

certification of an appropriate official of that Government that such amounts were so erroneously deducted and have not heretofore been refunded. Such refunds shall be made from the National Service Life Insurance appropriation. In the event of the death of any such member refunds may be made only to the following individuals and in the order named—

Recipients,
order for pay-
ment.

- (1) to the widow or widower of such person, if living;
- (2) if no widow or widower, to the child or children of such person, if living, in equal shares; or
- (3) if no widow, widower, child, or children, to the parent or parents of such person, if living, in equal shares.

No refunds under this section shall be paid to the heirs or legal representatives as such of such member or of any beneficiary. If such member is deceased, and in the event no individual within the permitted class survives to receive the refund, no payment of such refund shall be made.

SEC. 2. (a) The second sentence of subsection (a) and the second sentence of subsection (b) of section 107 of title 38, United States Code, are each amended to read as follows: "Payments under such chapters shall be made at a rate in pesos as is equivalent to \$0.50 for each dollar authorized, and where annual income is a factor in entitlement to benefits, the dollar limitations in the law specifying such annual income shall apply at a rate in Philippine pesos as is equivalent to \$0.50 for each dollar."

72 Stat. 1111.

(b) The amendments made by subsection (a) of this section shall take effect on the first day of the second calendar month which begins after the date of enactment of this Act.

Effective date.

Approved October 11, 1966, 12:25 p.m.

Public Law 89-642

AN ACT

To strengthen and expand food service programs for children.

October 11, 1966
[S. 3467]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Nutrition Act of 1966".

Child Nutrition
Act of 1966.

DECLARATION OF PURPOSE

SEC. 2. In recognition of the demonstrated relationship between food and good nutrition and the capacity of children to develop and learn, based on the years of cumulative successful experience under the national school lunch program with its significant contributions in the field of applied nutrition research, it is hereby declared to be the policy of Congress that these efforts shall be extended, expanded, and strengthened under the authority of the Secretary of Agriculture as a measure to safeguard the health and well-being of the Nation's children, and to encourage the domestic consumption of agricultural and other foods, by assisting States, through grants-in-aid and other means, to meet more effectively the nutritional needs of our children.

SPECIAL MILK PROGRAM AUTHORIZATION

SEC. 3. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed \$110,000,000; for the fiscal year ending June 30, 1968, not to exceed \$115,000,000; and for each

of the two succeeding fiscal years not to exceed \$120,000,000, to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this section "United States" means the fifty States and the District of Columbia. The Secretary shall administer the special milk program provided for by this section to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Law 85-478, as amended, during the fiscal year ended June 30, 1966.

72 Stat. 276;
74 Stat. 84;
75 Stat. 319.
7 USC 1446
note.

SCHOOL BREAKFAST PROGRAM AUTHORIZATION

SEC. 4. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed \$7,500,000; and for the fiscal year ending June 30, 1968, not to exceed \$10,000,000, to enable the Secretary to formulate and carry out, on a nonpartisan basis, a pilot program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit breakfast programs in schools.

APPORTIONMENT TO STATES

(b) Of the funds appropriated for the purposes of this section, the Secretary shall for each fiscal year, (1) apportion \$2,600,000 equally among the States other than Guam, the Virgin Islands, and American Samoa, and \$45,000 equally among Guam, the Virgin Islands, and American Samoa, and (2) apportion the remainder among the States in accordance with the apportionment formula contained in section 4 of the National School Lunch Act, as amended.

76 Stat. 944.
42 USC 1753.

STATE DISBURSEMENT TO SCHOOLS

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

(d) In circumstances of severe need where the rate per meal established by the Secretary is deemed by him insufficient to carry on an effective breakfast program in a school, the Secretary may authorize financial assistance up to 80 per centum of the operating costs of such a program, including 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.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

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

NONPROFIT PRIVATE SCHOOLS

(f) 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, as amended, exclusive of the matching provisions thereof.

60 Stat. 233;
76 Stat. 945.
42 USC 1759.

NONFOOD ASSISTANCE PROGRAM AUTHORIZATION

SEC. 5. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed \$12,000,000, for the fiscal year ending June 30, 1968, not to exceed \$15,000,000, for each of the two fiscal years ending June 30, 1969, and June 30, 1970, not to exceed \$18,000,000, and for each fiscal year thereafter such sums as the Congress may hereafter authorize, to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist with equipment, other than land or buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain, and expand school food service programs. In the case of nonprofit private schools, such equipment shall be for use of such schools principally in connection with child feeding programs authorized in this Act and in the National School Lunch Act, as amended, and in the event such equipment is no longer so used, that part of such equipment financed with Federal funds, or the residual value thereof, shall revert to the United States.

60 Stat. 230.
42 USC 1751
note.

APPORTIONMENTS TO STATES

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

76 Stat. 944.
42 USC 1753.

STATE DISBURSEMENT TO SCHOