children to a well-balanced meal has not always increased the child's ability to discriminate and choose intelligently the wholesome food that contributes to health throughout life.

The need for all food for health programs to be fostered, coordinated and implemented, as a unit of our public education programs, is obvious. Along with this laboratory for learning, the tie-in with education and learning activities alone will assure a measure of success for both general education and for achievement of effective human nutrition.

I hope that we can expand our child nutrition programs to cover more than just a good noon-time meal each day, but that we can extend the knowledge which will help both them and their families to choose and eat well balanced meals.

Mr. Chairman, I realize the need for fiscal belt tightening to reduce government spending, but I don't believe that the place to start is with children's stomachs. We will receive dividends many fold if we give our young people an opportunity to grow into healthy adults, utilizing their full capabilities as productive citizens.

The CHAIRMAN. Is there anybody else who wants to be heard?
(No response.)

The CHAIRMAN. If not, we will recess until 10 o'clock tomorrow morning.

(Whereupon, at 12:50 p.m. the committee recessed to reconvene at 10 a.m., Wednesday, October 1, 1969.)

SCHOOL LUNCH AND CHILD NUTRITION PROGRAMS

WEDNESDAY, OCTOBER 1, 1969

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

The Committee met, pursuant to recess, at 10 a.m., in room 324, Old Senate Office Building, Hon. Allen J. Ellender (chairman) presiding.

Present: Senators Ellender, Talmadge, Aiken, Young of North Dakota, and Dole.

The CHAIRMAN. The committee will please come to order.

I received a letter from Senator Hansen. I ask that this letter be put into the record, as well as the proposed amendment which he thinks is necessary.

Senator TALMADGE. I have not seen the letter yet.

(The letter referred to follows:)

U.S. SENATE,
Washington, D.C., September 24, 1969.

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

DEAR MR. CHAIRMAN: I understand that amendments to the National School Lunch Act and the Child Nutrition Act of 1966 will come before your committee shortly.

Some of the language of H.R. 515 concerns me, as I believe it would have an extremely detrimental effect on the State of Wyoming, as well as other states.

The phrase "state tax revenues," as used on page 3, line 16, and page 3, line 25 of H.R. 515 could be interpreted so as to limit to *tax* revenues the funds that would be available for matching purposes.

In Wyoming, much of the funding of education is through interest and land income payments. These are not "state tax revenues", but rather merely "state revenues".

I have submitted an amendment to your committee, a copy of which is enclosed, concerning this provision of H.R. 515.

Senator Talmadge's bill, S. 2548, is very similar to H.R. 515, except that S. 2548 refers to "state revenues", rather than "state tax revenues".

I would respectfully request that, when your committee reports either H.R. 515 or S. 2548, the phrase "state revenues" be included in lieu of "state tax revenues".

Thank you for your consideration.

With kind regards,

Sincerely,

CLIFFORD P. HANSEN,
U.S. Senator.

[H.R. 515, 91st Cong., first sess.]

AMENDMENTS Intended to be proposed by Mr. Hansen to H.R. 515, an Act to amend the National School Lunch Act and the Child Nutrition Act of 1966 to clarify responsibilities related to providing free and reduced-price meals and preventing discrimination against children, to revise program matching requirements, to strengthen the nutrition training and education benefits of the programs, and otherwise to strengthen the food service programs for children in schools and service institutions,

viz: On page 3, line 16, strike out "State tax revenues" and insert in lieu thereof "State revenues".

On page 3, line 25, strike out "State tax revenues" and insert in lieu thereof "State revenues".

The CHAIRMAN. There is also a statement by Senator Nelson of Wisconsin, a letter from Mr. McLain, legislative director of the American Farm Bureau Federation, and a telegram addressed to Senator Cotton. They will be inserted in the record at this point.

(The documents referred to follow:)

STATEMENT OF HON. GAYLORD NELSON, A UNITED STATES SENATOR FROM
THE STATE OF WISCONSIN

Mr. Chairman, I appreciate this opportunity to present this statement in support of S. 2152, a bill to enable our nation's school children to receive top priority for surplus dairy products.

This legislation would assure that the National School Lunch Program receives first call in the distribution of butter, cheese, dry milk and other dairy products obtained by the U.S. Department of Agriculture through price support programs.

It has been deeply disturbing that our current food distribution programs are failing to reach those people with the greatest need.

A prime example is the present National School Lunch Program which is available to only 19 million of the 51 million American children attending public schools today.

A more shocking fact is that the poor child who needs a free or reduced price school lunch the most is not getting it today. While some two million needy children are now receiving lunches free or at a token price, nearly that many more who qualify for a free lunch are not presently being reached.

By using dairy products as the foundation for expanded lunch and snack programs, this unfortunate gap could be closed.

Currently, surplus dairy commodities held by the Department are initially earmarked for domestic commercial trade or foreign export at competitive prices. They are only available for the School Lunch program after these distribution channels are exhausted.

S. 2152 would also enable the Department to purchase dairy products at market prices from regular commercial sources when surpluses on hand do not meet the full needs of the School Lunch Program.

Dairy products form the nutritional foundation of our National School Lunch Program. With the enactment of this legislation, we will give the health and well-being of millions of American children top priority in the fight to eliminate hunger from our land.

One of the best possible investments which can be made of the surpluses held by the Department of Agriculture is to take them out of the warehouses and use them to build a strong and healthy new generation, well-nourished and ready to learn.

Although milk and dairy products have been generally available for school lunch programs, conditions do arise which threaten to cut off the supply of dairy products and serve to point up the need for this corrective legislation.

The present legislative authority for the disposal of dairy products acquired by the Department's Commodity Credit Corporation in connection with the price support programs is found in section 416 of the Agricultural Act of 1949, which was amended by Public Law 480.

This section permits stocks of food in the hands of CCC which cannot be sold back to the domestic commercial trade or exported at competitive world prices to be used for school lunch, domestic relief programs, and charitable institutions. They can also be bartered for strategic materials and products not produced in the United States. If not needed for these purposes, they can be disposed of for foreign relief.

Thus, there are certain priorities for their use. In general, the first priority is domestic or export sales; the second is domestic relief and school lunch; and the third is foreign relief.

This creates a problem when CCC stocks of dairy products are lower than usual. The Department of Agriculture has taken the position that stocks on hand might be commercially sold domestically or exported, with not enough left to meet the needs for domestic relief. Consequently, the agency has restricted the

use of dairy products in domestic relief programs, and there was very real concern that the use of dairy products in the school lunch program might also be affected.

This situation is likely to become more serious as production of milk and dairy products more nearly approaches demand.

This legislation would correct this possibility by permitting the needs of the school lunch program to be met first from the Department's surpluses.

WASHINGTON, D.C., September 25, 1969.

HON. ALLEN J. ELLENDER,
Chairman, Senate Agriculture and Forestry Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR ELLENDER: We are taking this means of expressing views of the American Farm Bureau Federation on legislation now before your Committee relative to the school lunch program.

Farm Bureau for many years has maintained an active interest in efforts to provide school children with wholesome and nutritious meals while away from home. Farm Bureau supported the school lunch legislation in 1946, and has continued to support the program since that time.

Voting delegates to the most recent annual meeting of the Farm Bureau adopted a statement of policy calling for continuation of the program as follows:

"The national school lunch and special milk programs have proved beneficial to school children. The programs have helped to establish proper dietary habits among our young people. We recommend their continuation. Only domestic food should be used for this purpose.

"It is important that the general public understand that the chief beneficiaries of the national school lunch and special milk programs are school children."

We respectfully request that this letter be made a part of the record of the hearing on S. 2548 and other legislation considered during the Committee's hearing of September 29.

Sincerely yours,

MARVIN L. MCLAIN,
Legislative Director, American Farm Bureau Federation.

CONCORD, N.H., April 11, 1969.

Senator NORRIS COTTON,
Washington, D.C.:

We urge you to vote against H.R. 515 section 2(B) in its present form. As you know our general court is having extreme difficulty in completing a budget for the next biennium. Most deliberations now over. It would be extremely difficult or impossible to obtain State matching funds for 1970-71 at this late date. Requirements for State matching should be deleted or at least postponed until 1971-72. Present bill could force our withdrawal from national school lunch program.

NEWELL J. PAIRE,
Commissioner, Department of Education.

The CHAIRMAN. Here is a statement by former Congressman Biemiller, director of the department of legislation of the American Federation of Labor and Congress of Industrial Organizations.

(The statement referred to follows:)

STATEMENT OF ANDREW J. BIEMILLER

Mr. Chairman, the AFL-CIO representing as it does 13½ million American workers and millions more members of their families, has strongly supported the programs authorized by the National School Lunch Act and the Child Nutrition Act. But our support, as enthusiastic and consistent as it has been, has not blinded us to the shortcomings of the Acts and the need for reforms to make them more effective instruments for providing nutritious meals for young Americans.

We recognize that there are literally millions of children in our nation—many of them from needy families—who are not participating in school feeding programs. This is true, unfortunately, in all parts of the country.

Hunger in this most affluent of all nations is unconscionable. But when the hungry are children, it is even more deplorable. We are pleased with the current legislative attack on a part of the problem, exemplified in the Senate passage last week of a very meaningful food stamp reform bill. But the passage of an improved, more comprehensive food stamp program will not alone solve the problem. We must complement that action with equally meaningful and comprehensive legislation to improve school feeding programs and bring their benefits to more school children—particularly those from low-income, needy families.

We supported H.R. 515 and H.R. 11651 when they were before the House of Representatives. We recognized in supporting them that they proposed a number of needed improvements in our child feeding programs. But we also recognized that more would be required in the way of legislative authority and appropriations to bring the benefits of the programs to all who need and are entitled to them.

Mr. Chairman, we are pleased to submit for the hearing record this statement in support of S. 2548, sponsored by Senator Talmadge and seven of his colleagues. We wish to commend Senator Talmadge and the other sponsors for the leadership they are providing in the effort to expand the school lunch program so that it will reach more American youngsters. The bill, if enacted as we hope it will be, will not be the last word on the school lunch program. More will be needed to make the program the effective nutritional instrument we all hope it will one day be. But S. 2548 is a comprehensive measure which addresses itself to a number of the shortcomings of child feeding programs as they now exist—the least of which has been the lack of adequate funding.

The provisions for advance funding, the emphasis of the bill on feeding more needy children, the effort to bring state revenue into the funding picture in a more meaningful way, the authorization of greater assistance in the purchase of food service equipment and operating expenses incurred in obtaining, preparing and serving food, the proposal for a National Advisory Council on Child Nutrition—these as well as other forward-looking provisions in S. 2548 combine to make it a measure which ought to command broad support in the Congress and assure its prompt enactment.

It is not our intention to summarize the provisions of S. 2548 in detail. The members of your subcommittee are well aware of them. We simply wish to express our strong endorsement of the bill and to urge favorable action upon it. We appreciate this opportunity, Mr. Chairman, to reiterate our support for legislative efforts to strengthen our federal child feeding programs which are so vital to the national goal of eliminating hunger and malnutrition in our country.

The CHAIRMAN. We will place in the record a letter addressed to me by Governor Mandel of the State of Maryland.

(The letter referred to follows:)

EXECUTIVE DEPARTMENT,
Annapolis, Md.

Hon. ALLEN J. ELLENDER,
Chairman, Senate Agriculture Committee,
245 Old Senate Office Building,
Washington, D.C.

DEAR SENATOR ELLENDER: On July 21 the House of Representatives gave almost unanimous approval to HR 11651, a bill to amend the National School Lunch Act which is now pending before the Senate Committee on Agriculture.

This measure would make available an additional \$100,000,000 for lunch programs for needy school children and would permit the addition of 1,000,000 children to existing programs. Its passage is vital to the State of Maryland.

It is my hope that your committee will give early consideration to this matter which is so necessary to the health of millions of American school children who are not now being adequately fed. I know that you have been an outstanding leader in this area for more than three decades in the United States Senate. It is for this reason that I am making this personal appeal to you.

With every best wish, I am

Yours sincerely,

MARVIN MANDEL.

The CHAIRMAN. Is Mr. Devlin here?
Come forward, please.

**STATEMENT OF GERARD F. DEVLIN, NATIONAL RELATIONS
OFFICER, STATE OF MARYLAND**

Mr. DEVLIN. My name is Gerard F. Devlin and I am here representing Governor Marvin Mandel of Maryland and the Governor's Commission of Childhood Nutrition, of which I am a member. Governor Mandel shares the deep concern of members of this committee on the problem of malnutrition and especially malnutrition among our school children. We would like to commend the very distinguished junior Senator from the State of Georgia, the Honorable Herman E. Talmadge for his sponsorship of Senate bill 2548 and his commitment to the concept that no child who comes to school hungry will go home hungry.

I would like to thank you, Mr. Chairman, for your promptness in scheduling hearings on pending bills to amend the School Lunch Act.

Mr. Chairman, statistically speaking, Maryland is perhaps the most typical American State. We rank near the middle of the 50 States in population, in per capita income, in poverty. We are a State with a great industrial base, but also a great agricultural State. We are part of the industrial Northeast, part of the rural South and three counties in Maryland are part of Appalachia.

I point this out, Mr. Chairman, in order to show that Maryland's problems are similar to those of the other 49 States. A close look at hunger in the State of Maryland shows a truly appalling picture, but it is rivaled by conditions in other parts of the United States.

Mr. Chairman, earlier this year Weldon Wallace of the Baltimore Sun wrote a four-part series on hunger in the City of Baltimore. With your consent, Mr. Chairman, I would like to have this series made a part of the permanent record of this committee, in order that all Members of the Senate and all persons interested in malnutrition may look at this factual report of conditions in a large American city.

The CHAIRMAN. Without objection, this will be filed for the use of the members of the committee.

(The series referred to may be found in the files of the committee.)

Mr. DEVLIN. Thank you.

Mr. Wallace points out that the problem of malnutrition in parts of Baltimore is worse than that in some of the so-called "underdeveloped" nations. For example, Mr. Wallace cites a study conducted by Dr. Ray Hepner, who heads the Community Pediatrics Center at the University of Maryland's Medical School. Dr. Hepner, who is also chairman of Governor Mandel's Commission on Childhood Malnutrition, notes that a study which he made of children below school age in Baltimore and in poverty-ridden West Pakistan indicates that iron-deficiency anemia is twice as prevalent among children in Baltimore's inner city as among children in the poorest areas of West Pakistan.

In similar nutrition studies, vitamin A deficiency was found to be far more severe in the poorer parts of the city of Baltimore than it was in Ethiopia. The normal value of vitamin A level in blood serum is considered 37 micrograms per 100 mm. For Ethiopian children, the range is 31 to 50. For inner city Baltimore children, it is 19 to 38. Among 4- and 5-year-olds examined by the Community Pediatrics Center at the University of Maryland, 16 percent had a vitamin A

level below 15 micrograms, less than half the normal. This record is no better than the situation in Thailand and South Vietnam.

Dr. Hepner's investigations also pointed out that among Baltimore inner city children between the ages of 5 and 15 years, 23 percent got less vitamin A than the required daily allowance.

Mr. Chairman, without going on at length, I think that we in Maryland concur with the very accurate appraisal of the effects of malnutrition made by the distinguished Senator from Georgia on the floor of the Senate on July 7, 1969. He said then that "An improper diet in the formative years has resulted in mental retardation, individual lack of energy and initiative in unknown segments of our adult population. The most tragic aspect of this problem is that many of those deprived adults are producing offspring who must endure the same unfortunate cycle of poverty."

I think our experience in Maryland and the studies conducted by Dr. Hepner and others have underscored the accuracy of the Senator's remarks—and I might add—the human tragedy that goes with the repetition of the poverty cycle. Mr. Chairman, in Maryland we are at this time taking dynamic action to alleviate childhood malnutrition. For example, within the past month the Governor has allocated \$1,200,000 to serve 40,500 additional needy children free, or reduced-price meals each day. Further, the Governor has indicated his willingness to recommend additional funds to alleviate this problem.

It has been estimated that there are 90,000 children in need of free or reduced-rate lunches in the State of Maryland. About half of this number are to be found in Baltimore, and the other half in the 23 counties outside of the city. At this time the House Committee on Appropriations is considering the appropriation bills adopted by the House and Senate which include funds for school lunch programs. With these funds, and the supplemental funds made available by Governor Mandel, we still would not have enough money to solve the problem and to feed the 90,000 Maryland children who need free or reduced-rate lunches each day of the school year. It is for this reason that Governor Mandel earlier announced his strong support of H.R. 11651, a bill which would make available \$100 million in additional funds in the present fiscal year, of which Maryland's share would amount to something between \$1.9 and \$2 million.

Governor Mandel urged the members of the Maryland House delegation to give their full support to this emergency measure when it was considered under suspension of rules in the other body. I am happy to report that the Maryland delegation, four of whom are Democrats and four of whom are Republicans, supported this measure unanimously, indicating the fact that hunger is no longer a partisan issue.

Funds along this order are desperately needed, and it is our hope that this great committee will authorize the expenditure of at least the amount of money contained in H.R. 11651.

Mr. Chairman, there are so many other witnesses who have testified upon this same subject that I shall not take the time of this great committee further. I would like to thank you, Mr. Chairman, for your deep and personal interest in this subject, an interest which extends back more than three decades, and Senator Talmadge for his deep and humane interest in the well-being of American schoolchildren. It is my hope, and the hope of Governor Mandel, whom I represent today,

that we can authorize funds to assist the States in providing proper nutrition for our schoolchildren. I commend this committee for its energy and its diligence.

Thank you.

The CHAIRMAN. Mr. Devlin, as you know, in the past, what prevented many States from participating was the money that they had to raise in order to make the program possible. Now, the committee is going to try to work out some plan whereby it would be obligatory for the States to put in a larger proportion. What that proportion is, I do not know as yet. Senator Talmadge, under his formula, has suggested from 10 up to 50 percent of a reduced State and local matching requirement. Then a bill that the administration has more or less endorsed was House bill 515, in which the States would have to furnish from two to as much as 10 percent of the current State and local matching requirement. Do you think the State will go along with that?

Mr. DEVLIN. Mr. Chairman, I might say in behalf of Governor Mandel, there is no problem in Maryland, which has greater priority than this one. The State of Maryland, both the Governor and I am sure the general assembly, are prepared to take any steps necessary to alleviate this problem.

The CHAIRMAN. How long has Maryland had this program, do you know?

Mr. DEVLIN. I do not know, sir.

The CHAIRMAN. Any further questions?

Senator YOUNG. Yes.

Your statement is a severe indictment of the conditions in Maryland when you say it is as bad as or worse than Thailand, Vietnam and Ethiopia.

Mr. DEVLIN. That is correct.

Senator YOUNG. I cannot understand how the State of Maryland let this situation occur. We have not in North Dakota. We spend a lot of money to help our people and we have no such situation in my State.

Mr. DEVLIN. I congratulate the Senator from North Dakota and the Government of North Dakota. In Maryland, we have a new Governor, as I think all Americans are aware. Governor Mandel has decided not to gloss over this situation as some would have him do. Some Members of Congress who have spoken out about hunger in their own States have been criticized, some feel that should all cover up this problem and pretend it does not exist. The Senator from South Carolina, the Senator from Virginia and Governor Mandel and some other forthright political leaders tell it like it is, and it is ghastly, Senator.

Senator AIKEN. I think both sides have exaggerated in order to make their point. But do you think the school lunch program would be administered better if it were done by commercial caterers?

Mr. DEVLIN. I think in some areas this could be better.

Senator AIKEN. Should that be left to the community itself and not be a Federal policy?

Mr. DEVLIN. Right. There are different policies in different areas. In the city of Baltimore, for example, we have 60 schools with no facilities for serving hot lunches. The city of Boston, I believe, has no

elementary schools with facilities for serving hot lunches. In Prince Georges County in the Washington suburbs every school has such facilities. So I think you can see that even within a State it differs so much.

Senator AIKEN. You would continue to give these lunches, breakfasts, and so forth, throughout the year, not just when there is school?

Mr. DEVLIN. The easiest way to solve the problem is using the school as a vehicle, but the Senator knows and I know that we have to go beyond this.

The problem of the preschool child, which I alluded to earlier indicates the effect of preschool malnutrition. I do not know what we are going to do in that area.

Senator AIKEN. That is all.

Senator TALMADGE. I have no questions, Mr. Chairman. I do want to thank Mr. Devlin for his fine statement and thank him for his personal reference.

Senator AIKEN. I would like to thank him for referring to us as a great committee. It has been a long time since anyone paid us that compliment, I think.

The CHAIRMAN. All right, the next witness is Mr. Reuben L. Johnson, director of legislative services, National Farmers Union.

Permission will be granted for him to file his statement.

(The statement referred to follows:)

STATEMENT OF REUBEN L. JOHNSON

Mr. Chairman and Members of the Committee: H.R. 515 and H.R. 11651 were supported by Farmers Union as they passed the House of Representatives on March 24, 1969 and July 22, 1969, respectively.

H.R. 515 amends the National School Lunch and Child Nutrition Acts of 1966 to clarify responsibilities related to providing free and reduced-price meals and to prevent discrimination against children. It revises program matching requirements to strengthen the nutrition training and education benefits of the programs, and otherwise strengthens the food service programs for children in schools and service institutions. H.R. 11651 provides for the transfer of \$100 million in Sec. 32 funds to children feeding programs.

We urge the Committee to give its approval to provisions of these two bills.

S. 2548 strengthens both the National School Lunch and the Child Nutrition Acts of 1966. And, importantly, it authorizes advance appropriations. The provisions of S. 2548 are fully consistent with the need to give special assistance to low income schools and needy children. It establishes a schedule of funding in the area of non-food assistance which we think is essential in helping schools now without a school lunch program to buy the equipment needed for the beginning of such a program. We urge the Committee to approve S. 2548.

S. 2152 would give priority to the National School Lunch Program in the distribution of butter, cheese, dried milk and other dairy products acquired by the United States Department of Agriculture in supporting prices to dairy producers.

Surplus dairy commodities held by the Department are initially earmarked for domestic commercial trade or foreign export at competitive prices. They are only available for the School Lunch Program after these distribution channels are exhausted. S. 2152 would also enable the Department to purchase dairy products at market prices from regular commercial sources when surpluses on hand do not meet the full needs of the School Lunch Program.

We urge the Committee to approve the provisions of S. 2152.

S. 644 provides authority for continuing to operate a Special Milk Program. Authority for this program expires June 30, 1970.

We strongly urge approval of this legislation. The Congress is to be commended for the funding of the special milk program for fiscal 1970 at a level substantially above that requested by the Administration. We are hopeful that the Senate-approved appropriation of \$120 million will be agreed upon when the conferees meet on the Agricultural Appropriations bill.

Mr. Chairman, we strongly concur with regulations of the Department of Agriculture in operating school lunch programs that have rejected wide-scale employment of food service contractors.

We can see where some few school administrators might yield to the high pressure sales line—a sample of which this Committee was given in the course of hearings this week by a representative of the National Restaurant Association. But we believe that the School Lunch Program should be under the direct control of school administrators and their employees.

The regulations of the Department of Agriculture in administering the School Lunch Program does not penalize schools that enter into a contract with a food service company to buy prepared foods. The Department of Agriculture has also seen fit in unusual circumstances to permit the employment of food service contractors in certain areas. To go beyond this, however, we believe would detract in a major way from the school-connected lunch and other feeding programs. Administration witnesses of this and previous administrations have repeatedly referred to the need for better nutritional education.

A school lunch program operated merely for the purpose of providing bodily food needs on a day-to-day basis falls far short of measuring up to the desired standards and goals. The aim is and should continue to be to teach good eating habits and an understanding of nutritional values that will go with a child for all of his or her life. An effectively administered School Lunch Program is as much a part of the school curriculum as the three "Rs".

Food service contractors have no interest in building good eating habits. They are much more likely to serve so-called "junk" foods that however popular they may be with the children, do not measure up to nutritional standards sought by the Department of Agriculture.

For these reasons, we urge the Committee to reject the recommendations of the National Restaurant Association.

The CHAIRMAN. Mr. Graham?

STATEMENT OF HARRY L. GRAHAM, LEGISLATIVE REPRESENTATIVE, NATIONAL FARMERS ORGANIZATION

Mr. GRAHAM. Mr. Chairman, members of the committee, the Senator from Vermont has noted that I am not with the Grange any more. This has been so for some time now.

Without going into all the details of the statement, Mr. Chairman—I am sure it will be filed anyway—let me make some comments on it and you can ask me what questions you want to and I am sure it will save some time, yours and my own, and yours is more valuable than mine.

We have noted that inadequate diet is not the special problems of children in the poorer areas. There is adequate evidence that a lot of the children from the middle and upper classes do not have adequate diets, not from lack of money but from lack of judgment, apparently, on the way to spend their money. The problem of high school kids, if they are all like mine, is that their diet consists of hamburgers, french fries, and cokes, if they get a chance to exercise their own judgment. It is good, but hardly an adequate diet.

The school lunch program has filled a great need. There is no question in anybody's mind on this.

Senator AIKEN. You would give them some milk, too, would you not?

Mr. GRAHAM. Yes, I have included this. I would prefer milk to coke for my children.

We have looked at as carefully as we could, without going into great detail, the bills that are before the committee and have noted that the bills that come from the House of Representatives are an

improvement over previous legislation. But we have also noted in our judgment that the bill presented by Senator Talmadge is a more inclusive one and a bill which would solve some problems which remain in the other two bills that came from the other body. I think it is especially pertinent, this reduction in the matching shares from the 3-to-1 to a 1-to-1 basis.

This provision that prohibits any overt identification of any child receiving free food is one that we have not only needed, but we have needed to have enforced. There are too many cases of poor children who do not share in a school lunch program because they are embarrassed to. They do not lack feeling just because they happen to be poor. A child is especially receptive to this kind of thing. His parents may be able to ignore it, but a 6-year-old child may take quite a beating psychologically.

Senator AIKEN. That is true of the food stamp program, too.

Mr. GRAHAM. Yes, it is a question of real embarrassment.

We like the provision in Senator Talmadge's bill for upping the authorization to the \$300 million that it calls for in 1972. I am suspicious that we will need to go even further than this when the time comes, but at least this is an improvement. I do not think we can tell yet where we are going to level off in these programs. This is something we are going to experience as we go along. We have all seen the necessity of some breakfast in many areas. You know, there are some rural areas that could stand some breakfasts, too, when they have children that ride buses for 1 or 2 hours in the morning before they get to school. By the time they get to school, they are hungry again if they had even time left to eat when they get there.

One section which we would suggest a change on is the Advisory Council. We note that there is no representation of the general public in these suggestions and we would suggest that some people representing the general public, including some farm leaders and some recognized nutritional authorities outside of the Department of Agriculture and educational personnel, might serve to strengthen such a council. It might make it a little bigger, but a 15-member council is not unwieldy and I do not think a 20-member one would be, also.

We have approved the inclusion of the amendment by Senator Nelson, which takes care of the priority for dairy production, Senator. We think this is an improvement over previous legislation and urge its adoption.

(The prepared statement of Mr. Graham follows:)

The National Farmers Organization is an association of farmers which is engaged in collective bargaining in an effort to improve farm income.

We accomplish our marketing objectives by blocking together enough production in any commodity to enable us to have some influence on the market.

The policy of the organization is to support the family-size owner-operator farms both because they represent the greatest economic efficiency and the maximum social and political stability which is essential for the welfare of our nation.

We therefore support legislation which will accomplish our economic, social and political goals, and we oppose those acts which contribute to the weakening of our desirable and essential objectives.

Most inadequate diets are not confined to children in the so-called poverty areas but all available information we have indicates that even the children from the more prosperous segments of our economy need and benefit greatly from a warm and nutritious meal served at midday.

We are therefore interested in the legislation pending before this committee in the form of H.R. 515 and H.R. 11651 which have previously been passed

by the House of Representatives. In H.R. 515 we have noted particularly the section on appropriation and matching, the one on nutrition, training and education, the inclusion of the trust territories provision for equipment rental, for state administrative expenses, additional regulation and coordination of effort between the Secretary of Agriculture and the Secretary of Health, Education and Welfare.

H.R. 11651 provides temporary emergency assistance to provide nutritious meals to children in school and in other group activities outside of school. Both of these pieces of legislation passed by the other body are an improvement over the previous legislation.

However, in our judgment, we would prefer the bill introduced in the Senate by the distinguished Senator from Georgia Mr. Talmadge, S. 2548, which is also before this committee. We had previously noted with approval his increasing concern with the problem of food nutrition and this bill is evidence of dedication which has always come from him when he has the information which was necessary to formulate an intelligent legislative suggestion.

It would seem to us that it is especially appropriate at this time when the several States are under such heavy financial pressure that provision should be made for reducing the matching requirements of the States. We note with approval that S. 2548 has done this by reducing the requirements from \$3.00 to each \$1.00 federal funds to an equal share with the federal funds.

We note also that in this same general area that provisions have been made providing for some additional State administrative expenses.

We like the provision that prohibits any overt identification of any child receiving free food from this program by special tokens or tickets, announced or published lists of names, or other means. The use of these means if identification of unfortunate children has precluded their use of these programs in the past and is self-defeating as far as the purposes of the Act are concerned.

The most important provision, in our judgment, is provided in Section 7 where the amount to be authorized is set at \$200 million for the fiscal year ending June 30, 1970, for an additional \$50 million for each of the fiscal year ending June 30, 1972. This is a considerably more realistic figure than we had previously used and it may even require additional authorizations in the future. If it does, the N.F.O. will support it. We simply do not believe that our nation and its interests are best served by the failure to do what we can to insure that as far as it is within our power, all children be provided with an adequate diet.

The rest of Section 7 provided for an emergency authority where there is special need.

Section 8 with its regulations, appears to be a desirable clarification of the existing regulations. Section 9 provides for research and training, for nutrition specialists and for a National Advisory Council.

We would approve all these suggestions except we would respectfully submit to the Committee that the Advisory Council might be strengthened by the inclusion of additional people representing the general public, including some farm leaders and some recognized nutritional authorities outside the Department of Agriculture and Educational personnel. This would necessitate a bit larger Advisory Committee but we feel that this would improve the image and the administration of this very desirable program.

We would also approve the inclusion of the Trust Territories of the Pacific Islands under the provisions of this act.

The N.F.O. would commend this committee for its diligence in the past as it approached this problem, and we sincerely urge the passage of S. 2548 without any crippling amendments to it.

We would also approve as an amendment to the bill the inclusion of S. 2152 by the distinguished Senator from Wisconsin, Mr. Nelson. This provides for the priority use of dairy products in these programs without regard to the possibility of domestic or export sales.

Mr. Chairman and members of the committee, the National Farmers Organization appreciates the privilege of appearing before this distinguished committee today and we earnestly urge your approval of this legislation.

The CHAIRMAN. Any questions?

Senator YOUNG. What could be done about schools where they elect not to serve a school lunch? Is there anything that can be done about that?

Mr. GRAHAM. I think that is a stickier question than even that problem of food or food stamps. You can get around food stamps or food distribution by having somebody else do it. But how the Federal Government or the State government can go in and put a feeding program in a school or a district that is fairly autonomous is a pretty difficult question to answer, unless it is just public pressure.

Senator YOUNG. You mention one need that few realize, and that is of farm children being bussed a long way to consolidated schools. Some of those children might ride perhaps an hour and a half or even longer to school in the morning and back at night. They oftentimes are hungry when they get there.

Mr. GRAHAM. Well, they leave before an ordinary breakfast time, before it is light, even. A lot of these children are leaving home in the wintertime when it is dead dark.

Senator YOUNG. That is all.

The CHAIRMAN. Any further questions?

(No response.)

The CHAIRMAN. Thank you very much, Mr. Graham.

Senator Javits?

STATEMENT OF HON. JACOB K. JAVITS, A U.S. SENATOR FROM THE STATE OF NEW YORK

Senator JAVITS. Mr. Chairman, I am grateful to the committee for hearing me. I promise to take no more than 5 minutes and request that my prepared statement be submitted for the record at the conclusion of my remarks.

Senator Talmadge's bill on improving the school lunch program is an admirable bill and I am here to support it if my voice can help. I would like to suggest to the committee, and to Senator Talmadge, a few points which I think are worthy of consideration based upon our work on the Select Committee on Nutrition and Human Needs—Hunger Committee—of which both Senator Ellender and Senate Talmadge are members. They are also responsive to some of the experience in my own State which may be of some use to the committee.

I will introduce today a bill, the Child Nutrition Act of 1969. I hope Senator Talmadge and the committee will consider carefully some of the bill's key provisions and will find them desirable for incorporation in Senator Talmadge's bill as amendments. I would like to emphasize, especially, that I want nothing that I say, in any way, to derogate from my interest in the excellent, high-minded, and statesmanlike approach which is taken in Senator Talmadge's bill.

I have five points which I would like to leave with the committee:

1. NATIONAL ELIGIBILITY STANDARDS

There is a need to establish national eligibility standards to determine which children should get free or reduced price meals. The approach which I recommend and urge upon the committee is to establish national eligibility standards which require the furnishing of free or reduced price meals to any child who is a member of any household which, (A) is eligible to participate in any Federal food assistance

program, or (B) has an annual income equivalent to or less than \$4,000 for a household of four persons.

I base this recommendation on the theory that if the family is entitled to food assistance at home, then certainly, the child, as an element of the family, should be entitled to receive food assistance in the form of a meal in school, preschool and nonschool programs. Hence, we establish the same standards of qualification for child feeding programs as we do for family feeding programs. A detailed explanation and further reason for my recommendation are contained in my prepared testimony.

2. AUTHORIZATIONS

There is also a need for a more ample provision in terms of authorizations for expenditure in respect to the school lunch program. It is a regrettable fact—and this is shown on so authoritative a level as the committee on food and nutrition of the Urban Affairs Council, which consists of the Secretaries of Agriculture, HEW, and Commerce—that, although 19 million children participate in the school lunch program, less than one-half of the children from families with poverty level incomes receive a free or reduced-price lunch.

I would like to point out that in my State of New York where there is a daily average participation rate of 1½ million children in the school lunch program, which is not very large, free and reduced-price meals are made available to approximately 400,000 of the 1½ million. Even in my own State, where the State is already using its own revenues to supplement the Federal program, the estimate of the needy who are not reached is approximately 500,000. So it is not a situation in which we are pointing an accusing finger at others. We ourselves are under the same disability.

3. PRIVATE FOOD SERVICE CONCERNS

Mr. Chairman, I would like to leave with the committee a very interesting concept developed by the minority staff on the Select Committee on Nutrition and Human Needs (Hunger Committee). It relates to the use of the most advanced techniques, especially private food companies, to cater or manage school, preschool, or nonschool, feeding programs. I would like to recommend that the committee consider this concept and determine whether this is a feasible alternative to add to the pending legislation in specific terms. Senator Talmadge's bill recognizes that, in many cases, feeding facilities and equipment are either inadequate or do not exist. But my own, and our committee's, inspection has indicated that, in many cases, there could be no facilities; there is just no room for them or there is no place to put them and remain in compliance with fire and other laws. Also, facilities might be more expensive than endeavoring to use the most modern factory-feeding techniques, where food is brought, for example, hot to the school and the whole process is done by contract. Schools do not have to set up commissaries or organizations for the purpose of preparation. I would strongly urge the committee to consider whether, as an alternate in writing the legislation, as an alternate to providing for equipment, they might provide for what we call in the housing field a performance standard; that is, whether by contract the same performance could not be achieved at the point of feeding with the use

of private enterprise as is done by use of school facilities and equipment. Mr. Chairman, I think this is the most important aspect of what I am proposing in the sense that it is innovative and very much in line with my own experience. As you all know, I have made almost a career of the effort to bring private enterprise into all phases of Government operation. I think this is a peculiarly important area.

I have met personally with representatives of the Nation's major food companies and there is an extraordinary spirit and desire to fit into this program, to work in it and to cooperate. I do not think, because Government contracts are not all that profitable, it is attributable to cupidity or anything of this sort. I really believe that there is a general feeling that foods can be advertised, for example, that their use by families can be encouraged, and that the companies are willing to cooperate to the fullest extent with Government in these fields. If this is not so, then certainly they do not have to get the contracts. However, I am confident of their cooperative and willing disposition in this area.

4. CONCERN WITH MEALS

Mr. Chairman there is a need, which we all know, for dealing with all meals rather than just lunches alone. The breakfast program, for example, is in the embryonic stages in respect to the lunch program, and yet it is a critically important aspect of our child feeding programs which must be expanded. The same applies to the Vanik program (nonschool feeding) and meals under Headstart. I would hope that the committee would deal with the performance standard of all meals, whenever they may be served—breakfast, lunch, or snacks—and to make certain that all meals meet the overall nutritional needs of the needy child, rather than strictly dealing with school lunch alone.

5. UNIFORM ALLOCATION OF FUNDS

Mr. Chairman, I find a considerable lack of uniformity among States in allocating money to schools and school districts for free and reduced-price meals. I urge the committee to give authority which will endeavor to bring about a sense of uniformity and greater fairness on the national level to individual districts and schools. A national standard would consider the experience of other States. I find that the current procedure among the States is quite a maze and in many cases work out quite unjustly, not because anybody wishes it so, but unwittingly because of sloppy administration, lack of experience, lack of knowledge of other States' procedures, or local pressures.

Those are my points, Mr. Chairman. I thank you very much.
(The prepared statement of Senator Javits follows:)

Mr. Chairman: Last Wednesday, the Senate passed a comprehensive and far-reaching food stamp bill. As one of the original nine sponsors of the substitute bill which the Senate passed, I am both pleased and gratified with this forward-looking action. Even though the food stamp bill will go a long way toward fighting hunger and malnutrition in this nation, we still must move forward on the other fronts of food assistance if we are to completely eliminate this problem from our midst.

It is for this reason that I will introduce today the Child Nutrition Act of 1969, a bill designed to bring more food and adequate nutrition to millions more children who live in poverty. Briefly, my bill would do the following:

(1) Establish national eligibility standards which require the furnishing of free or reduced price *meals* to any child who is a member of any household which, (A) is eligible to participate in *any* Federal food assistance program, or (B) has an annual income equivalent to or less than \$4,000 for a household of four persons;

(2) Give the Secretary of Health, Education and Welfare a consultative-evaluative role in child feeding programs;

(3) Require uniform standards and procedures for the allocation of funds to schools and school districts from the states under child feeding programs to insure maximum participation of needy children in such programs;

(4) Require that there be no overt identification of children who receive free or reduced price meals under any federal program as well as require that needy children receive priority in receiving special milk;

(5) Require an evaluation of the effectiveness of federal child feeding programs in meeting the nutritional and health needs of children, providing meals under school and non-school feeding programs (e.g., Vanik program, Headstart and day care center food programs as well as the school lunch and breakfast programs), and a report of findings and recommendations for improving such programs to the President by January 20th of each year;

(6) Direct the Secretary of Agriculture to formulate and carry out demonstration projects with private food service concerns for the preparation and provision of nutritious meals in schools which lack or have inadequate facilities or food programs in rural and urban poverty areas as well as in pre-school and non-school feeding programs. It also directs the Secretary to furnish milk and other agriculture commodities in carrying out such projects;

(7) Apply to lunches, breakfasts and non-school food programs rather than just school lunches;

(8) Provide for work training programs whereby low-income individuals would be trained to administer and supervise child feeding programs.

Before I outline in detail my reasons for introducing this bill, I would like to commend my colleague from Georgia, Mr. Talmadge, for the progressive provisions of his school lunch bill, S. 2548, which is now before this Committee. I feel that in addition there are other aspects of our child feeding programs that should have attention and it is for this reason that I shall introduce the Child Nutrition Act of 1969 and would consider it the basis for amendments of Senator Talmadge's bill.

Testimony before the Select Committee on Nutrition and Human Needs, on which I serve as the ranking Republican, has pointed out the need for stronger leadership—both from Congress and the Department of Agriculture—in establishing eligibility standards for children who receive free and reduced-price meals, as well as leadership to assure maximum participation of needy children in all child feeding programs. Therefore, this bill directs the Secretary of Agriculture to consult with the Secretary of Health, Education and Welfare to establish national eligibility standards for receipt of free or reduced-price meals in our child feeding programs, as well as uniform standards to states to use in distributing funds to schools and school districts for such programs to assure maximum participation of needy children.

The Senate last week expressed its desire to have households in which annual income is less than \$4,000 per year eligible for receipt of food stamps. It is only logical that children from such households should be automatically eligible to receive free or reduced price meals under Federal child feeding programs. Even more logical is that children from households which receive *any* form of Federal food assistance should also be eligible to receive free or reduced price meals. If a family is in enough need to receive one form of food assistance, then children from that family are in enough need to receive free or reduced price meals in our child feeding programs.

I am pleased that Senator McGovern, Chairman of the Select Committee on Nutrition and Human Needs, endorsed the principle of national eligibility standards for free and reduced price lunches in testimony before this Committee yesterday. I advocated establishing standards for such programs several weeks ago in my omnibus hunger bill, and I am gratified that Senator McGovern is in basic agreement with this principle. However, I think we must go further than just establishing such standards for free and reduced price lunches—we must also apply those same standards to the *breakfast programs, pre-school and non-school food programs.*

It has been estimated that there are between six to eight million children below the poverty level who should be receiving free or reduced-price meals, but only an estimated 2.5 million children in this category are being reached. These figures do not include children from near-poor families who could also benefit from such meals. Much of this lack of participation is due to the problem of local administrators not clarifying sufficiently just who is eligible for such programs. If we establish clear-cut standards, then local school officials will have the direction and leadership necessary to improve program participation and serve the nutritional needs of more children. *In establishing uniform procedures for the distribution of funds, the Secretary of Agriculture should strongly consider allocating funds from state to groups of school districts rather than to individual districts.* I feel that such a procedure would allow more children to be reached and would prevent the situation of one school district receiving funds for needy children and another school district, often only a few miles away, receiving no funds. This would also simplify bookkeeping and reduce some of the complexities of state and local administration of such programs.

This bill also gives the Secretary of Health, Education and Welfare an evaluative and consultative role in child feeding programs. I have often stated that the Department of Health, Education and Welfare, which now has the responsibility for administering Head Start and many day-care center programs, should be brought into all of our child feeding programs. Secretary Finch has stated that we must be concerned with the child from the cradle through his school years. I feel that it is important for the Secretary of HEW to have a role to play in the development and evaluation of our child feeding programs.

This bill also requires that needy children receive priority in the distribution of special milk under the Child Nutrition Act of 1966. All children must have milk, and I believe that we should provide it first to those who need it most—malnourished, needy youngsters.

Also, this bill requires that recipients of free or reduced price meals under child feeding programs shall not be identified in any overt manner. It is cruel to have a child openly identified as being poor and needy to his fellow classmates because of published lists, tickets, separate lines or any of the various devices which are common in many parts of this nation. For too long children have been embarrassed and many have refused to participate in child feeding programs—especially the school lunch program—because of such discriminatory practices. The time has come for this to end.

This bill also directs the Secretary of Agriculture to utilize the services of private food service concerns to bring food to needy children. It is generally accepted that the American private food market is the most effective food distribution system in the world. I feel that we should take steps now to speed up and encourage private food service concerns and processors to bring their expertise in food distribution, management and services into our school-feeding programs. The pace has been extremely slow and it is the intention of this bill to greatly hasten and expand such efforts.

This bill would provide \$25,000,000 for the Secretary of Agriculture to carry out demonstration programs with private food companies for the supply, preparation and delivery of food in schools which have limited facilities or none at all for meal preparation and which are located in poverty areas. Every effort should be made to bring the lunch and breakfast programs into schools which now are without facilities. I feel that this approach could be utilized very effectively through the Central and Satellite Kitchen concept, as well as the forward-looking concept of *the development of large-scale food commissaries serving many schools, school districts or even cities and I hope that we can move in these directions soon.*

Already many schools are utilizing private food technology in their food programs and are proving to be very successful. In my own city of New York, the use of frozen convenience foods has proven to be very beneficial, both to the school system and the students. It is predicted that, eventually, all of the city's 400,000 elementary, junior and senior high school students will be offered such meals.

Finally, it is very important that we develop programs which will help the poor break the shackles of poverty so that they may be able to earn their own way and provide their families with the food and nutritional needs that are necessary to sustain a healthy life. It is for this reason that my bill includes a provision for work-training programs for low-income persons so that they might be trained to administer and supervise in child-feeding programs. We have seen how effec-

tive our nutrition aides have been in helping poor families achieve proper nutritional meals. *I propose that we train people to become dietician aides* so that they might eventually receive the training to enable them to enter the field as professionals. I am quite certain that organizations such as the American Dietetic Association would be willing to cooperate in such an endeavor, as well as local school districts.

I deeply believe that we can end hunger in America and I am convinced that this bill, like the historic food stamp bill passed by the Senate last week, will go a long way toward meeting that objective.

The CHAIRMAN. I wonder if you would care to express an opinion—as you know, many States did not participate in the school lunch program because they could not find the money.

Senator JAVITS. That is correct.

The CHAIRMAN. We are making it obligatory here that they do put up some money. Now, the question is whether or not we can put language in this bill to force them to do it.

Senator JAVITS. Constitutionally, Mr. Chairman, I do not think that you can. I do not think you can make a State participate in a Federal-State program. But I think you can do one thing, sir, and I would strongly urge it upon the committee, and I hope Senator Talmadge would agree with me, and that is to give definite power to the central administration. I urge this because, where a State will not take action to help its own citizens in this area, even with all the safeguards there might be—public hearings, and the strictest kind of criteria—the United States should not be powerless to move in directly to remedy a serious situation working with either a municipal or county level of government, or even a private organization. Make the criteria as strict as you like, but give some power to alleviate the condition of the individual citizen notwithstanding the obduracy of a particular State.

The CHAIRMAN. Suppose we start that in one State. Will that not be an invitation in other States to simply let Uncle Sam carry the whole load?

Senator JAVITS. I do not think so, Senator, for the following reasons: One, such obduracy would most likely be sporadic. In other words, it would hardly be a statewide program, and would cause, therefore, difficulty for a State rather than encouraging it to just fold its hands.

Two, we believe in a great deal of political pressures in this country and it seems to me that State pride, et cetera, will be very seriously aggrieved if the Federal Government, under very strict criteria—and I urge you to make the criteria very strict—finds it necessary to alleviate conditions of such urgency in a State that it must go in directly. I rather think, Mr. Chairman, that it will help you get the States to participate, assuming the criteria is strict enough, and I know it will be in this committee, rather than cause a State to be passive.

The CHAIRMAN. To what extent, to your knowledge, has the State of New York, the community, furnished funds or some kind of assistance to carry on this program?

Senator JAVITS. The legislature provides funds in the State budget for the program and I will be happy to file with the committee an exact accounting of how much the legislature has provided for the last 5 to 10 years.

(For the information above, see page 267.)

The CHAIRMAN. Well, the bill submitted by Senator Talmadge has a formula wherein the States shall pay from 10 to as much as 50 per-

cent of the cost. Of course, that does not mean the entire cost, but only of that portion required of State and local sources.

Senator TALMADGE. Section 4 funds, I believe, have the present appropriation of \$168 million, as I recall.

The CHAIRMAN. At any rate, it does not cover the whole program, but just a very small part of it. In some States, we have a contribution greater than what would be provided under the Talmadge bill.

Then we have a bill that has been endorsed by the Department of Agriculture, H.R. 515, wherein, over a period of 6 years, the States must begin putting up 4 percent, increasing to 10 percent, of the State and local share. It is up to us to work out a formula that would be acceptable to Congress.

Senator JAVITS. It seems to me, Mr. Chairman, that you ought to work out a formula which will have the tendency to attract all of the States. For States like my own, you can rely upon the fact that the public pressure is so great that the State will nonetheless, not on a matching basis, but just absolutely, as our legislature has done, appropriate funds to supplement the school feeding programs. So that in States like perhaps my own or other industrial States—not necessarily only industrial States, but States that have that disposition—I do not think that to get the maximum State contribution, you need to strain in the matching. I would make the matching as modest as possible to attract as many of the 50 States as possible. In States like my own, public pressure will cause the legislature, in addition, to appropriate funds for these programs directly. Therefore, you will not lose anything, and by not setting the standards too high, you will not lose States that might otherwise participate.

The CHAIRMAN. That, of course, is a problem, and even under the present law, up to about 3 or 4 years ago, as I recall, there were 8 to 12 States that did not participate at all. It is my belief that notwithstanding the failure of some States to contribute, a program of this kind, I do not believe, will succeed unless you get full cooperation at the local level.

Senator JAVITS. There is no question about that. You have to have that. That is why I urge that you make the matching low enough to attract almost all, because, as I say, in States like mine and others of the same disposition, you will not lose anything. They will appropriate the money anyhow, even if not required for the matching.

The CHAIRMAN. Any further questions?

Senator AIKEN. Yes. Senator Javits has raised a couple of points, and Senator Talmadge has, too, that have bothered me somewhat. One relates to overt identification.

I think in terms of rural schools, they are provincial that way. In a small school, it would be almost impossible to prevent overt identification of those getting free school lunches. Maybe there are only half a dozen of them. Maybe there has to come a time when we give everybody a school lunch and then there will be no possibility of discrimination or identification there.

The other one is a proposal, as far as possible, to turn the school lunch program over to commercial caterers. I know this has been promoted by the National Restaurant Association, I believe, for some time, and was killed very concisely.

Senator TALMADGE. And the food service industries, too. Two of them have testified already.

Senator AIKEN. I am a little apprehensive about doing that too hastily. There are some places where that might be the thing to do, and I am inclined to think Senator Javits has some of those places in his own State.

Senator JAVITS. That is correct.

Senator AIKEN. It would require extremely careful inspection, I think. I had a case called to my attention not too long ago of a home for elderly people where the feeding was turned over to a commercial corporation and the soup got extremely thin soon thereafter. So you would have to have great inspection. I wondered if, as far as possible, and again I am thinking in terms of rural schools, why we could not pay the mothers themselves and perhaps instead of having inspectors there, have somebody there to teach them what adequate diets are and have them all learning at the same time that they are feeding the children and helping earn family income.

Senator JAVITS. May I answer all three points? I will answer the last one first.

In the first place, I thoroughly agree with you on every point you make. Let me just say what we are doing now.

DIETITIAN'S AIDES

Under the OEO, the antipoverty program, we encourage the poor to organize service corporations. That could tie in admirably, because one of the elements of what I am presenting, really, to Senator Talmadge, because I hope he will take whatever he wishes out of this bill, is the idea of training the poor as dietitian's aides. Then, if you could, locally organize a corporation. That would be the greatest; that is the best. All that I suggest—that is the last point, bring the mothers in. I could not agree with you more. I could not think of anything that would be better for the AFDC mothers than this kind of work. And I think you ought to provide for that in the bill, contemplate that kind of outcome, and encourage it.

Senator AIKEN. Yes.

Senator JAVITS. Now, moving up to the idea of contracting with private business, I only suggest that you give the authority—that is all. I do not suggest at all that this be—

Senator AIKEN. Let the community decide.

Senator JAVITS. That is right; just give the authority and the alternative, so there may be a fair estimate of the comparison whether it is worthwhile to put in the facilities or whether it is more worthwhile to contract with private food companies.

As to overt identification, we suggest language which endeavors to make as part of the child feeding program a program to prevent open identification.

Senator AIKEN. It is not going to be easy.

Senator JAVITS. I know, Senator Aiken, but I just want to point out that we do contemplate the problem and we try to direct, zero in, as it were, the administrator in that he plan on that as a problem.

Senator AIKEN. Again, I prefer instructors to inspectors, in most cases, anyway.

The CHAIRMAN. Any further questions?

Senator TALMADGE. Senator, I think you have made a valuable contribution to the deliberations of the committee. I appreciate the generous references to my bill. In Georgia, we have made outstanding progress in this regard. I believe the nutrition administrator from our State testified that there are only two small mountain schools which do not have a school lunch program in our State. My State is making a substantial contribution from local resources toward the problem. The proposal that I had for matching funds would phase in the State's contribution from 10 to 50 percent over a period of 10 years. Only section 4 funds will be matched. That will be a modest contribution from the States to begin with. I believe with the pressures that are currently being felt throughout the country, virtually every State, if not all, will participate. I think in time all of them would.

You have suggested several things here for the committee that are worthy of consideration. Quite a number of amendments have already been proposed and I am sure the committee will, when it meets in executive session, give them all consideration.

Senator JAVITS. Thank you very much.

The CHAIRMAN. Thank you very much, Senator.

Mr. Kramer?

**STATEMENT OF JOHN R. KRAMER, EXECUTIVE DIRECTOR,
NATIONAL COUNCIL ON HUNGER AND MALNUTRITION IN THE
UNITED STATES**

Mr. KRAMER. Mr. Chairman, I have a rather lengthy prepared testimony. I do not propose by any means to read it all, but I do want to touch on many issues which I do not think have been thoroughly explored in the hearings to date.

I do want to state at the outset what the council's ultimate goals are. They differ somewhat from what Senator McGovern said. I think the ultimate goal in this country should be total family nutrition and not institutional nutrition, for many reasons, primarily psychological, but secondarily, expense. I think it is fair to state that Senator McGovern's proposal yesterday of 5 days a week, 52 weeks a year, feeding all preschool and school-age children, 72 million children, at a cost of approximately 90 cents a day, even on a 10-percent absenteeism basis, is a recurring cost of \$15.2 billion a year. That is a little over a third of the total educational budget in this country and the national council does not believe that that is the way to expend this Nation's money, in a total national school lunch and breakfast program for every child. That kind of cost can be better used in many other ways.

On the other hand, we are very strongly in favor of complete food service, that would include breakfast and lunch, for poor children.

Now, I will digress from the trend of my testimony to touch the issue which seems to concern you most, the State matching. I think that seems to be central to your concern here. I will say that the national council itself is indeed in the field in its own ways trying to make sure that every State and every school system participates. That is really what we are all about. I would like to touch first on that part of my testimony that concerns State matching.

In addition, at the very end of my testimony, the nonattachment part, I have included the table that you really should have gotten from the Department of Agriculture, but you did not get. It is four pages long and discloses over the next few years, the contrast between the present act, the Talmadge bill, and the Perkins bill, how they stack up on every section of the school feeding programs, on the extent and level of Federal and State matching. It is four rather detailed pages.

They are based, the later years, upon projections by the U.S. Department of Agriculture Budget Division. I do not know if they have ever released them to you. They probably have given them to the Appropriations Committee.

The real secret to expanding the ability of schools to serve lunch to all those who need it but cannot afford it, and ultimately perhaps to make school food service universal, is to prompt State governments to put up their fair share of the cost. The National School Lunch Act of 1946 seems to mean business on its surface, for it requires 3-to-1 matching of the Federal dollar by the State from any "source within the State determined by the Secretary to have been expended in connection with the school lunch program." Unfortunately, because of legislative history attributable to the chairman, the concept of sources within the State was diluted to include children's payments and locally donated services or supplies or facilities. Thus, while the 3-to-1 matching requirements may seem stiff, in fact, nearly 53 percent of all school lunch programs costs in fiscal 1969 were furnished by the children who received the lunch rather than by State governments, and State and local governments put up only 5 cents of every 58-cent meal, while the children contributed 30.5 cents, the Federal Government 13 cents, and locally donated goods and services 14.5 cents. Thus, the State of Mississippi is able to get away with allocating only \$109,000 for its share of a \$25 million school lunch program. No more than half the States now appropriate or use State funds for school food service.

Local effort is indeed where it should be at, but all the slogans and shibboleths in the world cannot disguise the fact that the State and local governments will, in nearly every instance (some notable exceptions appear to be Louisiana, Utah, New Jersey, and New York), shy away from doing their part in financing child feeding programs unless they either are confronted by an outraged, politically potent citizenry or are subject to federally imposed stringent matching rules. Liberals have been fond of rejecting out of hand any State matching provision tacked on to social legislation because of the usual truth that the more the matching, the less the likelihood that State or local governments will want to participate at all. But the instinctual reactions of liberals are irrelevant here. This is the one program where I think we turn topsy turvey our present conceptions about State matching. School lunch is a universally approved subsidy to the middle class (only \$133 of the approximately \$638 million planned for fiscal 1970 or slightly more than 20 percent is angled toward the poor). No school system and no State would dare cut off its head to spite its nose. Avoiding some reasonable level of State-local cost sharing with the children and the Federal Government by abandoning the Federal program entirely is simply not a viable alternative anywhere, including the Deep South. You don't go out of your way to antagonize middle-class voters.

Senator AIKEN. Would you include upperclass contributors?

Mr. KRAMER. Yes.

The solutions then are twofold: Local pressure and Federal regulation. The former can be quite successful.

Senator AIKEN. We want to be impartial about this.

Mr. KRAMER. The Reverend Jessie Jackson's hunger marches throughout southern Illinois stimulated the Illinois Legislature to pass last month a \$5.4 million appropriations bill designed to enable free lunches to be served to 200,000 needy pupils throughout the State year-round. A local vigilante committee of bishops, cardinals, rabbis, junior leaguers, and just plain folks in Maryland only 3 weeks ago forced a recalcitrant Governor, whose representative came here today after fighting us for the entire summer—who is more interested in budgetary surpluses than in poor people's deficits, to announce a State contribution of \$1.2 million to a feed-the-needy-lunch campaign at a \$25 a plate civic dinner that itself netted \$22,000 for lunches for the poor. The National Council's 10 staff workers have covered most of the South; Arizona, California, Oregon, Washington, Kansas, Nebraska, and Iowa this summer seeking, among other things, to organize locally concerned groups and individuals to put the heat on their officials to cough up school lunch aid. The results have been scattered, but the rising trend is undeniable. Law suits filed in Oklahoma, Kansas City, Detroit, Chicago, Boston, California (statewide) and Modesto (locally) and soon in Los Angeles and New Jersey have forced the States to face this issue. A nationwide conference of lawyers is planned at the University of Chicago in November to plot the strategy for an endless string of litigation directed at securing a meal for every needy pupil in every community in the country.

Nonetheless, and despite the best efforts of volunteers, some States and localities will not bear their fair share unless a Federal gun is pointed at their backs. That enlightened territory of California is a good example. The State legislature, by overwhelming majorities in both houses, passed a bill appropriating \$4 million to provide State funds on a matching basis for the school breakfast and lunch program for needy children. This would have been the first time that the State participated financially in the school lunch program which had previously been the fiscal ward of the Federal Government and the local school districts. But the Governor, anxious to demonstrate that his heart, but not his pocketbook, bleeds as much for the very young as for the sick and mentally disturbed, axed all but \$500,000 of this sum for use in a pilot program.

Although the legislature, by a majority, voted to overrule his veto, they did not vote to overrule it by a two-thirds majority, which was required. As if there needed to be a pilot demonstration of feeding children.

To avoid future Reagans, S. 2548 is a must. Senator Talmadge wants to put the monkey squarely on the State's back, where it belongs. How heavy is the monkey? His bill begins by appearing to dilute matching through putting it on a dollar-to-dollar basis, but then turns about and requires the States, commencing in fiscal year 1972, to fund 10 percent of the matching requirement of 5 percent overall from State revenues (which might include State land rentals as well as State tax funds, although excluding State funds already being spent on State administrative expenses).

Much has been made during the course of the first 2 days of hearings of the supposedly stringent matching requirements contained in S. 2548 on two grounds—first, the overall increase in the Federal share and, decrease in the “from sources within the State” share and, second, the imposition of a requirement of State matching that means what it says, that is, from the State, not little children. USDA, as usual, was hopelessly unprepared to help you handle the issue. There is no better example of executive incompetence than sending up a man with 3 weeks’ inexperience in school lunch affairs, apparently unbriefed, to handle an intricate matter.

The two concerns you have raised should have been quickly disposed with. The proposal in section 4(a) of S. 2548 to change “\$3” to “\$1” and thus increase the Federal share of section 4 general cash assistance to the States for school lunch from 25 percent to 50 percent would have no statutory impact at all upon Federal expenditures, which would remain at \$168 million unless USDA sought an increase on its own, and would not result in any diminution of the so-called State contribution, which, for all school lunch assistance, including section 4 as an unallocated part, totaled \$1.55 billion in fiscal 1969. No State is going to divert children’s payments to its treasury and away from the lunch program with the result that middle-class children are cut off from lunch. Social reality dictates otherwise. On the other hand, if you are seriously troubled by this possibility, the way to handle it is to retain the 25 percent Federal level and change the State revenues per centum of the 75-percent matching requirement contained in section 4(a) of S. 2548 as follows. I have given you on page 38-A of my testimony the way to do it. For 1972-73, Mr. Talmadge would have the State revenues be 10 percent of a 50-percent matching requirement. You could make the State matching percentage 7 percent of 75 percent, or 5.25 percent, reasonably equivalent. If you want to keep the three for one to assure three for one, all you have to do is keep the percents contained in Senator Talmadge’s bill in the way I have outlined here.

The second problem, the high level of State effort that allegedly might cause some States to drop out of the program entirely, is a juicy red herring. As the accompanying table shows, the new State revenue matching would apply only to section 4 and would be so relatively insubstantial over the course of the next few years as to prompt no State to alienate its poor and middle-class voters by cutting off the flood of Federal child feeding aid under other parts of the program, none of which have any matching requirement directed at State revenues rather than children’s nickels and dimes. Matching would not begin for almost 2 years, which is overly substantial leadtime for the slight effort that will be required and could be met in fiscal 1972 with 1 percent of the revenue-sharing funds proposed for return to the States that year.

Under the Talmadge bill, in fiscal 1972, the total would be \$32.8 million. You divide that by 50 States. President Nixon is proposing approximately \$1.5 billion be returned to the States in fiscal year 1972.

To return to something else which is happening outside of this committee room but I think you ought to be aware of, perhaps the sparcity of attendance here does not indicate the fact that there is growing concern in this country about focusing on the school lunch program. The school lunch program is becoming, among poverty

groups, a symbol of how the poor are being maltreated. I am sure you are aware of the fact that section 9 of the act which you helped write says that children who have been determined to be unable to pay the full cost of the meal shall receive a meal at a free or reduced price. That statute has been taken to court, as I said, in at least 10 instances and will be taken to court, as will all provisions of this bill, in approximately 50 more law suits within the next year. It is more than just law suits we are talking about. In 1962, Congress resolved that the 7-day period beginning with the second Sunday in October would be known as National School Lunch Week. The celebration you proclaimed in 1962 continues not only undiminished, but with typically American hoopla. The American School Food Service Association has a special committee to oversee the festivities; the Department of Agriculture and State education departments crank out propaganda by the carload. I should have brought some of the pamphlets we have in our office on National School Lunch Week. Meanwhile, back in the cafeteria, considerably less than half of the children are being fed. In 1962 Congress also passed a law authorizing an initial \$10 million in fiscal 1963 and unlimited appropriations happily ever after to provide special assistance to schools with pupils from poverty areas so that children who could not afford to pay the full cost of their lunches could nonetheless be fed. That act languished in the closet for 4 years until Senator Hart gave it a transfusion. Last fiscal year, already 7 years behind schedule, it hit the \$10 million mark.

Thus, a tale of two countries: official Washington which heralds and ballyhoos and rejoices and poor America which gets fed words in place of substance. This year National School Lunch Week rolls around appropriately enough on October 12. The National Council is suggesting to the families of poor and even middle-class and affluent children that like Columbus, they discover America, but as a land of empty lunch bags. We are calling it, Mr. Chairman, Semi-National School Lunch Week and there will be demonstrations of sorts in most of the major cities and in many of the rural areas in this country, focusing on the fact that it is Semi-National School Lunch Week. In other words, it is good to applaud the program that it has gotten in 23 years to 19 million people, but it has to take less than 23 years to reach the other 32 million.

Some of those 32 million, the lucky Campbell Kids, can skip home for a nice hot meal. Some can head to the corner greasy spoon for a coke and a candy bar. The rest, a depleted 15 million we estimate, can utilize their non-lunch hour to wonder why they should not be fed. I say we estimate, because the shocking thing about this program, and shocking because I am sure you are not aware of it—first of all, the Department of Agriculture could not give you the matching requirements; but, even more important, they cannot tell you how many children in this country go without lunch. They have never done that kind of research. They cannot really tell you how many children get free and reduced-price lunches on a State-by-State basis. Senator McGovern had to send questionnaires in June to 50 State agencies to get these answers. I think he has 49 answers now. They fill a chart that would cover this room, a chart that is riddled with State-generated inaccuracies, even arithmetical inaccuracies, and a chart which can still not add up to tell you what's happening in this country with

school lunch programs. The Department of Agriculture does fiscal accounting but not people accounting.

The children who do not get lunch, and we do not seem to know how many of them there are—can contemplate an America which trumpets its claim that it “helps provide wholesome, appetizing lunches to the Nation’s school children every school day,” while ignoring the fact that it fails to serve three out of every five students; an America which would commemorate when it should condemn the prospect of 10 million boys and girls from all economic levels attending schools where no food service is available, 9 million of them living in rural and suburban areas or small cities, not in major urban ghettos.

An America where nearly 5 million children from impoverished families are taught the hypocrisy of hunger amidst plenty, all because their parents cannot afford the cost of lunch and no one else will help.

This is an indictment of the entire United States, because how many of them do not get lunch on their own, are nationwide—there are 225,000 in Philadelphia, 595,000 in New York, 74,000 in Memphis, 490,000 in Chicago, 231,000 in Detroit, 101,000 in Cleveland, 209,000 in Houston, 50,000 in New Orleans, 25,000 in Birmingham, 27,000 in Omaha, 38,000 in Kansas City, 331,000 in Los Angeles, 84,000 in San Diego, and 83,000 in Seattle.

It is from the ranks of these people that the law suits are going to flow and the pressure is going to start to build, because it adds up to a lot of people. We have issued press releases and have many cooperating groups and I think on the 12th, 13th, you can read in your newspapers the kind of pressures that are going to be brought, not on the Federal Government, because one place where the burden has been attempted to be shouldered is in this committee and the comparable committee in the House, but on the various school boards. It is going to be on the States and local governments, including Fairfax County. Fairfax County is not alone. They have a school lunch program even if one whose financial future is in jeopardy.

For changing the school lunch program, we think the Talmadge bill is the ideal vehicle. I have here very considerable, very detailed suggestions for changes, changes in legislative language. I would like just to go over the highlights. As a matter of fact, at the very last page of my testimony, I say thank you for sitting still so long. I do not expect you to sit still so long. I can see Senator Aiken was not too happy with sitting still for so long. I can understand that. People do not like to hear the kind of things we have to say. Although this hearing has been a paean to the school lunch program, we can show at the end that there are flaws in it. We say the Talmadge bill. There is a Perkins bill, but not H.R. 515, which is equally important.

I am sorry Senator Holland is not here, because this concerns him. It is H.R. 11651, which touches the nerve core that concerns him. It is the section 32 carryover.

The game of how much it is going to cost to feed needy children is a numbers game. In August, the Census Bureau issued a new poverty calculation that reveals a poor school-age population in this country of 8.4 million. Although there is some disagreement, apparently yesterday, the American Retailers Association came up and said 8.6 million. We calculated 8.4 million children, children in the poverty areas, below the poverty income level. It is those children, that target popula-

tion, that this program, and indeed, Senator Talmadge's bill, is trying to reach.

The average lunch bill now runs to 58 cents, of which at least 36 cents is attributable to the cost of food alone. The Federal Government donates an average of 10 cents worth of commodities (highly nutritious section 6 foodstuffs, price-supported section 416 staples, and surplus section 32 products) and is limited to maximum cash reimbursements for needy schools of 34 cents per lunch (the 9 cents maximum rate for all lunches plus an additional 25 cents for schools in economically deprived areas), although, in actuality, reimbursement for specially assisted schools averaged but 20 cents in fiscal 1969 and is anticipated, under the present Nixon budget, to reach only 23 cents in 1970. This cash reimbursement covers more than the bald cost of going to market, since it may also encompass the cost of processing, distributing, transporting, storing, and handling purchased products. The only costs not intended to be covered by the Department are the labor charges involved in actually preparing and serving the meal.

If the Federal Government were to furnish the maximum possible cash assistance to every school in the country—that is, the full 34 cents—and if every school could serve lunch, had the equipment to do so, the bill would be approximately \$2.86 million a day; 180 school days a year, \$515 million less again 10 percent for absenteeism, leaving \$464 million. So that is the figure we are shooting at. That is the target figure for serving school lunch to every poor child in this country if they wanted it; if the schools, and in some places, this is going to be very difficult to do, had the facilities to reach them—\$464 million. Where do we stand now?

This year, actual Federal cash for free and reduced-priced lunches is expected to total \$133 million in school year 1969-70, consisting of \$44.8 million for section 11, \$61 million projected from special section 32 funds (the States have other alternatives for using this money), and as much as \$27 million of the \$168 million anticipated in general section 4 funds that subsidize lunches for everyone, including middle-class and rich students; approximately 16 percent of which it is estimated is ultimately directed to the poor. This would leave a cash deficit of some \$331 million, not \$214 million. Senator Talmadge would go part way to meeting this by adding \$155 million this year. H.R. 11651 would add another \$100 million.

So even in 1970, with that extra infusion of \$205 million, we would still be \$76 million short. But that shows you that even with those two boosts which you are considering now, and it is quite likely you would not approve both of them, we would still run \$76 million short in feeding a lunch to every needy child in the country. So of course, we would urge you to endorse Senator Talmadge's provision on \$200 million and the Perkins bill, H.R. 11651.

I would like to touch for a minute on that bill, because I think that is as crucial as anything else you are doing. The need for it in terms of the statistics I have given you is unquestionable. What I am certain troubles you, although it only seriously concerned five of your House colleagues—352 of them approved this bill—is the method of financing the food for the poor that it embodies. H.R. 11651, if it should become law, would make a substantial dent in the unobligated balance of section 32 funds carried over from fiscal 1970 to fiscal 1971. That

carryover has fallen below the statutory maximum \$300 million mark only once in the past 10 years—\$298.8 million in fiscal 1966—but the House in passing its version of the 1970 Agricultural Appropriations Act has already lowered the carryover to \$180 million, although the Senate has maneuvered to maintain it at \$300 million. Even at a possible alltime low of \$80 million (assuming the House appropriations bill is the one that emerges from conference, if there ever is a conference on Agriculture appropriations this year), there would still be more than enough money available to help bail out any threatened commodity surpluses. To begin with, no surplus crises are on the horizon. They just do not pop out of nowhere. The Agriculture Department can keep tabs on those many months in advance. The one commodity which has exhausted substantial section 32 funds in recent years—livestock products—which required \$176 million of section 32 funds in recent years—livestock products—which required \$176 million of section 32 funds in fiscal 1965 and \$119.7 million in fiscal 1967, is faced with a supply crisis rather than a surplus. Meat prices are soaring, not diminishing.

Senator YOUNG. What is that; meat prices are soaring?

Mr. KRAMER. I should have said wholesale meat prices are stable, retail prices are high.

Senator YOUNG. Cattle prices to the producer are down \$6 a hundred. That is a very sharp drop in the last several weeks.

Mr. KRAMER. I do not mean to be criticizing the cattle industry; only that they do not need this year Government buying power, taking money out of the pocket of the consumer to jack up meat prices.

The \$80 million in section 32 that would be left to confront any commodity surplus during the next 9 months does not stand alone. Behind it there is a backup authorization of \$500 million. Section 205 of the Agriculture Act of 1956 authorized appropriation of that sum on a permanent basis to help the Secretary fulfill the purposes of section 32, should the need arise. I do not think this is something the public has realized, that there is a backup authorization of \$500 million. In other words, there is standby authority so that the Appropriations Committee does not have to go to your committee at all, but could instantly utilize to dig into another \$500 million in case any crisis arose.

In fiscal 1970, at the outset, in section 32 and related funds, \$1.465 billion was available, \$665 million in customs receipts, \$300 million in carryover, \$500 million in standby capacity. Some \$885 million of this sum would now be used to feed people and consequently to help processors and canners, instead of merely \$665 million. Emphasize processors and canners rather than growers, of meat marketers because it is the middleman from whom USDA buys and not the struggling farmers. The funds from Government purchases of surpluses line the pockets of peach canners and Armour and Swift, not the man in the orchard or raising cattle, who benefits from section 32 only on a trickle-down basis.

I would like to say that that is a misconception that some of my friends who are interested in hunger have maintained and I think deceived the consumers of America. The Agriculture Department does not help the farmer at all. It helps the middleman, the processor, the canner. It does not help the farmer of the United States. I think that is unfortunate, but that is the way those programs operate.

Actually, H.R. 11651 constitutes an attempt to counter the effect of President Nixon's budgetary jiggling in March, which resulted in a shift of substantially the same amount of money, \$50 million, out of specific child feeding programs—President Johnson requested approximately \$100 million under section 11 for special cash assistance. President Nixon cut it down from \$90.48 and then shifted the other \$50 million to come out of special section 32 funds. The idea was to obviate the Perkins bill. But Perkins added some new language which said, "notwithstanding other provision of law," so his \$100 million came on top of the extra \$50 million that Nixon sought to get from section 32.

The impact on the poor children of American will be as substantial as the impact on section 32 if you pass H.R. 11651 or report it out. Only \$153 million in cash out of the fiscal 1970 budget is currently expected to be expended to supply free and reduced-priced meals to needy children; that is, the \$133 million previously identified for lunch plus \$10 million for breakfast and \$10 million for nonschool food service. The \$100 million additional contemplated under the Perkins bill would increase this by 65 percent.

I will not go into the details of the Perkins bill except to urge you to look at it very closely. Do not force other Senators to have to tack the essence of H.R. 11651 onto another bill on the floor, which Senator Javits tried to do last year with some success, 352 Congressmen can't be wrong and 54 Senators have only recently made it quite clear that this committee does not have the last word in feeding the poor.

I will skim over some other provisions of the bill. Many witnesses before me have talked about them; for instance, the fact that S. 2548 focuses on the child rather than the school. In addition, I think it should be noted, and this is something that has not been brought out, that by permitting the Secretary to pay up to 80 percent of the school's operating costs, if the school is in trouble, for the first time outside of the breakfast and noon school food service programs, Federal cash could be utilized to pay for the labor involved in preparing and serving food. This is the first time this has been allowed or would be allowed, under Senator Talmadge's bill. This is very commendable. It is commendable not because it helps poor schools, but because it prevents a civil rights crisis. That civil rights crisis was that in many States in the South, quite noticeably in North and South Carolina, \$3.5 and \$3.4 million, respectively, in fiscal 1969; Texas, \$3.4 million; Georgia, \$2.8 million; and Arkansas, \$2.5 million; funds from title I of the Elementary and Secondary Education Act of 1965 (ESEA) have been employed to fund food services in the poorest school districts. Indeed, of all title I funds expended upon food, \$32 million in fiscal 1969, some 70 percent has been spent in nine Southern States.

When HEW has determined that any of these districts have failed properly to desegregate under title VI of the Civil Rights Act of 1964, the funds have been cut off and school lunch funds administered by USDA are not so treated, because of the legislative history of the Civil Rights Act for which Senators Humphrey and Pastore were responsible. The result—white intransigence leads to black deprivation of food. Senator Talmadge realized this earlier this year and I am afraid we believed he thought of it as a way to undercut title VI. He had a bill, S. 1472, that would, among other things, permit seg-

regated lunch service in previously integrated schools without any possible threat of the cutoff of Federal support.

What I am getting at is as that bill is presently residing in the Judiciary Committee, you could have a white cafeteria and a black cafeteria inside an integrated school and there would be no cutoff of funds.

The present bill contains no reference to this effort to subtract from title VI. It would accomplish the Senator's objective—making sure that poor children are fed irrespective of the discriminatory status of the school that feeds them—without impairing title VI, because it would make available from USDA (and thus free from title VI concerns) added funds to the poorest districts, enabling them to compensate by substitution for the loss of title I moneys. Interestingly enough, Senator Talmadge has defended his revision of the deployment of section 11 special assistance funds to concentrate on the child rather than the school by pointing to the example of poor children bused into schools located in affluent areas in order to achieve "forced integration," who would not get help in obtaining lunch under the act as written.

We recommend heartily that you follow S. 2548 and abandon amendment of the Civil Rights Act of 1964.

Turning to the catering issue, I think you have seen the struggle on the part of the people who want to get into the act. But the Department of Agriculture comes before you in a confused condition. Mr. Hekman admitted he had only been there for 3 weeks and said he was going to study it. We have produced a portion of a speech made in Detroit by his boss, the Assistant Secretary for Marketing and Consumer Service, who said he was very much in favor of bringing in food service management companies. This raises the very serious question of who is the underling in the Department of Agriculture. On August 5, the Assistant Secretary of Agriculture said, "From experience with this approach"—catering and food service management—"From experience with this approach in several large metropolitan school systems we know that it can result in considerable savings in labor and equipment costs, resulting in great economies in the overall food service program."

There is a man with the highest position in the Department of Agriculture, telling them an he has sent here, that the results of the study suggested by Mr. Hekman, which perhaps will delay the thing several more months or years, have already been uncovered.

In the history of our organization, I think we have discovered no department that is less prepared to handle its tasks, administratively, than the Department of Agriculture. Here is the Assistant Secretary saying one thing and the head of the Food Nutrition Service, a month and a half later, saying something else. But we agree with the Assistant Secretary that now is the time to open up the door for local decisions—not to interfere with local decisions, as the statute does now—to employ food service management companies. Nobody is asking that there be a wholesale invitation to them; we are instead asking that the door be opened. That would require certain statutory amendments.

The Department has always relied heavily upon the fact that the statute contains the word "nonprofit" in several places. That is why they come up with this device of a fee for management service as a way of getting around this and bringing its food service management con-

tracts in. That is a legal fiction. The companies are in here to make a profit. Everybody knows that. I think it is folly to maintain this kind of legal fiction. This word "nonprofit" ought to be removed from the act, because the people in these contracts will be making a profit no matter how you jiggle the act or what you call it.

The agreements on equipment talk about giving the equipment to schools. I do not have an equipment contract here, but if the Department will supply you one, you will see that the contract states **that the equipment should be kept in the schools.** The way the equipment program works, there is at best opportunity to leave the equipment in school X and deliver the things to these other schools rather than to install equipment on nonschool premises. One school has to be big enough to serve as the central school, which in itself means you are going to have to have a new school or probably an abandoned old one to serve as a central kitchen. We believe that the language that says "equipment used by schools" and "to States supplying schools with equipment" should be changed so that the equipment can go any place it will be useful to feed children in schools. We are not talking about supplying equipment to schools, we are talking about feeding children.

The Department in January took a very big step and reproduced in three pages some very detailed contracts for experiment. I know that ARA told you yesterday that nobody has taken them up. It is very indicative of the overkill practiced in the Department in preparing agreements that would so confine the freedom of action of caterers as to chill their ardor for entering the school field. The nonprofit ideal of the lunch program remains unsullied (the profit is disguised as a management or food fee) and at least 10 million school-children remain unfed as a living sacrifice to the program's virtue.

Senator Talmadge's bill opens the door, we are not quite sure how much, because the central problem focuses on these issues of nonprofit and equipment use. Catering and commissaries have no legislative home under S. 2548, unless a State education agency were willing to finance them as demonstration projects in competition with school food service research, surveys, and information dissemination out of a maximum of 1 percent of the funds appropriated to carry out the Lunch Act and Child Nutrition Act (this would amount to approximately \$6 million, since the House appropriations level is \$611 million and the Senate \$580 million. Out of that pot, if the State were willing, and this is all 50 States, if they did not want to get too much into food service research or surveys or information dissemination, and all three of those are very, very basically needed, perhaps just as much as catering, there would be something left out of \$6 million to try some demonstration project. Or if the states were agreeable to funding them under the "special development project" label or "pilot programs for improving the methods and facilities for providing food service to children" out of a State reserve of 1 percent of funds available for apportionment to the State (perhaps \$4.5 million for all 50 States, since commodities and Federal administrative expenses must first be deducted from over-all program appropriations).

It has been estimated reliably by a group that is trying to put such a project together that to set up a commissary to feed all the needy

children in Baltimore and Washington would cost somewhere in the neighborhood of \$2 million. You are not going to get much experiment in this regard out of \$5 million. As I said, the Assistant Secretary has indicated that as far as he is concerned, although Mr. Hekman does not seem to have read his speech, there is no question as to the value and the cost savings involved.

Turning to the flexible use—to the problem of carrying over of funds, this we think is a very excellent idea, primarily because, again, lack of equipment is the main issue and lack of labor funds is another issue, many, many school districts and States have turned back money. This is a shocking thing, to have people come here asking you for more money, and have many States, and we do not know how many, because the McGovern sheets are not completely accurate never use the funds they were given. Maryland last year turned back—the exact sum is not clear, because the accounting is very confused, but at least \$35,000 was turned back to the Federal Government.

In the case of the breakfast funds, \$3.5 million were allocated and we do not know how many were expended, but we know at least \$500,000 was returned to the Federal Government by the States. They could not use them. Still we would like to see more breakfast funds. This seems incompatible. It means that what you need to do is carry over not only school lunch funds, which the Talmadge bill would do, but equipment funds and breakfast funds which are part of the Child Nutrition Act of 1966.

Ideally, all of the hodgepodge of programs and sections that make the National School Lunch Act and Child Nutrition Act of 1966 a school administrator's nightmare an accountant's delight—the mayor's task force in Baltimore pinpointed some 16 separate Federal sources for feeding children in school settings—should be collapsed into one block grant program subject to the clear priority that each State's funds be used to feed all of its needy scholars at least lunch, with the remainder deployable for reducing the cost of feeding the other children breakfast, or at least lunch.

Now, when I say nightmare, I know you may not study it too hard, but you might take a look at the table I tendered here, which lists 11 programs and their matching requirement, involved in school lunch—section 4, section 10, which is private schools, section 11, which is special cash, special section 32 cash, section 11 commodities, section 32 commodities, section 416 commodities, also, we left out the following extras. Title I money, Headstart money, Follow Through money, State expenses, section 32 for private schools, special milk money and finally another whole special pot for the administration and equipment under nonschool food service.

Actually, that adds up to 18 possible categories of aid which the States have to juggle, allocate under various formulas and distribute among the schools in the State. It is no wonder that they do not spend the money, that they look in one pocket and can't find the money there and can't go into another pocket, and the Talmadge bill, for allowing a carryover, for allowing people to transfer money from one pocket to another pocket, gives the flexibility that this program needs. In fact, that is why the States are so anxious to have H.R. 11651 and section 32 money, because that is free money and can be used as the administrators see fit, within the priority and injunction that the money go to the

needy exclusively. That is the ideal. Special section 32 and H.R. 11651 embody that ideal and S. 2548 goes part of the way.

Turning to commodity distribution, I think this is something again that no one has pointed out that I would like to bring up. It turns upon a very sore issue, the hot dog. The proposed revision of section 6, in which they would propose specifically vitamin A and D, and I would hope protein foods would be added, provide a perfect opportunity for another long overdue reform in Federal administration of food programs. If the Federal Government is going to spend millions of dollars to supply supposedly nutritious products to schoolchildren, then it should assume meaningful responsibility for the quality of those products. A very good place to start is with the hot dog, perhaps the most popular staple in all school lunches, although no statistics on its use are available. Only a week ago on Friday, September 19, USDA announced that it would limit the fat content of the hot dog to 30 percent. Without going into the details of this struggle, one of our attachments sets forth the Council's position—it would seem that you could and should require USDA to force sausage suppliers to schools paid with Federal money to meet higher standards of low-fat, high-protein, hence better nutrition, than general suppliers to the public. If you abdicate now, the producers will continue undeterred in their eternal search for cost-saving at the expense of children's bodies.

The various commodity divisions in the Consumer and Marketing Service that do the actual buying of section 32 and 416 foodstuffs do indeed set tough specifications for the products they buy. USDA could just as easily promulgate nutritionally meaningful standards for products bought by the schools with section 6 funds or section 4, 11, and 32 cash. In fact, USDA has a fat content specification for ground beef that effectively limits the fat content of hamburgers to 25 percent. Are frankfurters any different because they are more frequently consumed? It is not. Therefore, beyond section 32 and section 416, section 6 commodities and commodities purchased with Federal cash should have strict standards of nutrition, because that is after all what we are after in this bill, good nutrition. If you are going to give the schools money to buy hot dogs that are loaded with fat, then I think it is a backward step and a wasteful use of Federal funds, which you would obviously be concerned with.

Going on to the rather complex and difficult to read, I am sure for everyone, research and training provisions, 1 percent here and 1 percent there, they are all, as all research and training provisions are in every part of the Government, rather vague. We have some suggestions there. We would suggest that you replace the Talmadge authorities with specific authorization for research and development grants administered by the Secretary—\$50 million or much less than 1 percent of Federal program costs, and that is really a low figure when you are talking about R. & D.—and limited Federal assistance for training personnel with emphasis as Senator Javits has said on providing employment as food service aids on the first rung of a career ladder to unemployed poor persons—\$10 million. That is something that is happening not in the Department of Agriculture, but in the Headstart program. I am Secretary of the private Headstart program in this city. This year we are employing 24 food service aids to serve food to the children, which is 24 more jobs in the District of Columbia than

existed before. Under the school lunch program, as far as we know, very few poor people are getting jobs, although there the amount of money available for food service is greater than Headstart funds.

We would also suggest that you add on authority for curriculum development. This is one thing that is missing from the Talmadge bill, but it is in the Perkins legislation. You should make it clear that research will focus on the various possibilities for financing child nutrition programs. In other words, the first time this has been explored publicly is here. I think one of the things you might ask for in your prerogative, Mr. Chairman, is a very detailed statement, prepared by the Department in April of this year. All 50 State school lunch directors met for 3½ days and considered every one of the issues we are talking about here. These are the people who have the day-to-day administrative responsibility. They came up with various recommendations, almost all of which the Department of Agriculture has either ignored or in no case has made public. We happen to have a copy of that. But I think they should make it public to you so you can see what the State people would like. Although they do not obviously focus on H.R. 515 or S. 2548, essentially, their concerns are almost the same as those exhibited in these two bills. That is the best evidence. That is the evidence you have not heard here except from Miss Martin, and there are 49 other school food service directors, although most not as good as she, and most not as concerned. Nevertheless, they were good enough to come together for 3½ days and prepare their platform. You should be aware of it.

With respect to State matching, the only school-lunch director we know of who objected to the Perkins provision was the State school director of Colorado.

The CHAIRMAN. That is 4 to 10 percent.

Mr. KRAMER. Well, it is different figure levels. But you see, for instance, next year, there will be a matching requirement for Mr. Perkins' bill, none for the Talmadge. The following year, Mr. Talmadge's will exceed Mr. Perkins' requirement by \$13 million, which is relatively insubstantial when you distribute it across the country.

I will not go into all the other kinds of things we think research should do. These are stated in my statement.

I have a very full and lengthy discussion, and I know you are getting tired, but I want to speak to eligibility for free and reduced-price lunches. I say this is the sorest point. Interestingly enough, if you were interested in avoiding litigation—let me give you an example.

In Modesto, Calif., September 8, poor parents went into court, because the Modesto officials said everybody whose income is 80 percent of the poverty level gets a free lunch unless there are more than 400 of you. The court said that will not do; "you will feed all poor people lunch. If you have to do that by charging the middle-class kids an extra nickel, that is unfortunate." The only way to eliminate this problem of court direction of the eligibility standards in school lunch programs is to change the rather feeble administrative direction and replace it with congressional direction of the school lunch program. Therefore, as Senators McGovern and Javits have said, we implore you to apply a national eligibility standard. What is happening now is a confused unbelievable mess.

We are talking today, or have been in the past 3 days, about the State matching requirement forcing schools out of the program. I do not know if you realize that there is already a regulation on the books that would, if properly administered, probably cut half the schools in the country out of the program today. They are supposed to be in compliance with regulations issued on October 29, 1968, on free and reduced-price lunches. As far as we have been able to discover, only two people in the Department of Agriculture are concerned with whether they are complying at all. Those are rather complex provisions. They provide for establishment of the policy; public announcement of the policy, as to who gets it and who doesn't; appeals provision so if they say your income is too high, you can go to another group of people and appeal; and finally, the prohibition of overt discrimination.

As far as we know—and we know pretty far—the Department of Agriculture has done nothing about enforcing their own regulations and the courts are going to look into that. If you promulgate a regulation, you are supposed to enforce it. That regulation said if you did not comply with all the provisions by July 1 of this year, no more school lunch funds for you. That applies to all the school districts in this country.

What should have happened is that little Johnny should have been told if his family were on welfare, he was eligible for some help in meeting his lunch bill or that if his family's income was less than \$2,000 a year he was entitled to a free lunch. Little Johnny should also have been able to secure his lunch at the same time and on the same serving line in the same lunchroom entered through the same door as little Bill who paid 30 cents. And little Johnny should have been given the same meal as little Bill (even if little Johnny didn't want the broccoli) and have handed a ticket or token to the cashier lady that was exactly like the ticket or token Bill gave her. Nor should little Johnny have had to wash the dishes afterward or sweep the floors in return for his lunch while Bill played ball. This was law that came out of the administration and not out of Congress. That is what ought to happen this year. What did happen and is happening, we do not know for certain, because the Department has passed the monitoring buck on to the States. It is the States that have to handle this hot potato under the guidelines to assure through administrative reviews, onsite evaluations, and any other means "that determinations are being made in accordance with announced policies" and "that overt identification of any child receiving free or reduced-price meals is avoided," in accordance with announced policies.

We have included on page 31 a sample of one of the declaration policies that is now in effect which is so clearly in contravention of the law.

Senator DOLE. You do not object to the States having some role in this program; do you?

Mr. KRAMER. As far as reduced-price lunches and determining eligibility, I object strenuously. As far as everything else is concerned, I think it is in my testimony that we think the States should have an even greater role.

Senator DOLE. I agree with that part of your testimony about the States having a greater role in financing the program, but I think

they also should have some responsibility in administering the program.

Mr. KRAMER. That is what we are complaining about, that they have not accepted the obligation that the administration gave them. One reason is, there are not enough State administrative expenses. We talk about a matching requirement in section 4, but if you are talking about the States looking at 70,000 schools in the country to see if they follow the guidelines, you are going to end up with State personnel costs that are probably equal to your matching requirement under section 4.

I should say that in a sense, this is what is happening in the food-stamp program without people realizing it.

Last week on the floor you approved the variable purchase concept, which means that a food stamp recipient could come in on any day of the week and buy any percent of his food stamp quota. On the House side there is a suggested provision for matching requirements for the States. You do not need a matching requirement for the States when you are going to require issuing offices to be open 5-days a week so the people can come in any number of times a month because in a sense, you are imposing on them administrative costs at least equivalent to any matching cost.

Here there is State responsibility, but no meaningful shouldering of it. We can expect and actually have actual legal violations because they just do not bother. They cannot afford to. The State school lunch directors will tell you this more frankly than anybody else. They do not have the staff to do the supervision that the regulations impose upon them. If you had a national standard, then the State could do a spot checking, the standard would be clear, would be published, would be in the hands of every schoolchild.

For instance, the guidelines make it very clear that whatever policy you have, you have to announce. Maybe you would have a policy that everybody with a family income of under \$100 a month for a family of four would get a free lunch. That is a policy. You are supposed to pass that out to the parents.

Mississippi is standard, and Mississippi is not atypical—I pick on them because I happen to have it right here—here is what they told their school districts to do:

“It is suggested that income and family size scale be withheld from publication to families.”

In other words, do not tell the families what the standards are. This directly in contravention with the regulations. There will be a suit in Mississippi.

In Mississippi, in almost every instance, there is a violation of the regulations. Groups are now collecting all the State-issued guidelines across the country. But this is such an incredible task of manpower and it is all volunteer manpower, because the Department of Agriculture is not doing it, and lawyer manpower. OEO is going to be directly involved, because it is the neighborhood lawyers on behalf of their clients who are assuring that the poor children get the lunches and that the money goes out to the poor children. You are diverting your resources in a very complex way. You are diverting OEO resources, volunteer resources, putting a heavy burden on the States which they are not going to meet and therefore are going to violate, when a very simple Federal law and Federal regulation could be made.

that \$4,000 a year, which is the food stamp eligibility scale, is the poverty definition; that is what you need to avoid this complexity.

I think when you talk about administration at the State level, you have to realize the very high social costs that are built in to have the States do it and do it inadequately, and having perhaps other Federal agencies like OEO's legal programs get into the act, forcing the Department of Agriculture and the State to comply. When you worry about, as many people do, OEO's legal services lawyer suing the Federal Government, the object is not to put OEO out of existence, but to terminate violation by the Federal Government of its own regulations.

I have put in here a summary of compliance adapted from work by Miss Jean Fairfax, who is the author of "Their Daily Bread," vice chief of the panel on food programs in the White House Conference and will be having more to say on her own in that regard at the White House Conference. I have here a sort of survey of what is happening across the country. It is a very sad state of affairs. The Richmond County, Ga., noncompliance is very glaring. Among the things it asks is would you be willing to let your children do a small amount of work, such as picking up paper, as part payment for the lunches they receive? Willy-nilly the moral defeat of whether you ought to work for something, it was established in these guidelines that you should not. Therefore, this is in direct violation of the Federal regulations.

In addition, it says, "Are you willing for a committee from the PTA to visit your home to investigate this application for free lunches?"

Snooping by a welfare official may be another thing, but snooping where the people live down the block is worse than overt discrimination on the school lunchline.

I agree with Senator Aiken that perhaps in rural areas, this discrimination is overly much made of. I am sure the children in Kansas know who is poor and who is not. It does not matter if they pay for their lunch or if they do not; that is something you see in terms of the clothing, something you see by playing with the children in the neighborhood. That is not necessarily true in a large city neighborhood, but it would be very much so in a ghetto school district. So overt discrimination is a consideration, but by no means the crucial one.

So as I say, the regulation mess is something that Senator Javits and Senator McGovern have indicated needs to be examined and rectified.

We have given you the costs involved as a maximum, \$464 million a year to serve lunch at a free or reduced price to everyone needing it. That is assuming school equipment is in place. We have also given you the rather frightening costs of serving everybody in the country breakfast and lunch around the clock. That is \$15.2 billion, neglecting the capital and equipment expense.

Two minor issues. One is, who is responsible for this program? Again the administrative cost and issue are of major significance. As the National School Lunch Act now reads, States disburse moneys to schools pursuant to agreement with them, and a school is "any public or nonprofit private school of high school or grade or under." Under the regulations, however, the regulations talk about "governing body responsible." That may be in some cases an entire school district, in

other cases, a particular school. To avoid the State and local option to permit schools to be the contracting body rather than the school district, the term "local education agency," which is a term of art contained in every significant piece of Federal education legislation, should replace the term "school" throughout the act. That would cut your administrative problem from 100,000 to no more than 20,000.

Just take in the newspaper this morning, in the State of Michigan, the Governor proposes to half the number of school districts in the State, a very commendable idea for easing administration.

Finally, one item on the State plan. Senator Talmadge's bill talks about the State plan. Under the Child Feeding Act presently in effect, which provides authority for administering cash to States in the form of at least six separate grants (general cash, special cash, equipment assistance, breakfast, nonschool food service, and special milk), each State automatically gets six pots of money on a formula basis to distribute among its schools at its discretion with limited controls and almost no accountability. Under the present Federal aid to education laws, however, States normally secure funds only after they have submitted and had approved by the Federal agency in charge formal State plans setting forth how the moneys are to be used throughout the State to further the purposes of the particular act from which they flow.

Under title I, you have to submit a State plan which shows what you are doing.

Submission of a detailed State plan concept in a meaningful form, not merely diluted, as now, to a simple State agreement to comply with the applicable regulations—I have attached to my testimony among other things, something that I think will shock you if you have not seen it before. This is a State agreement. You learn nothing from this about anything that is going to happen in the States. That is one of the reasons why the Department of Agriculture knows very little. This agreement says the State agency agrees to accept Federal funds for expenditure in accordance with the applicable regulations and any amendments thereto, and to comply with all the provisions.

That is a wonderful statement and I am glad they are going to do that, but this does not tell you what is going to happen in the State at all. Under other laws, you have to have a meaningful State plan. If they are going to open up the money pot, they ought not to get it just to do what they want to do with it. You ought to know what they are going to do with it, even if you do not have the right to approve or disapprove.

That plan, referred to only tangentially in the Talmadge bill in connection with the pourover provision, should contain as a minimum (1) a detailed description of the manner in which, during the course of the next few years with an ultimate deadline of the start of school year 1972-73, the applicant State proposes to universalize food service programs in every school in the State and every child in those schools that would like to take advantage of them, including a justification of the manner in which the State intends to deploy its equipment assistance funds; (2) exposition of a scheme for utilizing all child feeding funds allotted to the State—relying, in part, on the pourover authority—to assure that, as of the start in the school year next year, all of the 8.4 needy schoolchildren in this country have

access to some form of school lunch at a free or reduced price; and (3) installation of a reporting system that will require each local educational agency to submit a monthly report to the State comparing the number of poor children in the district, and they have those, because they give those to the State educational agency. They do not give them to the State school lunch director, although in fact, he is normally next door to the education director. You are comparing the number of poor children with the number of eligible children receiving lunches which is more than we have now.

I would like to close by saying the national school lunch market is potentially \$5,200 million in scope exclusive of equipment and capital costs (52 million children at approximately \$100 a year—180 day times 58 cents less absenteeism). At least \$3.2 billion of that market is presently untapped. The benefits to all Americans that would flow from opening up that potential are immeasurable. Improvement in the physical and mental health of poor children and, indeed, of all children as well as in the financial health of good suppliers and producers and food service personnel would be guaranteed. Employment and profits—those twin American idols—could not avoid increases. You have the chance, with the Talmadge bill and the Perkins bill.

That, after all, is why the manufacturers of equipment and the food service people are in here. It is \$3.2 billion at stake if this program is really opening up. The benefits to all Americans that would flow from opening up that potential, to start the school lunch gold rush of 1969 and do for the impoverished innocents what you began 23 years ago for their better off brothers and sisters. What is sauce for the goose should be sauce for the gander. And 32 million children would like sauce on something.

Thank you for sitting still so long.

(The prepared statement of Mr. Kramer is as follows:)

Mr. Chairman and Members of the Committee: I appear before you today at what will hopefully prove to be a dramatic turning point in the history and fortunes of the so-called National School Lunch Program. In 1946, Mr. Chairman, you and Senator Russell created this Program in the hope that every American school boy and school girl who didn't want to or couldn't return home for lunch would have access to a nourishing meal at school. Somewhere along the way in the course of the past 23 years, that hope and with it the chance of meaningfully educating millions of hungry youngsters, has been lost, for certainly we are entitled to label as "hunger" the gnawing, rumbling pangs that afflict us all when we have nothing to eat from 9 a.m. to at least 3 p.m. What went wrong? The answer is crystal clear: too much rhetoric and too many promises, followed by little or no delivery. I am here now to suggest that the Talmadge bill, S. 2548, and the Perkins bill, H.R. 11651, provide the perfect vehicles, with a few amendments which I shall propose, for finally fulfilling the commitment you made two decades ago.

In 1962 Congress resolved that the seven-day period beginning with the second Sunday in October would be known as National School Lunch Week. The celebration you proclaimed in 1962 continues not only undiminished, but with typically American hoopla. The American School Food Service Association has a special committee to oversee the festivities; the Department of Agriculture and state education departments crank out propaganda by the carload. Meanwhile, back in the cafeteria, considerably less than half of the children are being fed. In 1962 Congress also passed a law authorizing an initial \$10 million in fiscal 1963 and unlimited appropriations happily ever after to provide special assistance to schools with pupils from poverty areas so that children who could not afford to pay the full cost of their lunches could nonetheless be fed. That act languished in the closet for four years until Senator Hart gave it a transfusion. Last fiscal year, already seven years behind schedule, it hit the \$10 million mark.

Thus, a tale of two countries: official Washington which heralds and ballyhoos and rejoices and poor America which gets fed words in place of substance. This year National School Lunch Week rolls around appropriately enough on October 12th. The National Council is suggesting to the families of poor and even middle-class and affluent children that like Columbus, they discover America, but as a land of empty lunch bags.

From October 12 through October 17 some 19 million-plus children can celebrate their receipt of a federally-subsidized lunch at school. The other 32 million pupils will have nothing much to be jubilant about. Semi-National School Lunch Week won't make any difference to these left-outs.

Some of them—the lucky Campbell Kids—can skip home for a nice hot meal. Some can head to the corner greasy spoon for a coke and a candy bar. The rest—we estimate 15 million—can utilize their non-lunch hour to wonder why they should not be fed. They can contemplate:

An America which trumpets its claims that it "helps provide wholesome, appetizing lunches to the Nation's school children every school day", while ignoring the fact that it fails to serve three out of every five students;

An America which would commemorate when it should condemn the prospect of 10 million boys and girls from all economic levels attending schools where no food service is available, 9 million of them living in rural and suburban areas or small cities, not in major urban ghettos.

An America where nearly 5 million children from impoverished families are taught the hypocrisy of hunger amidst plenty, all because their parents cannot afford the cost of lunch and no one else will help.

The National Council intends to help America wake up to the damage its neglect, ignorance, and stinginess inflict on its sons and daughters—225,000 in Philadelphia America; 595,000 in New York America; 74,000 in Memphis America; 490,000 in Chicago America; 231,000 in Detroit America; 101,000 in Cleveland America; 209,000 in Houston America; 50,000 in New Orleans America; 25,000 in Birmingham America; 27,000 in Omaha America; 38,000 in Kansas City America; 331,000 in Los Angeles America; 84,000 in San Diego America; 83,000 in Seattle America. We cannot continue to let them eat cake.

The National Council wants everyone to realize that all the technology and teachers in the world cannot counter the damage of deprivation at noon, damage compounded by non-breakfast before school begins and non-dinner upon returning home. It is time for America to confront the truth about lunch at school—most children, like the last little piggy in the nursery rhyme, get none. Let every American learn of the scarlet F engraved on the program's report card. Let the word go forth that the Federal, state and local governments have flunked again.

And so the National Council has called upon each community to keep National School Lunch Week in its own way to insure that every American becomes aware of what is not happening. The mode of observance will vary from place to place, depending on the imagination of the celebrants and the manner in which they choose to dramatize the refusal of the schools to supply free or reduced price meals to every needy child. For that is the central problem and that should be your Number One priority.

FINANCIAL AID FOR FOOD COSTS

The Talmadge and Perkins bill offer you the opportunity you should seize. The focal point of the Talmadge proposals is, after all, more money, both state and Federal, directed to supplying free or reduced price (defined for the first time in the history of the legislation as a 20-cent maximum) lunches to needy children and to equipping schools to enable them to provide food service. The authorization levels for special assistance under Section 11 of the School Lunch Act would climb immediately from the present projected fiscal 1970 appropriations level of \$44.8 million to \$200 million and then move on to a plateau of \$250 million for fiscal 1971 and \$300 million in 1972. In seeking to multiply at least five-fold the amount of funds specifically available to supply lunch to needy school children, Talmadge relied on the estimate of his state school lunch director that an additional \$214 million was required to close the poverty lunch gap to reach an additional 3.5 million children for 180 school days with an average reimbursement rate per meal of 34 cents.

The two major variables upon which such estimates depend are the number of poor children requiring help and the cash level of Federal food aid as opposed to Federal commodity donations and Federal funds to buy equipment. In fact, the latest available information contained in the revised August, 1969 calculations of poverty in the United States in 1967 prepared by the Bureau of the

Census indicates that there are approximately 8.4 million children of school age from poverty families under OEO standards who, in order to eat lunch, require financial assistance in the form of a free lunch or a substantially reduced price. USDA comforts itself with a 6.6 million figure, which does not comport with the Government's own data, but the right hand does not know who the left hand is not feeding. The average lunch bill now runs to 58 cents, of which at least 36¢ is attributable to the cost of food alone. The Federal Government donates an average of 10 cents worth of commodities (highly nutritious Section 6 foodstuffs, price-supported Section 416 staples, and surplus Section 32 products) and is limited to maximum cash reimbursements for needy schools of 34 cents per lunch (the 9 cents maximum rate for all lunches plus an additional 25 cents for schools in economically deprived areas), although, in actuality, reimbursement for specially-assisted schools averaged but 20 cents in fiscal 1969 and is anticipated, under the present Nixon budget, to reach only 23 cents in 1970. This cash reimbursement covers more than the bald cost of going to market, since it may also encompass the cost of processing, distributing, transporting, storing, and handling purchased products. The only costs not intended to be covered by the Department are the labor charges involved in actually preparing and serving the meal.

If the Federal Government were to furnish the maximum possible cash assistance to every school in the country (assuming every school either had food preparation and service equipment or could have prepared food delivered by other mechanisms) to feed every needy pupil, the bill to be paid would approximate \$2.86 million every day (34 cents \times 8.4 million children) or \$515 million during the school year less 10% for absenteeism, leaving approximately \$464 million as the base sum. Actual Federal cash for free and reduced price lunches is expected to total \$133 million in school year 1969-1970, consisting of \$44.8 million for Section 11, \$61 million projected from Special Section 32 funds (the states have other alternatives for using this money), and as much as \$27 million of the \$168 million anticipated in general Section 4 funds that subsidize lunches for everyone, including middle-class and rich students, approximately 16% of which it is estimated is ultimately directed to the poor. This would leave a cash deficit of some \$331 million, not \$214 million.

One thing is certain. More Federal financial aid is vital to assure that poor children receive lunch in school, much more. The Talmadge bill would go at least part way toward meeting that need. The Perkins bill would furnish another desperately-needed boost to the goal of lunch for every poor pupil. While the states would be free to allocate their share of the \$100 million to any food service program under the National School Lunch Act or the Child Nutrition Act of 1966 (with a 5% limitation of use of funds in any State for nonschool food service) as well as to the rental or purchase of operating equipment and State and Agriculture Department administrative expenses (a 2% of the total funds limitation would be imposed here), they would have to direct the proceeds to provide meals to "children whose parents or guardians do not have the financial ability to provide for the adequate nutrition of the children" or who have been "determined by local officials as in need of improved nutrition." The needy would be the sole beneficiaries of the Perkins' largesse, regardless of the means selected for delivering food. Even then it is likely that lunch would be allocated at least \$50 million on a nationwide basis, which would increase potentially available lunch funds for the needy by almost 40% (if the House ever decides to go to conference with you on the Agricultural Appropriations Act of 1970).

Recommendation: Approve the funding levels in both S. 2548 and H.R. 11651, the former, an authorization; the latter, an appropriation.

SPECIAL ASSISTANCE FOR SCHOOLS OR CHILDREN ?

The Talmadge bill would go beyond an infusion of more funds to revise the basis for distribution of those funds. Section 11, as it stands on the books, permits payment by a State of special assistance monies only to schools in the State selected in light of factors that focus exclusively on the economic problems of the schools and the nature of the area in which the schools are located rather than on the problems of the poor children who are in attendance. Thus, if a small school of 150 pupils, nearly all of whom are poverty-stricken, is situated in the heart of a ghetto, the odds are great that the school will qualify as a Section 11 school and those pupils will receive free or reduced price lunches. But, if a school is situated in the suburbs and draws its 2,000 pupils, of whom 200 might be classified as poor, from an area that is more affluent than not, the chances are

slim that any of the 200 will be given lunch unless the school collects enough from the 1,800 well-to-do to balance subsidies to the poor. The inequity is that the formula focuses on the need of the school (in terms of its location, the percentage of free lunches it serves rather than the absolute number, the prices it charges for lunch, the relative financial status of its lunch program) rather than on the needs of the children the program is intended to serve. In addition, some schools have objected to being singled out as "poor."

The Talmadge bill would rectify this situation by reversing these warped priorities and requiring the Section 11 money to follow the child, not the school. Regardless of the factors previously relied upon, otherwise ineligible schools could be chosen by the State to receive Section 11 funds to feed their needy children. Where severe need existed, so that the Federal contribution rate (the 34 cent maximum or, in reality, 23 cent average) would be too small to guarantee an effective program, the Secretary would be empowered to pay up to 80% of a school's operating costs. For the first time outside of the breakfast and non-school food service programs, where this possibility already obtains, Federal cash could be utilized to pay for the labor involved in preparing and serving food. Paying for labor is a crucial problem. Labor can add as much as 20 cents to the cost of a meal. Local school districts have great difficulty in meeting these labor costs, even with Federal support for the food bill. Some cannot use Federal food funds, because the labor bill for readying the food for eating is beyond their budgets. Others have had to turn to non-USDA sources to afford labor. The revised Section 11 would start to obviate this problem and with it a rather unsavory civil rights dilemma.

Recommendation: Adopt S. 2548's provisions.

LUNCHES FOR BLACKS AND WHITES

In many states in the South, quite noticeably North and South Carolina (\$3.5 and \$3.4 million, respectively, in fiscal 1969), Texas (\$3.4 million), Georgia (\$2.8 million), and Arkansas (\$2.5 million), funds from Title 1 of the Elementary and Secondary Education Act of 1965 (ESEA) have been employed to fund food services in the poorest school districts. Indeed, of all Title 1 funds expended upon food (\$32 million in fiscal 1969), some 70% has been spent in nine Southern states. When HEW has determined that any of these districts have failed properly to desegregate under Title VI of the Civil Rights Act of 1964, the funds have been cut off and school lunch programs dependent on those funds have been curtailed, although school lunch funds administered by USDA are not so treated, because of the legislative history of the Civil Rights Act for which Senators Humphrey and Pastore were responsible. The result—white intransigence leads to black deprivation of food. Sensing a way to employ sentiment in behalf of hungry children as a means of beginning the gutting of Title VI, Senator Talmadge earlier this year seized upon this denial of lunch to introduce legislation, S. 1472, that would, among other things, permit segregated lunch service in previously integrated schools without any possible threat of the cut-off of Federal support. The present bill contains no reference to this effort to subvert from Title VI. It would accomplish the Senator's objective—making sure that poor children are fed irrespective of the discriminatory status of the school that feeds them—without impairing Title VI, because it would make available from USDA (and thus free from Title VI concerns) added funds to the poorest districts, enabling them to compensate by substitution for the loss of Title I monies. Interestingly enough, Senator Talmadge has defended his revision of the deployment of Section 11 special assistance funds to concentrate on the child rather than the school by pointing to the example of poor children bussed into schools located in affluent areas in order to achieve "forced integration", who would not get help in obtaining lunch under the Act as written.

Recommendation: Follow S. 2548 and abandon amendment of the Civil Rights Act of 1964.

AID FOR EQUIPMENT

The cost of food may be the major factor in the cost of providing school lunch, but equipment costs are crucial in deciding whether lunch can be served at all. Approximately 10 million school children attend school where no lunch is available because of the lack either of equipment located in the school or of some acceptable means of bringing already prepared food into the school for service there, such as the use of central kitchens or commissaries. Nearly 2 million of these children are estimated to come from poverty-stricken families. The Tal-

madge bill recognizes the urgent need for immediately increased equipment funding by authorizing \$38 million for fiscal 1970. \$18 million is authorized under Section 5 of the Child Nutrition Act of 1966 for nonfood assistance, but the Nixon Administration sought only a \$10 million appropriation to be supplemented by an anticipated State expenditure of \$5 million for equipment from special Section 32 funds. From the instant peak of \$38 million designed to break the back of the equipment problem, the Talmadge funding level would subside gradually to \$33 million in fiscal 1971, \$15 million in fiscal 1972, and \$18 million hereafter. Any portion of the \$100 million contained in H.R. 11651 assigned to this purpose would give an additional boost this year.

The Talmadge formula for allocating these millions makes superficial sense, but has hidden defects. The idea of allowing those states with the best facilities to receive the bulk of equipment purchase funds seems to be appropriate unless the same standards that Talmadge purports to apply to Section 11 cash are brought to bear upon equipment assistance. The program is not designed to help schools. It is designed to feed children. There may be numerous schools without proper equipment (subsisting on ring burners at best) in, for example, Appalachian states like Kentucky or Tennessee, or the mountain areas of Wyoming and Montana, but it would not benefit many pupils to concentrate all of the funds in those States. A factor that takes into account the number of students enrolled in schools that would like to acquire new or replace existing food preparation facilities would be more meaningful, unless the object is to overlook heavily-populated ghetto areas with a small number of equipment-less schools attended by large numbers of children in favor of rural one-room schoolhouses with sparse attendance.

Simply authorizing the expenditure of these funds does not guarantee more widespread food service. To begin with, the private market for institutional food service equipment, which now approximates \$130 million per year, may not be able to absorb a sudden influx of Federal funds which, when combined with the requisite 25% local or State equipment matching, could increase demand by over one-third in the space of a few months.

Even more important, it is extremely doubtful whether empowering individual schools to go out and buy a complete set of the necessary facilities is the most efficient method of rapidly increasing the number of children eating in schools that previously served no lunch because of lack of facilities. Again, it is the children to be fed and not the schools to be equipped that ought to be the center of legislative attention. The Talmadge bill, unlike Perkins' H.R. 515, would not even authorize the far cheaper practice of renting equipment to get more equipment mileage out of the same amount of money. What the Talmadge bill lacks even more than rental permission is specific direction to the states to utilize funds for nonfood assistance not simply to supply equipment to individual schools, but to equip schools to serve lunch (there is more than just a semantic difference), even if this means supplying the equipment monies to some central kitchen or commissary which will, in turn, deliver prepared food to the schools. Despite the Senator's protestations that the bill would "allow private food services to provide temporary assistance to schools where new equipment could not be installed immediately", there is no intimation whatever in the equipment section of the bill that private catering is welcome on even an interim basis or that there is to be any substantial innovation in school food delivery. Private catering or public innovations such as centralized commissaries would relieve schools of the substantial investment in equipment, which one study estimates to cost an average of \$65 per child or over \$50,000 per average high school and considerably over the \$10,000 per elementary school projected by USDA.

The Talmadge bill does not open the door very wide either to multi-school, multi-district, or even multi-state school food service (for example, a commissary preparing meals for feeding school children in both Washington and Baltimore) or to private food service management companies. The declaration of policy that controls the National School Lunch Act (Section 2) refers to aid only to "nonprofit" school lunch programs and the definition of "nonfood assistance" contained in Section 12(d)(4) of the Act includes only "equipment used by schools in storing, preparing, or serving food for school children," and Section 5 (a) of the Child Nutrition Act of 1966 refers to assisting "States . . . to supply schools . . . with equipment for the storage, preparation, transportation, and serving of food . . ." The combination of these provisions, coupled with the Talmadge bill's silence on these matters other than in the special development project section, would leave private catering and/or centralized food service right

where they stand now—in limbo, with a potential assist to realization on a very limited demonstration basis.

As a result of the exclusively "nonprofit" nature of the school lunch program, slipshod practices of private food service enterprises, and the professional jealousies of local food serving personnel who are fearful that their employment opportunities might be curtailed if ARA or Canteen get into the act, until January, 1969, USDA's school lunch regulations prohibited any kind of contractual arrangement with a concessionaire or food service management company to operate any Federally-funded food service. USDA took a halting, but progressive step in January, by announcing that schools would be permitted to participate in the school lunch program, even if they turned over their food operations under contract to profit-making companies on a pilot, experimental basis, but only if the contracts would result in bringing food to needy children who had not previously had access to lunch at school, the companies would adhere to the program's rules contained in three alternative mandatory prototype agreements of some degree of complexity, and both the state and USDA approved the agreement before catered food service began. The one absolute was that the companies could not install one of their own employees in the school as resident manager of food service. Over-all control of food service operations was to stay in the hands of the schools. Union jurisdiction was to be preserved.

Although this conditional permission to farm out the program has existed since January, not one school district has sought its advantages, indicating the lack of innovative energy in food service in schools and also the overkill practised by the Department in preparing agreements that would so confine the freedom of action of caterers as to chill their ardor for entering the school field. The nonprofit ideal of the lunch program remains unsullied (the profit is disguised as a management or food fee) and at least 10 million school children remain unfed as a living sacrifice to the program's virtue.

While any approach to catering is, at best, half-hearted, resort to central commissaries administered on a multi-jurisdictional basis (schools, districts, states) does not and cannot exist unless the facilities are physically located on one school's property. USDA's Nonfood Assistance Application form encompasses central kitchens, but only if a school serves as such. Non-school entities need not apply.

The Talmadge bill leaves the guiding provisions of the Act that make it difficult to employ caterers or create commissaries untouched. Catering and commissaries have no legislative home under S. 2548, unless a State educational agency were willing to finance them as demonstration projects in competition with school food service research, surveys, and information dissemination out of a maximum of 1% of the funds appropriated to carry out the Lunch Act and Child Nutrition Act (this would amount to approximately \$6 million, since the House appropriations level is \$611 million and the Senate \$580 million) or were agreeable to funding them under the "special developmental project" label or "pilot programs for improving the methods and facilities for providing food service to children" out of a state reserve of 1% of funds available for apportionment to the state (perhaps \$4.5 million for all 50 States, since commodities and Federal administrative expenses must first be deducted from over-all program appropriations). Senator Talmadge has indicated that he envisions "equipment packaging or delivery systems specially designed for school feedings" as potential special development projects, including jointly financed arrangements involving more than one locality or state, but the State educational agencies would have the final word on whether to fund locally-developed projects. No group of schools would have the financial ability to attempt the commissary approach without State grants. No State has yet exhibited active interest in seeking help from the private sector's advanced food technology or in otherwise changing the nature of institutional food service.

Whether or not private catering or commissaries can furnish a meal at less cost than and with as good nutritional results as equipping a school to perform the same job will remain a moot matter until efforts are made to go beyond studies to action as suggested by USDA Assistant Secretary for Marketing and Consumer Services Richard Lyng, who, in a major address at the American School Food Service Association convention in Detroit on August 5, informed his audience of old-time food service personnel:

Our greatest attention must be directed to those schools that are old, poorly equipped and exist in low-income and often crowded areas with very little in the way of resources to feed hungry kids. How are we going to reach them

with food service? More and more, our thinking is moving away from trying to build kitchens in these schools, but instead to supplying foods in ready-to-eat or almost ready to eat forms to be served any place in the school, even right at the youngster's desk, if necessary. Then we concentrate our nutrition, technological and management know-how on the development of large-scale food commissaries or factories, if you will, that convert raw food into attractive meals in well-controlled, high-speed production facilities.

From experience with this approach in several large metropolitan school systems we know that it can result in considerable savings in labor and equipment costs, resulting in great economies in the overall food service program. Here one large eastern city, has a satellite food service, in which 11 send-out schools service 50 surrounding schools with complete Type A lunches . . . What's more, the food service people have found that the uniformity of products and preparation methods have led to better meals that actually sell themselves to the students. Officials of this school district anticipate that the satellite system could reach as many as 200 schools by 1973, with an annual savings of \$82,000 in food costs alone. They say it's possible to save as much as \$6.7 million over a five year period in space, equipment and labor. Satellite systems, central kitchens and similar operations are being tried in many large and small cities of the country. We must all watch these developments very closely to see where new findings, new technology, new management techniques that work in one area can be applied somewhere else.

Many school feeding systems could, I believe, move much faster with much less capital outlay and much lower costs, by going a slightly different route from the central or satellite kitchen approach. That is to buy complete meals or most of the components already prepared. This potential is just developing and I believe the specialists in our school food service programs are in a position to encourage this development. Our school lunch managers and administrators are experienced in buying under specifications and have a professional understanding of quality and quantity control. We can be leaders in this field and at the same time get meals to a lot more youngsters.

There is one opening in the Talmadge bill worthy of exploration in this regard, even though it amounts only to undoing a negative contained in the Perkins legislation. H.R. 515 as drafted would have prevented State matching funds from being used other than "in the schools." Senator Talmadge, on notice that this might prevent employing State tax funds for central food preparation or other activities occurring outside the schools, carefully changed the wording of his bill to permit use of the State revenues for any program purposes whether performed inside or outside of the schools, except for payment of salaries or state administrative expenses. Whether this constitutes an indirect invitation for schools to innovate on a large-scale rather than experimental basis remains to be seen, but the definitional limitation upon rendering equipment assistance outside of schools remains a substantial barrier to the deployment of the bulk of Federal as opposed to state source funds in imaginative ways.

Recommendation: Change formula for allocating equipment funds to states in S. 2548 to reflect number of pupils in equipment-starved schools rather than number of schools; authorize equipment rental; remove "nonprofit" limitation from the Act; permit purchase of equipment to be used anywhere to furnish school lunch rather than restricting use to sites in schools; generally encourage resort to catering, commissaries, and the like.

ADVANCE APPROPRIATIONS, CARRYOVER, AND FLEXIBLE USE OF FUNDS

Neither State nor local school food service officials can adequately plan to spend either Federal money now available or the money that might be forthcoming should the Talmadge bill be enacted, unless they are able to plan sufficiently in advance for proper program implementation. For example, the special Section 32 funds that the States were free to use to feed needy children either by reducing lunch prices or providing breakfasts or buying equipment or paying for State administrative expenses, and which were intended to be spent by June 30, 1969, were allotted in December 1968, half-way through the school year and, as late as May 5, only 60% of the monies had been made available. Principals cannot be expected to project which children in their schools will and which will not be entitled to a free or reduced-price lunch unless they can be made aware well before the start of the school year what their share of Federal aid for free and reduced-price lunches is likely to be. The Talmadge bill would solve this problem by authorizing funds to be appropriated for the school lunch and related pro-

grams one year in advance. Under the bill, for example, the Department could request that appropriations to be spent in the school year 1970-1971 (fiscal year 1971) be made now, while State allotments would be based upon school lunches served in the 1968-1969 school year. The bill also provides that, if any funds appropriated to carry out the Lunch Act in any year (this apparently does not apply to equipment funds or breakfast funds, which are part of the Child Nutrition Act of 1966), are not expended because of lack of facilities or personnel, they may be carried over into the next fiscal year.

A more serious problem affecting many States in recent years involves the over-compartmentalization of child feeding programs, with separate funds separately applied to lunch, breakfast, equipment, administration, and nonschool food service. Some States or school districts, confronted with a heavy run of needy children, have exhausted their supply of Section 11 funds that would enable them to reduce prices on lunches served to the needy only to have to look longingly at their pool of equipment money which they have not been able to exploit fully, but cannot touch for other purposes. The Talmadge bill would permit the possibility of a flexible interchange of funds among the five district uses by permitting a State acting under an approved State plan to transfer funds between all of these programs without any limitation on the extent of such transfer. Thus, each State could individualize its efforts to feed the needy in its school population rather than being forced to operate within the rigid apportionment formulae.

Ideally, all of the hodge-podge of programs and sections that make the National School Lunch Act and Child Nutrition Act of 1966 a school administrator's nightmare and an accountant's delight (the Mayor's Task Force in Baltimore pinpointed some 16 separate Federal sources for feeding children in school settings) should be collapsed into one block grant program subject to the clear priority that each State's funds be used to feed all of its needy scholars at least lunch, with the remainder deployable for reducing the cost of feeding the other children lunch and all the children breakfast or suitable snacks. Until that day, which is perhaps around the corner, the Talmadge flexible pourover is acceptable.

Recommendation: Follow S. 2548, but permit carryover of breakfast and equipment monies.

STATE MATCHING REQUIREMENT

The real secret to expanding the ability of schools to serve lunch to all those who need it but cannot afford it, and ultimately perhaps to make school food service universal, is to prompt State governments to put up their fair share of the cost. The National School Lunch Act of 1946 seems to mean business on its surface, for it requires three-to-one matching of the Federal dollar by the State from any "source within the State determined by the Secretary to have been expended in connection with the school lunch program." Unfortunately, because of legislative history attributable to the Chairman, the concept of sources within the States was diluted to include children's payments and locally donated services or supplies or facilities. Thus, while the three-to-one matching requirements may seem stiff, in fact, nearly 53% of all school lunch programs costs in fiscal 1969 were furnished by the children who received the lunch rather than by State governments, and State and local governments put up only 5 cents of every 58 cent meal, while the children contributed 30.5 cents, the Federal Government 13 cents, and locally donated goods and services 14.5 cents. Thus, the state of Mississippi is able to get away with allocating only \$109,000 for its share of a \$25 million school lunch program. No more than half the states now appropriate or use State funds for school food service.

Local effort is indeed where it should be at, but all the slogans and shibboleths in the world cannot disguise the fact that state and local governments will, in nearly every instance (some notable exceptions appear to be Louisiana, Utah, New Jersey, and New York), shy away from doing their part in financing child feeding programs unless they either are confronted by an outraged, politically potent citizenry or are subject to Federally imposed stringent matching rules. Liberals have been fond of rejecting out of hand any State matching provision tacked on to social legislation because of the usual truth that the more the matching, the less the likelihood that state or local governments will want to participate at all. But the instinctual reactions of liberals are irrelevant here. School lunch is a universally-approved subsidy to the middle-class (only \$133 of the approximately \$638 million planned for fiscal 1970 or slightly more than 20% is angled toward the poor). No school system and no State would dare cut off its head to spite its nose. Avoiding some reasonable level of

State-local cost sharing with the children and the Federal Government by abandoning the Federal program entirely is simply not a viable alternative anywhere, including the Deep South. You don't go out of your way to antagonize middle-class voters.

The solutions then are two-fold: local pressure and Federal regulation. The former can be quite successful. The Reverend Jessie Jackson's hunger marches throughout Southern Illinois stimulated the Illinois legislature to pass last month a \$5.4 million appropriations bill designed to enable free lunches to be served to 200,000 needy pupils throughout the state year-round. A local vigilante committee of bishops, cardinals, rabbis, Junior Leaguers, and just plain folks in Maryland only three weeks ago forced a recalcitrant Governor, who is more interested in budgetary surpluses than in poor people's deficits, to announce a State contribution of \$1.2 million to a feed-the-needy-lunch campaign at a \$25 a plate civic dinner that itself netted \$22,000 for lunches for the poor. The National Council's ten staff workers have covered most of the South, Arizona, California, Oregon, Washington, Kansas, Nebraska, and Iowa this summer seeking, among other things, to organize locally concerned groups and individuals to put the heat on their officials to cough up school lunch aid. The results have been scattered, but the rising trend is undeniable. Law suits filed in Oklahoma, Kansas City, Detroit, Chicago, Boston, California (statewide) and Modesto (locally) and soon in Los Angeles and New Jersey have forced the States to face this issue. A nationwide conference of lawyers is planned at the University of Chicago in November to plot the strategy for an endless string of litigation directed at securing a meal for every needy pupil in every community in the country.

Nonetheless, and despite the best efforts of volunteers, some states and localities will not bear their fair share unless a Federal gun is pointed at their backs. That enlightened territory of California is a good example. The State legislature, by overwhelming majorities in both houses, passed a bill appropriating \$5 million to provide State funds on a matching basis for the school breakfast and lunch program for needy children. This would have been the first time that the State participated financially in the school lunch program which had previously been the fiscal ward of the Federal Government and the local school districts. But the Governor, anxious to demonstrate that his heart, but not his pocketbook, bleeds as much for the very young as for the sick and mentally disturbed, axed all but \$500,000 of this sum for use in a pilot program. As if there needed to be a demonstration on a pilot basis of feeding children.

To avoid future Reagans, S. 2548 is a must. Senator Talmadge wants to put the monkey squarely on the State's back, where it belongs. His bill begins by appearing to dilute matching through putting it on a \$1 to \$1 basis, but then turns about and requires the States, commencing in fiscal year 1972, to fund 10% of the matching requirement or 5% overall from State revenues (which might include State land rentals as well as State tax funds, although excluding State funds already being spent on State administrative expenses). Thus, in fiscal 1972, if the Federal government were to put up \$1, the State would have to meet this with 10 State cents and 90 cents from the children or local sources, such as donations. As of fiscal 1974, the matching requirement would rise to 20% or 10% overall (20 State cents to every Federal dollar); in fiscal 1977, it would become 30%, or 15% overall; in fiscal 1980, 40% (20% overall); and ultimately, by fiscal 1983, 50% (25% overall), or 50 State cents to every Federal dollar.

Talmadge would channel new State matching funds to those "schools with the greatest need in terms of number of children from low-income families," which is somewhat inconsistent with his basic trust to help the child, not the school. Senator Talmadge would accomplish this by allocating the funds in such a manner that each school would receive the same proportion of the new State matching funds to use for lunches that it does of Federal funds for general assistance, special assistance, breakfast, and equipment assistance. Since special assistance Section 11 monies are slated to rise considerably in the Talmadge scheme of funding, the eventual impact would be substantial benefits for the schools with the greatest number of poor pupils in attendance.

Recommendation: Adopt the Talmadge matching formula.

ADMINISTRATIVE EXPENSES AND COMMODITY DISTRIBUTION

The only way child feeding programs will be properly administered in the States is to furnish some reasonable level of Federal aid to those State institutions responsible for planning and developing program implementation that will enable them to hire competent staffs. The Talmadge bill would increase

the amount authorized for distribution to the States for their expenses by 3½% of the appropriations for nonschool food service, equipment assistance, and breakfast, on top of the 3½% of Section 4 (general assistance) and Section 11 (special assistance) funds now available, or a potential \$1.225 million increase in fiscal 1970, which is still slight. The funds so appropriated could go to help any State agency that is responsible for supervising and giving technical assistance to local school districts and other food service institutions (e.g., day care centers) vis-a-vis the programs for special assistance for free and reduced price lunches, nonschool food service, equipment assistance, and breakfast, rather than just to State educational agencies.

At present, the commodities that are distributed to schools under the lunch program come in three varieties—Section 32 surplus products, whose market prices are less than 90% of some ancient, mythological parity (primarily, in the 1968-69 school year, beef and pork, turkey, peanut butter, shortening, and an assortment of dry beans, corn, dried prunes, tomato paste, and the like); Section 416 price-supported produce (including a heavy dosage of butter and cheese, flour, non-fat dry milk, bulgur, corn meal, grits, rolled oats, and rice); and Section 6 products purchased solely on the grounds of nutritional needs (lots of chicken, frozen ground pork, apricots, grapefruit sections, peaches, pineapples, green beans, peas, and tomatoes). The Section 6 goodies are the most desirable, particularly because their purchase and provision are undertaken with careful planning and helpful timing, but also the least accessible. They are not available to schools that refuse to participate in the program. They are not available to schools for breakfast or to service institutions, such as summer camps and day care centers, in the nonschool food service program. The Talmadge bill would change all that by allowing the USDA Secretary to distribute Section 6 commodities to service institutions and schools for use in any Federal child feeding program. In addition, the Secretary would be mandated to use Section 6 funds to purchase "highly nutritious foods, especially those foods with a high content of Vitamin A or Vitamin C." With proteins out of the way, the Florida citrus growers should have a field day, particularly since Senator Talmadge expressly referred to the need of middle-class children for orange juice in analyzing the new law on the floor of the Senate.

The proposed revision of Section 6 provides a perfect opportunity for another long overdue reform in Federal administration of food programs. If the Federal Government is going to spend millions of dollars to supply supposedly nutritious products to school children, then it should assume meaningful responsibility for the quality of those products. A very good place to start is with the hot dog, perhaps the most popular staple in all school lunches, although no statistics on its use are available. Only a week ago on Friday, September 19, USDA announced that it would limit the fat content of the hot dog to 30%. Without going into the details of this struggle—one of our attachments sets forth the Council's position—it would seem that you could and should require USDA to force sausage suppliers to schools paid with Federal money to meet higher standards of low-fat, high-protein, hence better nutrition, than general suppliers to the public. If you abdicate now, the producers will continue undeterred in their eternal search for cost-saving at the expense of children's bodies. The various commodity divisions in the Consumer and Marketing Service that do the actual buying of Section 32 and 416 foodstuffs do indeed set tough specifications for the products they buy. USDA could just as easily promulgate nutritionally meaningful standards for products bought by the schools with Section 6 funds or Section 4, 11, and 32 cash. In fact, USDA has a fat content specification for ground beef that effectively limits the fat content of hamburgers to 25%. Are frankfurters any different because they are more frequently consumed?

Many schools obtain Section 32 and 416 commodities without having to participate in the school lunch program and be subject to the requirement that they serve a Type A lunch or otherwise comply with school lunch regulations. 462 schools in Los Angeles operate on this basis to save local money. The Talmadge bill would end this Federal laissez-faire, allowing schools to save money at the children's and Federal Government's expense, by imposing regulations on schools receiving federally donated commodities with respect to the nutritional balance of meals served in such schools. USDA has already distributed to State school lunch officials a preliminary draft of such regulations which would require all such schools to sign National School Lunch Program agreements and submit a written plan to the governing State agency that would describe how the school

would offer all children nutritionally adequate lunches meeting Type A lunch requirements, priced as a unit and provided free or at a reduced price to needy children. Plans would have to emphasize the control of food selections by children to insure adequate nutrient intake and the sale of highly nutritional food. Schools that complied would be entitled to receive some cash reimbursement (including the 3 cents they already derive from the special milk program) up to the full cost of providing free or reduced price lunches to needy children in attendance there. These regulations could govern a prospective 14,000 schools as well as countless service institutions.

Regulatory authority would also extend under the Talmadge bill to the imposition of restrictions on sales of competing food items side-by-side with Federally-assisted food service. These restrictions, already circulating in preliminary draft, would make it a condition of eligibility for participation in the lunch program that schools agree to operate food service in a manner that would reasonably assure availability of a nutritiously adequate food intake, with service of any additional foods beyond the Type A format subject to approval by the State or USDA (for private nonprofit schools) as to times, places, and prices. Approval would probably be denied to the unrestricted purveying of candy, pop, and similar food and beverage items unless their sale was prohibited during lunch hour.

Recommendation: Report Talmadge provisions with inclusion of reference to protein-rich items in the list of Section 6 commodities. Expand administrative expenses funding by replacing percentage withdrawals from program costs with a new section and a specific authorization of \$7.5 million. Require high nutritional standards to be set for all school lunch commodities.

TRAINING, RESEARCH, AND SURVEYS PROJECTS

There are benefits in the Talmadge bill for the middle-class quasi-professionals who run the programs as well as for the children they serve. States, as under the Perkins' provision, would be eligible to receive grants from the Secretary to train and educate workers, cooperators, and participants in nutrition out of a maximum of 1% of all child feeding funds, subdivisible by the Secretary for purposes of training or surveys and studies of food service program needs, with an option remaining in the Secretary to devise non-grant means of furnishing nutrition education to children and food service personnel. On top of that 1% there would be an additional 1% aimed at the workers alone that would come to State educational agencies in the form of grants and could be applied to stipended research traineeships, internships, personnel exchange programs, and graduate fellowships, all in the burgeoning field of food service. The training itself would not be furthered as under H.R. 515 which required HEW-USDA cooperation in preparing curricula and training programs for professionals, paraprofessionals, and students. Those who received this training could thereafter be employed by local school districts, with the Federal Government footing half the bill in each school district and the number of personnel employed by each State determined by a Secretary—prescribed apportionment formula focusing on State school population, State personnel needs, and other appropriate factors. The authorization for the employment program is open-ended.

The non-food serving research contingent could secure funds from two distinct sources—that portion of the first 1% not swallowed by nutritional training and education and that portion of the second 1% not reserved for demonstration projects or dissemination of the fruits of research or the other packet of training grants. Little, if anything, is really known about the program, except for the nutritive contents of sampled trays. The cost-effectiveness of satellite kitchens, commissaries, totally pre-prepared meals, and any other technological change is a big cipher awaiting detailed exploration.

Demonstration projects, a term broad enough to drive almost any experimental scheme through, could come about through two 1% reserves. The first batch of projects would involve such innovations as relying on specially fabricated food items or attempting new school feeding delivery systems or providing greater food selectivity to boost participation or using incentive meal pricing and reimbursement rates for good performance in terms of increasing participation. The second batch is labelled "demonstration," but the difference is quite unclear.

Indeed, all of the Talmadge bill provisions relating to training, research and surveys, and special projects are extraordinarily vague and meaningless. Perhaps that is the intrinsic nature of the subject matter, but it would seem that all the diverse authorities might profitably be consolidated and oriented toward some

more specific ends. Otherwise, the Secretary may have to expend as much Federal administrative effort in helping the professionals as in helping the needy.

Finally, the Talmadge bill calls for a 13-member National Advisory Council on Child Nutrition (one each from school administrators, child welfare workers, vocational educators, nutritionists, school food service management experts, State superintendents of schools and schools of directors and local school board members and 5 USDA officials, but no teachers or parents. The Council would conduct its own study of the program (a third study section) and report to the Congress annually with recommendations for administrative and legislative changes.

Recommendation: Replace Talmadge authorities with specific authorizations for research and development grants administered by the Secretary (\$50 million or much less than 1% of Federal program costs) and limited Federal assistance for training personnel with emphasis on providing employment as food service aides on the first rung of a career ladder to unemployed poor persons (\$10 million.) Add on H.R. 515 authority for curriculum development and devising of training programs for paraprofessional school food service employees (the poor) as well as for professionals involved in school food service. Make it clear that research should focus on, among other things, the various possibilities for financing child nutrition programs (all Federal; the present mixture; other alternatives), cost-effectiveness analyses of various food service systems (are vending machines viable?) studies of the relationship between family nutrition and institutional food service (how, for example, does a family's use of its food stamps affect school feeding needs), and the long-range economic and social benefits of a comprehensive child nutrition program (the Bureau of the Budget has completed such a study, but, like all Government agencies with material that would be useful to the American public, they refuse to divulge it to "outsiders"). Finally, specify that demonstration projects should include not only model school feeding programs (utilizing the schools at night for the elderly as well as during the entire day for the young) but also incentives to the private sector that would foster the entry of minority enterprises into school food service and the concomitant development of management experience among and jobs for previously disadvantaged groups. Make certain that parents (particularly impoverished ones) are adequately represented on the Advisory Council as well as community groups.

BREAKFAST—THE STEPCHILD IN THE CORNER

S. 2548 has several noticeable gaps. It totally ignores breakfast, while USDA takes great care to distribute tens of thousands of pamphlets across the country urging the citizenry "To Eat A Good Breakfast to Start A Good Day" and pointing out that those who eat well in the morning will work, study, and play better than those who do not. USDA should be made to peddle less pamphlets and more breakfasts. Serving only 275,315 children in April, which was the peak month, is nothing to be proud of, but, as long as USDA refuses to request any increase in the breakfast authorization, they will have to continue to tighten up on eligibility (the demand is strong) and proselytize working mothers who have to be on the job at 6:00 A.M. to provide fruit, cereal, egg, and beverage to their children before they go, because of lack of meal availability at school.

ELIGIBILITY FOR FREE AND REDUCED PRICE LUNCHES

S. 2548 is totally silent on the vital issue of who should be eligible to receive free or reduced price lunches. This is at the heart of much of the litigation and is the focal point for citizen protests. Way back last October USDA promulgated guidelines directed to the states to control them and their local schools in determining eligibility for discount meals and in assuring the end to any kind of discrimination against children who are unable to pay the full price. Had those guidelines been scrupulously adhered to, all of the states would have, no later than February 1, 1969, assumed responsibility for seeing that every school or institution operating a Federal feeding program developed and placed into effect a written policy for ascertaining who qualified to receive free or reduced price meals and a system for protecting the anonymity of the selected beneficiaries.

By February 1 of 1969, every pupil in a school participating in the Program should have known precisely what his prospects were for obtaining lunch at a discount or for nothing and should have been fully protected from being singled out because he did not and could not pay the full *price* (remember no child pays

the full *cost*). Little Johnny should have been told that if his family were on welfare, he was eligible for some help in meeting his lunch bill or that if his family's income was less than \$2,000 a year he was entitled to a free lunch. Little Johnny should also have been able to secure his lunch at the same time and on the same serving line in the same lunchroom entered through the same door as little Bill who paid 30¢. And little Johnny should have been given the same meal as little Bill (even if little Johnny didn't want the broccoli) and have handed a ticket or token to the cashier lady that was exactly like the ticket or token Bill gave her. Nor should little Johnny have had to wash the dishes afterward or sweep the floors in return for his lunch while Bill played ball.

That was what should have happened. That is what ought to happen in the 1969-1970 school year. What did happen and is happening we do not know for certain because the Department has passed the monitoring buck on to the states. It is the states that have to handle this hot potato under the guidelines to assure through administrative reviews, on-site evaluations, and any other means "that determinations are being made in accordance with announced policies" and "that over identification of any child receiving free or reduced price meals is avoided". It is the States that were supposed after July 1, to refuse Lunch Program contract renewals to schools that were not complying with the requirements that they publish and adhere to eligibility and non-discrimination policies and procedures.

As one might have expected, both deadlines—the February 1st one for compliance in general and the July 1st one for being bumped from the Program for receiving a failing grade in the guidelines course—have passed without any fanfare and less state action. The States have no staff to do the job (Kentucky has 10 inspectors to oversee 1700 participating schools) and, even if they do, they have to live with the local school boards and principals. It is highly unlikely that they will ever push non-complying schools out and deny lunch to all the children that attend them. And it is even more unlikely that the Department will apply substantial pressure to the states to compel them to exclude schools. The Department itself is confused as to how compulsory they meant the guidelines to be—the language that mixes "shalls" with suggestions is indicative—and is quite definite that whatever Federal enforcement there may be will be very liberally sprinkled with mushy gradualism. Disrespect for law and order infects Federal and State officials as well as people on the street.

Where do we stand on the guidelines? Have the schools complied? Are State school lunch directors effectively overseeing their performance? Does the sun shine at night? Miss Jean Fairfax, founder and prime mover of the Committee on School Lunch Participation, which published *Their Daily Bread* in April, 1968, has undertaken a private, informal survey to ascertain precisely how poorly the guidelines have been implemented, since USDA claims to know nothing (an adequate description of USDA). What she has discovered from private citizens and concerned administrators is discouraging and leaves a lot of room for improvement. Her findings disclose confusion as to the meaning of "reduced price", the usual array of inconsistent eligibility standards, non-uniformity in administration from school to school within school districts, secrecy and lack of disclosure surrounding free lunch policies, cumbersome and embarrassing application procedures, requirements that work precede (or follow) the delivery of a meal, and other highly anticipatory horrors.

A capsule glance should expose the rot in the system that you must help exercise. To begin with, no one really knows what constitutes a reduced price, although this could undermine the entire thrust of feeding the needy if some recalcitrant schools or districts were to decide to read the term narrowly and charge the poor a penny or a nickel less than the well-to-do. The Department has never authoritatively spoken out on this matter, although in November 1967 it announced that, if one or more children in a needy family paid the full fare, while the remaining children paid a reduced price (defined as at least 10¢ below the established or going figure), all the lunches served to that family should be reported as being free or reduced in price. The brilliant logic that went into devising that instruction has never sought to pinpoint the term again, with the result that in some states 10¢ off is the normal dividing line, while, in other places, a 50% cut in price is the test. The reporting methods for compiling statistics on the service of free and reduced price lunches are also distorted as that instruction vis-a-vis the so-called "family rate" indicates. It used to be (and may still be, since the instruction has never been rescinded) that a lunch was deemed "free" if a needy children performed "an essential service" in return for it (in other words, did KP

duty), but not if a non-needy child rendered a similar service. It used to be, and presumably still is, that lunches purchased on weekly or monthly lunch tickets, which cost less than lunches bought on a daily basis on account of some silly conception of reduction in cost predicated upon volume business, were not labeled "reduced." The touchstone of reduction seems to be the nature of the recipient or some standard other than the actual value exchanged. Hopefully, the Talmadge 20-cent maximum definition would halt all that.

While the returns are not all in on the promulgation of eligibility standards, which by itself constitutes only paper compliance, it can be assumed that no school or district would be foolish enough not to flaunt some piece of paper, if only to divert the State's attention from its actual practice. The guidelines merely suggest that each State agency provide their schools and districts with several income scales with geographic variants for use in preparing eligibility criteria, caution the schools not to proliferate finely graduated scales, recommend that eligibility be automatic for children from welfare, food stamps, commodity recipient or otherwise economically assisted families, and warn against rendering the criteria so rigid as to preclude emergency furnishing of meals in the event of temporary financial need (for instance, a death or illness in the family).

Many States, according to Miss Fairfax, have not provided any meaningful guidance. Some only transmitted the Federal guidelines without helpful interpretations. Some apparently sent only a summary of the regulations. Some sent several suggested scales. Others forwarded charts giving the maximum allowable income for eligibility for welfare or food stamps. Some exclude, some include children from welfare families. The result is a patchwork pattern on the State level.

The standards are not merely non-uniform from state to state and from district to district, they also may differ from school to school within a given district. Each of the Program's regulations, including those governing free and reduced price lunches, is directed to individual schools, not multi-school district. Some districts, for example, Albuquerque, have taken advantage of this to give each school's principal leeway in determining whether to implement the district's chart. Other districts have allowed their schools to publish their own charts. Still others have erroneously interpreted "criteria" as encompassing the "discretion" or "judgment" of school principals or the "decision" of an appointed faculty committee not bound by any objective tests (the Kentucky approach), which makes eligibility depend on the accident of what school you happen to attend. How anyone is supposed to be able to ascertain how their income pattern fits such a "criterion" is hard to imagine.

It is difficult enough for parents to figure out where their children stand on the eligibility totem pole when the income-family size scales are publicly announced. It is next to impossible to understand these scales when no information about them is available. Schools (or districts) were commanded by the notices to "publicly announce to the patrons of the attendance units" their eligibility policies by February 1. Many have not. At least three state agencies, presumably fearful that they would be deluged with requests for free lunches, have advised school districts not to publish the income charts.

Announcing uniform, clear, and easy to comprehend criteria does not end the matter. All the charts and newspaper stories in the world do not assure needy children lunches if the process of demonstrating that, according to the charts, the children in your family qualify for free or reduced price lunches involves negotiating a cumbersome labyrinth that would wear out all but the most pertinacious. The Department recommended using simple statements of family income and other relevant information (debt, special expenses) and sought to discourage imposition of long-winded, detailed forms crammed with prying and irrelevant questions. Almost no states listened to the Department and passed the message on to their schools to resort to a simple declaration of need form. The District of Columbia has one, but it undoes the beauty of the form by forcing the applicant parent or guardian to sign a super-latinized ("I hereby authorize any verification deemed necessary to substantiate the information submitted") certification that would frighten away those timid of becoming embroiled with Government investigators.

Perhaps the worst example of so-called "compliance" with the guidelines is the form in Richmond County, Georgia, which reads, in part:

"It is understood that free lunches are granted only in cases of extreme emergency. Parents with T.V. sets, Telephones, Automobiles, etc., should not request free lunches unless dire circumstances have suddenly overtaken them.

(Parents who have as many as three children eating in the lunchroom may have them eat for \$1.00 each rather than \$1.25 by simply filling out the names of their children on this form and no other part of it.)

What church does family attend _____ Telephone _____ Name of Pastor _____

Would you be willing to let your children do a small amount of work, such as picking up paper, as part payment for the lunches they receive?

Are you willing for a committee from the P.T.A. to visit your home to investigate this application for free lunches?"

The procedures to be followed by the local officials who review these applications were intended by the Department to include provision for appeal from individual decisions denying price reduction or a free meal to another person or body. The appeal concept is quite new and generally unused, despite its mandatory quality. In Philadelphia, however, parents of children denied free lunches must be answered in writing (a reasoned decision), and advised of their right to bring a third party along as a spokesman for their situation. The opportunities for making school officials responsive to the needs of poor pupils are unlimited if every school in fact implements a system of appeals, but the odds are that few will and neither USDA nor the States will do anything about it.

Receiving a free or reduced price lunch may benefit a child's nutritional status while undermining his dignity if his school principal wants to make him remember that he is different from everyone else because tax funds are paying for his meal. How a principal excludes anyone in his school from that category is difficult to understand, since everyone receives some degree of tax funds subsidy for food, but an ingenious principal can devise many ways to make sure that everybody can tell the poor are getting something special. It takes a conscientious one to seek to avert that by having his teachers distribute brown envelopes in class to be filled with whatever each pupil can afford (from all to nothing) in return for a week's supply of lunch coupons.

The normal gimmick employed to distinguish the freebies from the cash customers is to make, by indication or by direction, some form of manual labor the pre-condition to receipt of a free meal. The guidelines unequivocally state that work shall not be required, but schools avoid this by strongly suggesting that the child perform some job on a moral payment basis or by putting the burden of proof for not accepting a proffered job upon the student who wishes a free lunch or by never informing children that they don't have to work anymore to get fed. Poor Tommy Tucker may have had to sing for his supper, but needy Tom Jones ought not to have to. The reason? The guidelines, if they were enforced.

Recommendation: The exit from this unbelievable mess, aggravated by USDA's unconscionable and, indeed, illegal hands-off approach to overseeing the regulations it promulgated, is so obvious that it is astonishing that Senator Javits is the only legislator to whom it seems to have occurred. In Section 323(a) (1) of S. 2789, a bill he introduced on August 6, entitled the "Health, Nutrition, and Human Needs Act," and seems to have already forsaken in some significant respects, he required USDA's Secretary in consultation with HEW's Secretary to establish eligibility standards for qualification for free or reduced price meals provided under any Federal program. While the concept of Federally-devised standards is essential, it seems equally important to specify to content of those standards rather than giving the Secretaries free rein. Since the Senate has only recently expressed its will that, in connection with the Food Stamp Program, uniform nationwide eligibility be fixed at a minimum of \$4,000 per year for a family of 4 to be revised annually to reflect cost of living changes, it would be highly appropriate to adopt the identical standards for Federal meal eligibility. No other solution will avoid the regulatory dilemma USDA confronts today, making rules one minute and smiling passively while they are being smashed the next. Clarity and simplicity for both recipients and administrators are most desirable program traits.

SCHOOLS OR DISTRICTS—WHO IS RESPONSIBLE FOR THE PROGRAM?

There is no indication in S. 2548 that Talmadge intends to make certain that the lunch and other child feeding programs are school district-administered rather than run by every school in its own idiosyncratic fashion. The former approach (which does not obtain now) would result in 20,000 or 100,000 possible responsible governing bodies, simplify state controls, terminate the practice of allowing each school to keep its own books and operate on a financially in-

dependent basis (so as to permit a school in the black, with all its children fed, to neglect its next-door neighbor with a deficit and unfed needy pupils), facilitate economies of purchasing scale, and generally enhance the impact of good personnel. As the National School Lunch Act now reads, States disburse monies to schools pursuant to agreements with them, and a school is "any public or nonprofit private school of high school or grade or under . . ." The Act's regulations, however, refer not to schools themselves, but to "the governing body responsible" for their administration, which may mean an individual attendance unit (what we consider to be "school" in everyday language) or may mean an entire school district governing hundreds of individual schools.

Recommendation: To avoid the State and local option to permit schools to be the contracting bodies rather than school districts, the term "local educational agency," a term of art contained in every significant piece of Federal education legislation which is roughly synonymous with "school district," should replace the term "school" throughout the Act wherever that makes sense.

THE STATE PLAN

Under the child feeding acts presently in effect, which provide authority for administering cash to States in the form of at least six separate grants (general cash, special cash, equipment assistance, breakfast, nonschool food service, and special milk), each State automatically gets six pots of money on a formula basis to distribute among its schools at its discretion with limited controls and almost no accountability. Under the present Federal aid to education laws, however, States normally secure funds only after they have submitted and had approved by the Federal agency in charge formal State plans setting forth how the monies are to be used throughout the State to further the purposes of the particular act from which they flow.

Recommendation: Submission of a detailed State plan concept in a meaningful form, not merely diluted, as now, to a simple State agreement to comply with the applicable regulations, See Appendix F attached to this statement, should be made a prerequisite to receipt of any Federal child feeding funds. That Plan, referred to only tangentially in the Talmadge bill in connection with the pourover provision, should contain as a minimum (1) a detailed description of the manner in which, during the course of the next few years with an ultimate deadline of the start of school year 1972-1973, the applicant State proposes to universalize food service programs in every school in the State and to every child in those schools that would like to take advantage of them, including a justification of the manner in which the State intends to deploy its equipment assistance funds; (2) exposition of a scheme for utilizing all child feeding funds allotted to the State (relying, in part, on the pourover authority) to assure that, as of the start of the school year 1970-1971, all of the 8.4 million needy schoolchildren in this country have access to some form of school lunch at a free reduced price; and (3) installation of a reporting system that will require each local educational agency to submit a monthly report to the State comparing the number of poor children in the District (under ESEA standards) with the number of eligible children receiving free or reduced price lunches.

H.R. 11651

The need for H.R. 11651 is unquestionable. What I am certain troubles you, although it only seriously concerned five of your House colleagues, while winning the approval of 352, is the method of financing food for the poor that it embodies.

H.R. 11651, if it should become law, would make a substantial dent in the unobligated balance of Section 32 funds carried over from fiscal 1970 to fiscal 1971. That carryover has fallen below the statutory maximum \$300 million mark only once in the past ten years (\$298.8 million in fiscal 1966), but the House in passing its version of the 1970 Agricultural Appropriations Act has already lowered the carryover to \$180 million, although the Senate has maneuvered to maintain it at \$300 million. Even at a possible all-time low of \$80 million (assuming the House appropriations bill is the one that emerges from conference), there would still be more than enough money available to help bail out any threatened commodity surpluses. To begin with, no surplus crises are on the horizon. The one commodity which has exhausted substantial Section 32 funds in recent years—livestock products—which required \$176 million of Section 32 funds in fiscal 1965 and \$119.7 million in fiscal 1967, is faced with a supply crisis rather

than a surplus. Meat prices are soaring, not diminishing, and it is doubtful that the Government would add its substantial buying power to such a tight market and thereby boost the steep prices that consumers are already paying to obtain meat. Still, with USDA, anything is possible.

The \$80 million in Section 32 that would be left to confront any commodity surplus during the next 11 months does not stand alone. Behind it, there is a backup authorization of \$500 million. Section 205 of the Agriculture Act of 1956 authorized appropriation of that sum on a permanent basis to help the Secretary fulfill the purposes of Section 32, should the need arise. In fiscal 1970, at the outset, in Section 32 and related funds, \$1,465 billion was available (\$665 million in customs receipts, \$300 in carryover, \$500 in standby capacity). Some \$885 million of this sum would now be used to feed people and consequently to help processors and canners, instead of merely \$665 million. Emphasize processors and canners rather than growers, because it is the middle man from whom USDA buys and not the struggling farmers. The funds from Government purchases of surpluses line the pockets of peach canners and Armour and Swift, not the man in the orchard or raising cattle, who benefits from Section 32 only on a trickle down basis.

Actually, H.R. 11651 constitutes an attempt to counter the effect of President Nixon's budgetary jiggling in March, which resulted, in a shift of substantially the same amount of money (\$50 million) out of specific child feeding programs into the more amorphous special Section 32 programs in order to achieve greater flexibility, but also to moot H.R. 11651's predecessor, H.R. 516 by essentially appropriating \$89 of the \$100 million sought in H.R. 516, as it then was written, without in any way increasing the total of funds for feeding needy children. Representative Perkins reacted by changing his bill with the addition of the simple phrase "notwithstanding any other provision of law," so that his \$100 million became an add-on to the Nixon \$89 million rather than merely the whole of which the Nixon money was a substantial part. The Perkins' bill either had to remain meaningless by virtue of budgetary reallocations or else be revived in full force by dipping into the Section 32 carryover reserve. Perkins chose the latter course.

The impact on the poor children of America will be as substantial as the impact on Section 32. Only \$153 million in cash out of the fiscal 1970 budget is currently expected to be expended to supply free and reduced priced meals to needy children, that is, the \$133 million previously identified for lunch plus \$10 million for breakfast and \$10 million for nonschool food service. The \$100 million additional contemplated under the Perkins bill would increase this by 65%.

The Perkins bill, unlike the special Section 32 funds, which were created in appropriation legislation that did not specifically direct that they be used solely to feed needy children (although the legislative history of the special Section 32 provision clearly points in that direction and USDA is administering the funds in that manner), contains a specific apportionment formula based on the relative number of 3 to 17 year olds from poor families in each State and specific statutory language directing the funds to the needy.

Recommendation: Approve H.R. 11651. Don't force other Senators to have to tack the essence of H.R. 11651 onto another bill on the floor as Senator Javits tried to do with some success last year. 352 Congressmen can't be wrong. And 54 Senators have only recently made it quite clear that this Committee does not have the last word if feeding the poor is at stake.

SUMMARY

The national school lunch market is potentially \$5,200,000,000 in scope exclusive of equipment and capital costs (52 million children at approximately \$100 a year—180 days times 58 cents a day less absenteeism). At least \$3.2 billion of that market is presently untapped. The benefits to all Americans that would flow from opening up that potential are immeasurable. Improvement in the physical and mental health of poor children and, indeed, of all children as well as in the financial health of food suppliers and producers and food service personnel would be guaranteed. Employment and profits—those twin American idols—could not avoid increases. You have the chance, with the Talmadge bill and the Perkins bill, to start the school lunch gold rush of 1969 and do for the impoverished innocents what you began 23 years ago for their better-off brothers and sisters. What is sauce for the goose should be sauce for the gander. And 32 million children would like sauce on something.

Thank you for sitting still so long.

ADDENDUM ON STATE MATCHING

Much has been made during the course of the first two days of hearings of the supposedly stringent matching requirements contained in S. 2548 on two grounds—first, the overall increase in the Federal share and decrease in the “from sources within the State” share and second, the imposition of a requirement of State matching that means what it says, i.e. is from the State, not little children. USDA, as usual, was hopelessly unprepared to help you handle the issue. There is no better example of Executive incompetence than sending up a man with three weeks’ inexperience in school lunch affairs, apparently unbriefed, to handle an intricate matter.

The two concerns you have raised should have been quickly disposed with. The proposal in Section 4(a) of S. 2548 to change “\$3” to “\$1” and thus increase the Federal share of Section 4 general cash assistance to the States for school lunch from 25% to 50% would have no statutory impact at all upon Federal expenditures, which would remain at \$168 million unless USDA sought an increase on its own, and would not result in any diminution of the so-called “State” contribution, which, for all school lunch assistance, including Section 4 as an unallocated part, totalled \$1.55 billion in fiscal 1969. No State is going to divert children’s payments to its treasury and away from the lunch program with the result that middle-class children are cut off from lunch. Social reality dictates otherwise. On the other hand, if you are seriously troubled by this possibility, the way to handle it is to retain the 25% Federal level and change the State revenues per centum of the 75% matching requirement contained in Section 4(a) of S. 2548 as follows, with the overall State revenue portion of Section 4 expenditures noted in parentheses:

	Percent in S. 2548 based on 50 percent matching	New percent based on 75 percent matching
Fiscal years:		
1972-73	10 (5)	7 (5.25)
1974-76	20 (10)	14 (10.5)
1977-79	30 (15)	20 (15)
1980-82	40 (20)	27 (20.25)
1983 et seq	50 (25)	33 (24.75)

The second problem—the high level of State effort that allegedly might cause some states to drop out of the program entirely—is a juicy red herring. As the accompanying table shows, the new State revenue matching would apply only to Section 4 and would be so relatively insubstantial over the course of the next few years as to prompt no State to alienate its poor and middle-class voters by cutting off the flood of Federal child feeding aid under other parts of the program, none of which have any matching requirement directed at State revenues rather than children’s nickels and dimes. Matching would not begin for almost two years, which is overly substantial lead time for the slight effort that will be required and could be met in fiscal 1972 with 1% of the revenue-sharing funds proposed for return to the States that year.

MATCHING REQUIREMENTS FOR
CHILD FEEDING PROGRAMS

(Fiscal year assumed appropriations or authorization levels
are shown in parentheses in millions.)

PROGRAM	FEDERAL SHARE	STATE SHARE			Children's Payments
		State Revenues	Local Revenues	Contributions	
a) General Cash Assistance - Section 4					
		-----75% (FY 1969 overall figures in parentheses)-----			
FY 1970					
Present	25% (\$164)	-----(\$180)-----		\$320	(\$1049)
Talmadge	25% (\$164)				
Perkins	25% (\$164)				
FY 1971					
Present	25% (\$164)				
Talmadge	25% (\$164)				
Perkins	25% (\$164)	3% (\$19.7)			
FY 1972					
Present	25% (\$164)				
Talmadge	50% (\$164)				
Perkins	25% (\$164)	3% (\$19.7)			
FY 73					
Present	25% (\$164)				
Talmadge	50% (\$164)				
Perkins	25% (\$164)	4.5% (\$29.5)			
FY 1974					
Present	25% (\$164)				
Talmadge	50% (\$164)	10% (\$65.6)			
Perkins	25% (\$164)	4.5% (\$29.5)			
FY 1975-1976					
Present	25% (\$164)				
Talmadge	50% (\$164)				
Perkins	25% (\$164)	6% (\$39.4)			
FY 1977-1979					
Present	25% (\$164)				
Talmadge	50% (\$164)				
Perkins	25% (\$164)	7.5% (\$49.2)			
FY 1980-1982					
Present	25% (\$164)				
Talmadge	50% (\$164)				
Perkins	25% (\$164)	7.5% (\$49.2)			
FY 1983 et seq					
Present	25% (\$164)				
Talmadge	50% (\$164)				
Perkins	25% (\$164)	7.5% (\$49.2)			

MATCHING REQUIREMENTS FOR
CHILD FEEDING PROGRAMS

(Fiscal year assumed appropriations or authorization levels
are shown in parentheses in millions.)

PROGRAM	FEDERAL SHARE	STATE SHARE			Children's Payments
		State Revenues	Local Revenues	Contributions	
b) Nonprofit Private Schools General Cash Assistance - Section 10					
FY 1970-1971					
Present	25% (\$4)	0%	0%	-----75%	
Talmadge	25% (\$4)	0%	0%	-----75%	
Perkins	25% (\$4)	0%	0%	-----75%	
FY 1972 <u>et seq</u>					
Present	25% (\$4)	0%	0%	-----75%	
Talmadge	50% (\$4)	0%	0%	-----50%	
Perkins	25% (\$4)	0%	0%	-----75%	

F E D E R A L S H A R E

c) Special
Cash Assis-
tance
- Section 11

FY 1970					
Present	100% (\$44.8)				
Talmadge	100% (\$200)				
Perkins	100% (\$44.8)				
FY 1971					
Present	100% (\$138.7) - based on USDA 1969 5-year budget planning				
Talmadge	100% (\$250)				
Perkins	100% (\$138.7)				
FY 1972					
Present	100% (\$138.7)				
Talmadge	100% (\$300)				
Perkins	100% (\$138.7)				

For fiscal years 1973 and 1974 USDA proposes \$138.7 million.

MATCHING REQUIREMENTS FOR
CHILD FEEDING PROGRAMS

(Fiscal year assumed appropriations or authorization levels
are shown in parentheses in millions.)

PROGRAM	FEDERAL SHARE
i) Nonschool Food Service - Section 13	
FY 1970	
ALL THREE	Up to 80% of operating costs, 75% of equipment costs (\$10) No proposal for fiscal years 1972-1974 because legislation expires.
j) Breakfast- Section 4 of Child Nutrition Act	
FY 1970	
ALL THREE	Up to 80% of operating costs (\$10) For fiscal years 1971-1974 USDA proposes \$10 million.
k) Equipment Assistance - Section 5 of Child Nutri- tion Act	
FY 1970	
Present	Up to 75% (\$10)
Talmadge	Up to 75% (\$38)
Perkins	Up to 75% (\$10)
FY 1971	
Present	Up to 75% (\$10)
Talmadge	Up to 75% (\$33)
Perkins	Up to 75% (\$10)
FY 1972	
Present	Up to 75% (\$10)
Talmadge	Up to 75% (\$15)
Perkins	Up to 75% (\$10)
	For fiscal years 1973 and 1974 USDA proposes \$10 million.

LIST OF ATTACHMENTS TO TESTIMONY

- A. Let Us Now Celebrate Semi-National School Lunch Week (Council Release)
- B. Comparison of School Lunch Proposals (Council Table)
- C. The San Clemente Feeding Scene: The President's Fiesta and the Poor People's Famine (Council Release)
- D. School Lunch Program Bill of Rights (NWRO)
- E. On Limiting the Fat Content of Cooked Sausage (Council Statement)
- F. Present State School Lunch Agreement

(The above attachments are on file with the committee.)

The CHAIRMAN. Any questions?

(No response.)

The CHAIRMAN. Thank you.

Mr. Galazan.

STATEMENT OF MICHAEL M. GALAZAN, CHAIRMAN, LEGISLATIVE COMMITTEE, NATIONAL ASSOCIATION OF SHELTERED WORKSHOPS AND HOMEBOUND PROGRAMS, AND EXECUTIVE DIRECTOR, JEWISH VOCATIONAL SERVICE, MILWAUKEE, WIS.

Mr. GALAZAN. Mr. Chairman, my name is Michael M. Galazan. I am the executive director of the Jewish Vocational Service of Milwaukee, Wis., and the chairman of the legislative committee of the National Association of Sheltered Workshops and Homebound Program.

I am not going to read my prepared material, Mr. Chairman, but will try to take a few minutes of your time and very much appreciate the opportunity to be heard on what to me is a very critical problem.

The CHAIRMAN. I notice you have only five pages. You might as well read it. It usually takes longer to explain it. Go ahead and read it.

Mr. GALAZAN. Thank you. I will do so.

The National Association of Sheltered Workshops and Homebound programs is a private, nonprofit organization which was incorporated in the State of New York in 1954. It was established by persons operating workshops throughout the United States and by individuals professionally concerned with the well being of severely disabled people. The association has traditionally been concerned with broadening the concept of rehabilitation and with meeting the work-related needs of disabled persons. The major functions of the National Association of Sheltered Workshops and Homebound programs are:

1. Developing and promoting higher agency professional standards.
2. Serving as a liaison between workshops and Government agencies.
3. Fostering public and professional understanding of workshops.
4. Stimulating professional development in the workshop field.
5. Promoting statewide organizations of sheltered workshops.
6. Encouraging community support.
7. Sponsoring and conducting workshop personnel training.
8. Offering consultative services to workshops.
9. Publishing suitable literature.
10. Conducting research.

The membership of the National Association of Sheltered Workshops and Homebound programs is organizational in nature. While individual membership is a part of the membership structure, the

strength lies in the organizational membership which includes over 600 of the country's largest and best organized sheltered workshops.

The association is interested in all phases of the rehabilitation process with particular emphasis on broadening the vocational opportunities of the handicapped. With a current membership of over 600 workshop members throughout the National Association of Sheltered Workshops and Homebound Programs, Inc., represents the largest single organization of sheltered workshops in the United States. The membership composition includes agencies that serve single disability as well as multiple disability shops which provide job training, employment, work evaluation, rehabilitation, and professional services to disabled persons.

Mr. Chairman, the National Association of Sheltered Workshops and Homebound Programs strongly supports bill H.R. 515. Our comments will be general, although we would like to make a very critical recommendation which we believe would further strengthen it. For the purpose of the record and general understanding, I would like to describe the workshop program and some of the problems they face.

Workshops provide services to people who are too disabled to work in the competitive labor market. In general, they provide services to disabled persons whose work skills have never been developed or who have lost their skills through disuse or as a result of a physical or mental disability. The services provided in a workshop may include the following: Work evaluation, training, medical/psychological evaluation as related to specific job opportunities, social services, development of work tolerance and work conditioning, employment, personal adjustment and placement.

In addition to the rehabilitative services offered in the workshop, an increasing number of workshops are providing long-term employment to an increasing number of individuals who, because of the severity of their disability, have virtually no hope of ever becoming a part of the regular labor force.

At the present time, there are over 1,500 workshops in the country, serving over 56,000 handicapped people. These workshops vary in size from those serving 10 individuals to a number who serve over 600 per day. The average workshop serves approximately 60 individuals. The types of handicapped served in these workshops are the blind, the mentally retarded, the cerebral palsied, the mentally ill, the brain-damaged, the epileptic, the aged and the culturally deprived. A great majority of handicapped clients served in these programs are from the poverty population. Most of these individuals suffer from all types of deprivation and because of their physical or mental handicaps find it extremely difficult to ameliorate their situations. Many of the mentally handicapped young people come from families where the parents are also mentally handicapped, and the care they receive is affected by these conditions.

As a representative of the National Association of Sheltered Workshops and Homebound programs, I should like to recommend to the Committee on Agriculture that the bills which are being considered which are of such importance to the school child, adolescent and young adult from the poverty population, include the handicapped students of our sheltered workshop vocational and education programs, so that they, too, may have available to them vitally needed nutritional

benefits which this bill includes. Most of these handicapped people have already suffered from nutritional deficiencies which have increased their handicapping conditions.

The CHAIRMAN. Off the record.

(Discussion off the record.)

The CHAIRMAN. How are you financed?

Mr. GALAZAN. We are supported by funding from Federal funds through the Social Rehabilitation Administration. We also get funding from the State funds, from the Division of Vocational Rehabilitation of the State agencies. We also get funds from associations for retarded children, CV children, from various groups that raise moneys independently, we get funds from United Funds, from Catholic and Jewish fund raising organizations, so we have a variety of sources of funding in all of our agencies for the purposes of providing the training which we provide to these individuals.

The CHAIRMAN. Do you make anything, do the inmates make anything you sell?

Mr. GALAZAN. Yes, the clients in our programs—we use work as a method of training. The handicapped in our programs do produce work for which they are paid under regulation of the Labor Department on wages and hours, so we pay our handicapped young people who are in our program wages which relate to what they produce. This is a method, for instance, for many of our aged, for our poverty groups, to have additional income in order to be able to support themselves. During the period that they are training and then usually what we try to do is place them in industrial jobs in which they will become self-supporting.

The CHAIRMAN. Are all of the people that you try to train, do they live on the premises or do they—

Mr. GALAZAN. No, almost all of the people, in fact, at our facility and most of the facilities live in their own homes. They come to the facility for the day and then they go back to their own homes in the evening. They do not live on the grounds. Many of our facilities have—in fact, almost all of our facilities have cafeterias and other things. Some of our facilities do not have such and the people have to bring their own lunches in the usual brown bags and so forth. Many of our people come to these facilities with inadequate food, do not get adequate feeding resources within the facility. What we are very much concerned about is that many of the young people, as I tried to present in the material, are really discontinued from the school system because they cannot benefit further in academic education. This would include some of the emotionally disturbed, some of the mentally retarded—some States will keep these people in programs up to the age of 25 now. Some States will actually discontinue the education of these children at the age of 14. These kinds of individuals are in our workshops and we have no resources at this point, because the funds that come to us at this point can't be used for feeding. That is, if the Division of Vocational Rehabilitation gives us money, it is for equipment, for training them, it is for materials to use for training.

We have at this moment no resources that are made available to us directly and we are not eligible at this time under the school lunch program. Yet we are serving a very substantial and probably the

most critically needed group that would be both eligible with whom we would be very concerned about providing nutritional material.

Senator YOUNG. Are you eligible for surplus commodities?

Mr. GALAZAN. We are eligible for surplus commodities, yes. We use some of the surplus commodity programs for the purposes of, shall we say, distributing. But we have no funding for establishing of a feeding facility and for providing a broad nutritional program for our people that would be possible under the school lunch program. It is not possible under our current structure.

The CHAIRMAN. How many people are involved in this?

Mr. GALAZAN. There are 56,000 people at this point that are being served in these kinds of facilities throughout the country.

The CHAIRMAN. Do you know whether or not their parents are supplied, as he says, with food stamps or other programs?

Mr. GALAZAN. Again, we deal with a type of population, if you can understand the severely handicapped youngsters, where sometimes you take a severely handicapped CP child, for example, a cerebral palsied child, who is very difficult to feed. He has a horrible problem of actually feeding because of this continuous movement as he tries to eat. Many parents are very limited in their capacity and in their patience, because they have gone through a lifelong kind of thing. We think the best way of assuring adequate food is to give the opportunity to feed some of these young people right in our own facilities, because this would make it possible for us to train aids and to do the kind of work that is vitally needed to assure these individuals adequate nutritional food.

These people, as I say, all studies show that a high majority, a high number of retarded come from the poverty population. That is, the actual number of retarded in the population is estimated at 3 percent. But in the poverty population, it is estimated at about 5 or 6 times that number. That means this is where the concentration of many of the severely handicapped is due to deprivation, inadequate diet on the part of the mother, all the things that probably other committees have studied and pointed out in this issue.

This is a key area. It is sort of like, if you are trying to reach a target group, this is really a target group, where we get the most seriously deprived individuals of the total population, who are, as I say, sometimes just discontented from the schools because the schools can no longer give them anything in terms of the academic. They move them into these types of programs, because these vocational programs are much more meaningful in terms of preparing them for moving out into the community. The academic no longer offers them an opportunity for that.

Senator YOUNG. I would say that the people in your workshops are more needy than a lot of other people we are taking care of.

The CHAIRMAN. Let me ask you this. You say you can obtain food under the surplus distribution program now being carried out by the Department of Agriculture. Why could you not use some of the funds that you collect to supplement that, make it available to the workers?

Mr. GALAZAN. We are faced at this moment, and this is the thing that we are saying, we are faced with the problem of using our funds—the primary emphasis or the big emphasis of our program is to train, and we are faced with limited resources, to train our people, to move

them out to industry. We could use, Mr. Chairman, say we will use some of these funds for the purposes of feeding. But I think you are aware of the fact of the pressure of using resources over a broad program as we have. All we are asking the committee is that we be given the same consideration for this target population that the schools are now being given for a more highly generalized population. We support that, but we want these young people, who are the critical population, who are really almost a select population, the sufferers of the group, to benefit the same as the poor children in the public schools. There is no reason why, if the child or the individual is discharged from the school because he cannot learn, he should then lose all the benefits of nutrition and everything else.

The CHAIRMAN. Well, what percentage of your budget do you obtain from the Federal Government now?

Mr. GALAZAN. At this moment, our current Federal funding directly in our programs is less than 5 percent. Most of our funding comes in training programs and vocational education from the States. Of course, the States do get Federal funding, so this becomes another factor that I cannot answer really. But it is all for training, Mr. Chairman. That is, vocational education and training. We cannot use any of those funds for feeding. This is not allowed under our restrictions in terms of using the funds.

The CHAIRMAN. You say you get 5 percent direct from the Federal Government?

Mr. GALAZAN. Right.

The CHAIRMAN. And how much from the States?

Mr. GALAZAN. This is primarily for demonstration. In the States, most of the agencies range anywhere from 20 percent from the States to 40 percent; anywhere in that area. About 50 percent of our income comes from local sources; anywhere from 30 to 50 percent of our income, from local sources, citizens groups and so forth, that support a program of training and feeding and doing various things that we do. We are just not, as this moment, doing an adequate job of feeding the children.

The CHAIRMAN. What is the average age of the people who work there?

Mr. GALAZAN. They range anywhere from 14 to 90. We just had somebody in our workshop who celebrated his 94th birthday. We give work to the aged as well. We do not limit the age level of our people.

The CHAIRMAN. They produce for you; do they not?

Mr. GALAZAN. They produce, yes. And they get paid for what they produce. But you know working with a 90-year-old, we have to have all kinds of facilities, medical and other, so they get exactly what they produce, but we must pay for the costs of medical and other services that we give these people. When they produce on work that they get, we pay them the complete amount that the industrial shop gives us for paying out to do the work.

The CHAIRMAN. To what extent do you think you could get the States in which these facilities are constructed to contribute so as to match the funds under the law?

Mr. GALAZAN. I think if the law, if we could get inclusion under the school lunch act, I think that because of our target population, we would have no difficulty getting the States, because the States are now

contributing 20 percent or 25 percent in many instances of our training program. So that for feeding these people so they can really work—one of our problems is that many of them do not get adequate food. It is a worker who works at half level and is trained at half effective level when we cannot provide adequate food resources.

The CHAIRMAN. How long does the average party who comes there remain there?

Mr. GALAZAN. You mean for how long a period or for how long during the day?

The CHAIRMAN. Both.

Mr. GALAZAN. They work daily from about 7:30 in the morning until 4 o'clock in the afternoon, or 4:30, the regular workday. Some people may remain with us for 6 or 8 months, some of them for 4, or 5, or 6 years. It depends upon the severity of the difficulty. We have taken very severe and extremely handicapped retarded people that we train for industry, who came to us at 14 or 15 and are now working in industry at the age of 19. In actuality, we are a kind of, we have been developed as an additional resource to the public schools to work in the vocational field with the severely handicapped. This has really been our specialized function and we have never been considered—we are considered in legislation for vocational education, but we have not been considered in the legislation for school lunch programs. This is where we are asking special consideration.

There is within the law already descriptions of our programs. We have special legislation for our particular workshops under the labor legislation, under vocational rehabilitation functions, but we have never had it in the agricultural area. We are asking for consideration in that area.

The CHAIRMAN. Very well.

The committee will consider your request.

Mr. GALAZAN. Thank you very much.

The CHAIRMAN. Is there anybody else to be heard?

(No response.)

The CHAIRMAN. All witnesses who have asked to be heard having been heard the committee will adjourn subject to the Chair's order.

The record will be left open for 10 days in order to put in any supplemental evidence that needs to be put in.

(Whereupon, at 12:05 p.m. the committee adjourned subject to the call of the Chair.)

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

WASHINGTON, D.C., *October 10, 1969.*

HON. ALLEN J. ELLENDER,
*Senate Office Building,
Washington, D.C.*

DEAR MR. CHAIRMAN: I welcome the opportunity to present views of the National Milk Producers Federation on legislative proposals relating to the National School Lunch Program, including H.R. 515, H.R. 11651, S. 2595 and S. 2548.

The Federation is a national farm commodity organization, established in 1916. It represents dairy co-operatives and their dairy farmer members throughout the United States. The co-operatives affiliated with the Federation do business in all 50 states of the Nation.

As a long-time supporter of the National School Lunch Program, the Federation believes that its appropriate modification and expansion will significantly benefit the diets and health of our school children.

MERITS OF NATIONAL SCHOOL LUNCH PROGRAM

Highly successful, this program has proven extremely beneficial:

For improving nutrition for millions of children; and

For providing an excellent outlet for food purchased by the Commodity Credit Corporation under the price support program.

During the 1968-69 school year, more than 20 million children participated in the program.

PROPOSED LEGISLATION

Briefly I would like to evaluate major features of each bill.

S. 2595. Sponsored by Senator Gaylord Nelson, this bill would amend Section 416 of the Agricultural Act of 1949, as amended. The bill would provide that dairy products acquired by the Commodity Credit Corporation through Price Support operations be given priority for use in non-profit School Lunch Programs. As well, it would give similar priority for use of dairy products in other non-profit child feeding programs, assistance to needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served.

In testifying on this bill earlier in the hearings, the U.S. Department of Agriculture indicated that it favored enactment of S. 2595 with some minor changes.

In reporting favorably on an identical bill, H.R. 12588 in the House of Representatives, Under-Secretary of Agriculture, J. Phil Campbell stated: "Dairy products have played a very important role in the School Lunch, needy persons, and other food assistance programs for many years. Such products can contribute greatly toward the objective of eliminating hunger and malnutrition of the Nation's poor."

The Federation is gratified by the Department's favorable evaluation of provisions of S. 2595. We support its enactment. We urge that such provisions be incorporated in legislation reported out by this Committee relating to the School Lunch Program.

H.R. 11651. Sponsored by Congressman Carl D. Perkins, this House-passed measure would amend the National School Lunch Act, as amended. The purpose would be to provide free or reduced price meals for needy children in schools, day care facilities and other organized activities not benefiting from Federal food programs. The bill would authorize the Secretary of Agriculture to use up to \$100 million of Section 32 funds to improve the nutrition of such needy children. This would be in addition to funds of food services authorized in the National School Lunch and other child nutrition programs.

As revealed in the Hearings by the Senate Committee on Nutrition and Human Needs, there is real evidence that under-nutrition exists at all economic levels. According to estimates, only about one-half of the more than 6 million needy children in this country are now being reached by the food service programs.

If H.R. 11651 were to be enacted, however, it is our judgment that money should be provided by direct appropriations rather than utilization of Section 32 funds. The purpose of Section 32 authority is to support farm income, rather than be utilized for expansion of programs to meet special needs of low income groups.

Our Nation can—and should—do whatever is necessary to meet the needs of hungry children in this country. Whether or not the School Lunch—or other—program should be amended to meet this need, however, is a matter for judgment for the Congress.

S. 2548. Sponsored by Senator Herman E. Talmadge, this bill would amend the National School Lunch Act and the Child Nutrition Act of 1966 to:

1. Reduce the Federal-state matching formula from \$3 (state) to \$1, to \$1 to \$1.
2. Require that state revenues represent a percentage of local matching requirements (beginning at 10% and rising to 50%).
3. Authorize nutritional training and education, and studies of food service requirements.
4. Increase appropriation authorizations for new or replacement facilities.
5. Prohibit overt identification of children receiving free or reduced cost meals.
6. Authorize appropriations one year in advance of the fiscal year in which they will become available and make them remain available until expended.
7. Establish a National Advisory Council on child nutrition; and make other moderate changes.

H.R. 515. Sponsored by Congressman Carl D. Perkins, this bill would amend the National School Lunch Act and the Child Nutrition Act of 1966 to:

1. Require that state tax revenues contribute to the state matching requirement.

2. Authorize nutritional training and education; and studies of food service requirements.

3. Prohibit overt identification of children receiving free or reduced price meals.

4. Authorize appropriations one year in advance of the fiscal year in which they will become available.

5. Require the Secretaries of Agriculture and Health, Education and Welfare to cooperate in developing nutritional education materials and evaluating child food programs; and make other moderate changes.

Since S. 2548 and H.R. 515 are similar in some of their components, the Congress will need to work its will in evaluating such proposed modifications to the School Lunch Program.

In our judgment, features that merit support include the following:

Authorization of appropriations one year in advance of the fiscal year in which they will become available. This will enable schools to plan more effectively for carrying out the programs;

Authorization for studies to insure that good nutritional diets are being served in the lunch system;

Improvement of nutritional education programs;

Adequate funds for replacement of existing—or installation of new—equipment and facilities to provide for expansion of the School Lunch Program to benefit a maximum number of school children of the Nation.

UTILIZATION OF DAIRY PRODUCTS

With expansion of the National School Lunch and Child Nutrition Programs, authority under Section 709 of the Food and Agriculture Act of 1965 needs to be administered effectively.

The law provides as follows:

"The Secretary of Agriculture is hereby authorized to use funds of the Commodity Credit Corporation to purchase sufficient supplies of dairy products at market prices to meet the requirements of any programs for the schools (other than fluid milk in the case of schools), domestic relief distribution, community action, foreign distribution, and such other programs as are authorized by law, when there are insufficient stocks of dairy products in the hands of Commodity Credit Corporation available for these purposes".

SUMMARY

Mr. Chairman: The National School Lunch Program continues to be a highly important mechanism for:

1. Improving nutritional levels of our school children.

2. Providing effective utilization of food purchased under the Price Support Program.

Moreover, the program offers real potential for reaching out to more of the millions of school children not yet benefiting from school lunches.

Recognizing that under-nutrition exists at all economic levels, we would support appropriate modification of the program to bring nutritionally balanced lunches—in which we believe milk and dairy foods are essential items—to more of the school children of this country.

Respectfully yours,

PATRICK B. HEALY,
Secretary, National Milk Producers Federation.

STATEMENT OF JOHN M. LUMLEY, ASSISTANT EXECUTIVE SECRETARY FOR LEGISLATION AND FEDERAL RELATIONS, NATIONAL EDUCATION ASSOCIATION

The National Education Association appreciates the opportunity to present the Association's views on S. 2548, the School Lunch Reform Act of 1969.

The minutes of the NEA Board of Directors for October 1968 show the following action:

"It was moved by Mr. Harris (Iowa) seconded by Mr. Rivera (Puerto Rico), and carried, that the Board of Directors of the National Education Association favors a policy of lunches for all students within the established school finance

structure and urges that such a program be a part of the NEA and state education associations' legislative efforts."

Clearly, S. 2548 is a giant step in this direction and therefore is strongly supported by the National Education Association.

It is not necessary here to justify the need for greatly expanded programs of providing food services to needy children. The Agriculture Committee has heard from expert witnesses in the nutrition field on this matter. This statement therefore will be confined to specific suggestions for perfecting S. 2548 based on our experience and observation of present school lunch programs.

1. Section 2 amends Section 5 of the National School Lunch Act to provide substantially increased funds for non-food assistance. We suggest that on page 3, lines 8-13 should be amended to read as follows:

"Each state shall be entitled to an amount which bears the same ratio to the total amount to be apportioned among all the states as the number of *pupils enrolled* in schools programmed for new or replacement food preparation facilities in such state bears to the total number of *pupils enrolled* in schools which need new or replacement food preparation facilities in all the states."

This change of the formula factor to the number of pupils rather than to the school buildings will make for a far more equitable distribution of the federal money for non-food assistance not only among the states, but also within each respective state. The formula, if not amended, will channel the majority of funds to those states with large numbers of one-room rural schools, enrolling 10 to 20 children each at the expense of urban schools with enrollments of thousands. We believe the amended language would achieve the bill's objective more adequately.

2. At several points in the bill the language "... States and schools and service institutions" appears. We urge that this be amended to insert the words "*local education agencies*" before the word "schools." This would provide that school districts rather than individual public schools, would be responsible for local administration for public school lunch programs. (The term "school" should be retained to cover those non-public schools which are also eligible and are independent from the state and local public school administration.) If this amendment is accepted it will greatly simplify the problem of the USDA in that it will deal, through the states, with the central public school authority in a city, rather than with 50 to 100 individual schools which comprise the school district. This amendment also provides for more efficient administration and better utilization of commodities and non-food assistance at the operation level. The specific points in the bill to which this suggestion is pertinent are:

Page 4, line 22.

Page 5, line 2.

Page 6, line 6 and line 7.

Page 8, lines 10-14 should read "Such funds shall also be disbursed in such state to *local education agencies* and schools that are ineligible for such funds under the factors specified in the preceding sentence to assist such *local education agencies* and schools in providing free or reduced-price meals to needy children enrolled in such *local education agencies* and schools."

Page 8, line 17, should read "In circumstances of severe need where the rate per meal which the *local education agency* or school would otherwise receive is deemed by the Secretary to be insufficient to carry out an effective school lunch program in (such) *certain* schools, he may authorize financial assistance up to 80 per centum of the operating costs of such programs in such schools, including the cost. . . ."

Page 9, line 1.

Page 9, line 8.

3. S. 2548 provides for a national advisory council (Sec. 16, line 19, page 11). We strongly urge that this section be amended to provide that "one member shall be a classroom teacher" and that the USDA representation be reduced from five to four. We believe that the viewpoint of the classroom teachers who are in day to day contact with the children whom this legislation is intended to benefit, is essential to the advisory committee's effectiveness. Without such representation on the council the technicalities may absorb the council's attention to the exclusion of consideration of the basic objective—feeding hungry children.

4. On page 13, line 21, paragraph (h) provides that advisory council members shall serve without compensation. Since virtually all other of the numerous advisory committees to HEW, USDA, Defense, etc., customarily provide not to exceed \$100 per day when actually in session, this seems unnecessarily harsh. We urge that the customary per diem apply here also.

In closing, we wish to express the NEA's admiration and appreciation to the author of S 2548, Senator Herman Talmadge, and to the co-sponsors, Senators Hart, Hollings, Kennedy, Packwood, Moss, Metcalf, and Yarborough. The concern of these distinguished Senators, and of the members of the Senate Agriculture Committee, for the education and health of the nation's needy children is heartwarming. We represent the teachers of these children, and on their behalf extend our deep gratitude.

STATEMENT OF MRS. JOSEPHINE S. WEINER, NATIONAL PRESIDENT, NATIONAL COUNCIL OF JEWISH WOMEN, NEW YORK, N.Y.

The National Council of Jewish Women, established in 1893, with a membership of over 100,000 in local units throughout the United States, has been concerned with good nutrition and school lunches for more than two decades, and in fact was a supporter of the National School Lunch Act when it was before Congress more than two decades ago. Within recent years our concern extended to the adequacy of the program and we co-sponsored a Study of the National School Lunch Program. The result of the study was a report entitled "Their Daily Bread" which revealed tremendous short-comings in the program, particularly its failure to provide nutritious meals to children of low-income families. On the basis of these findings the sponsors of the study developed a series of recommendations some of which urged:

1. The price of the school lunch should be reduced to place it within the reach of the majority of children.
2. Increased Federal contributions.
3. Increased contributions from the States with particular emphasis on excluding children's fees from the contribution.
4. Increased local contributions: The local school district should pay for local administration, labor and equipment for school food service as a regular item in its budget.
5. The local school district should be the unit which contracts to participate in the National School Lunch Program, not the individual school.
6. Higher reimbursement rates and increased Special Assistance (Sec. 11) funds should be made available to schools which serve a high proportion of needy children.
7. Children should be eligible for free or reduced price lunches according to a uniform standard of need.

8. All school food service should be put under one administration at all levels—national, state, and local—to promote uniform funding, standards of eligibility record keeping and review and to effect greater efficiency and coordination.

Many of these recommendations are incorporated in S. 2548, and we consider this proposal as a very important step forward towards a comprehensive child feeding program so essential if the nutrition and health of the nation's children is to be improved.

We would, however, urge the Committee to include in this legislation a provision for national eligibility standards for free and reduced price lunches. In our report "Their Daily Bread" we indicated that the lack of a uniform method of determining who shall be eligible for a free or reduced price lunch results in unequal and unfair decisions on the local level. A child eligible in one community for a free lunch might not be eligible in a neighboring town; eligible in one school, he might be disqualified in a neighboring school. This lack of standards presents conscientious educators with choices they should not be forced to make. It fosters resentment and distrust on the part of needy parents.

In testimony before the Committee on Labor and Public Welfare, U.S. Senate, earlier this year, the National Council of Jewish Women urged consideration of the following recommendation in the report, "Their Daily Bread":

"The Congress, USDA, Boards of Education, State legislators, school lunch administrators should begin planning now for a universal free school lunch program as part of a coordinated plan for better nutrition for all children."

The following excerpts from that testimony outline the compelling reasons why this should receive serious consideration. We hope this Committee will examine this proposal, and take the necessary action:

"When the Elementary and Secondary Education Act was enacted Title I of the Act authorized funds for the alleviation of the problem of educational underachievement. There are undoubtedly a number of causes for educational underachievement, but one of the causes identified by educators and others is mal-

nutrition and lack of sufficient nourishment, particularly among children of low-income families.

In testimony before the Select Committee on Nutrition and Human Needs, it was indicated that there is a very important relationship between hunger and the ability to learn. Dr. Herbert C. Birch, Research Professor Albert Einstein College of Medicine, whose testimony was based on a scientific paper entitled, "Health and the Education of Socially Disadvantaged Children" stated that . . .

Children who are ill nourished are reduced in their responsiveness to the environment, distracted by their visceral state, and reduced in their ability to progress and endure in learning conditions. Consequently, given the same objective conditions for learning, the state of the organism modified the effective environment and results in a reduction in the profit which a child may derive from exposure to opportunities for experience. Consequently, the provision of equal opportunities for learning in an objective sense is never met when only the school situation is made identical for advantaged and disadvantaged children. Though such a step is indeed necessary, proper and long overdue, a serious concern with the profitability of such improved objective opportunities for socially disadvantaged children demands a concern which goes beyond education and includes an intensive and directed consideration of the broader environment, the health and functional and physical well-being of the child.

"Inadequacies in nutritional status as well as excessive amounts in intercurrent illness may interfere in indirect ways with the learning process."

Another witness before the same Committee, the Superintendent of Schools of San Diego, Texas, stated the problem in much simpler language when he said: "And basically we adopted a philosophy in the school district . . . that we felt that no child could be educated if he were hungry. . . ." One means of alleviating this problem is to provide nutritious meals for the children while they are in school. Even though we have had a National School Lunch Program for over twenty years it has not benefited the children who need it most.

Some two years ago the National Council of Jewish Women undertook a survey of the National School Lunch Program in cooperation with several other organizations. The findings of the survey were published in a report "Their Daily Bread" with which you are probably familiar. But it may be useful to emphasize again some of the deficiencies of the program revealed in this report.

Out of some 6 million children, whose parents' income falls below the poverty level only about 2 million were receiving free, or reduced price lunches. This is true in rural as well as urban centers. For those who do receive a free, or reduced price lunch, the experience is often humiliating, both to the child and the parent. The following quote from the report illustrates the difficulties involved in applying for a free lunch:

"In many cases, it is not the school, but the parents and the children who make the decision not to apply for free lunches. Over and over again, we heard parents say that although their need is great, they would not subject their children to the humiliation of being pointed out by their classmates as being too poor to afford lunch; or they would not go through the embarrassment of a searching investigation—with no guarantee of confidentiality—that applying for free lunches might involve."

That the school lunch is an intrinsic part of a child's education has been recognized by many school authorities, as evidenced by the fact that Title I funds are often used to provide nutritious meals for school children.

On the basis of our survey we believe that school lunch should be served to all children as a matter of course. Each child should be given his school lunch in the same way that the majority of children now receive their books and school equipment. The school lunch should be a basic part of the free public school education in which every child has a right.

We hope this Committee will give serious consideration to the initiation of such a program by providing incentive grants to school districts, municipalities or counties to develop model nutritional and food service programs for children and youth.

In conclusion we wish to commend this Committee and Senator Talmadge for responding, at least in part, to the overwhelming nutritional needs of our nation's children. We urge speedy favorable action on the pending legislation.

ALBANY, N.Y., October 17, 1969.

HON. JACOB K. JAVITS,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR SENATOR JAVITS: New York State is one of a few states that has financially supported the School Lunch Program since the enactment of the National School Lunch Act.

Enclosed is a summary report showing the contribution that the New York State Legislators have made available to benefit the youth of New York State. Sincerely yours,

HELEN L. DIEHL,
Administrator, School Lunch Supervision,
State Education Department.

(The report is as follows:)

COMPARATIVE STATISTICS FOR SCHOOL LUNCH PROGRAM, 1946-69

	1946-47	1956-57	1966-67	1968-69
Participation:				
Number of schools.....	2,375	3,084	4,372	4,421
Average daily participation.....	525,468	638,950	1,345,280	1,464,300
Total lunches for year.....	40,440,784	111,661,253	234,583,913	240,370,584
Free Meals Included in Total Above.....	15,145,460	29,871,402	67,601,109	71,065,318
Finances:				
Federal reimbursement (A lunches).....	\$4,494,793.08	\$5,132,304.00	\$9,606,800.00	\$13,348,312.46
New York State contribution:				
Reimbursement.....	17,709.55	4,885,821.29	12,155,195.19	9,682,082.30
Social service (welfare).....	(1)	2,485,544.09	9,262,797.62	10,665,315.00
Supervision, travel, communication, Office.....	(1)	139,616.14	306,352.61	305,000.00
Total.....		7,510,981.52	21,724,345.42	20,652,397.30

¹ Not available.

BATON ROUGE, LA, October 3, 1969.

HON. ALLEN J. ELLENDER,
Senate of the United States, Senate Office Building,
Washington, D.C.

DEAR SENATOR ELLENDER: Ever so often someone in Washington proposes that private food service companies supplant, or take over, the food services in our public schools and receive Federal reimbursement money and the Federal commodities.

We feel that the Lunch Program, as now operated, is one of the finest educational programs in the United States and we appreciate the fact that you have always been in the forefront in helping make it better. Recently we inaugurated a Breakfast Program to go along with the Lunch Program.

In our State, tens of thousands of youngsters attending our schools get their best meal when they eat in the school lunchrooms. This is true not only for the underprivileged and poor children but for many of the children who come from well-to-do families.

Our program is operating very smoothly and it is so well organized and so efficient that the lunches given our children for 20c or 25c could not be duplicated by a private agency for less than 75¢ or \$1.00.

I hope that you can use your influence to continue the present policy of letting the school people operate the Lunch Program. I feel that if private school food services took over this program, it would not only raise a lot of conflicts in the schools but sooner or later the prices would become so high or the quality so bad that the entire program would deteriorate into nothing.

If hearings are held on any kind of bill to change the program, I would be happy to come up and testify before the committee and bring some of our local school administrators who feel as I have stated above.

With best wishes, I am
Your friend,

WILLIAM J. DODD,
State Superintendent,
Louisiana Department of Education.

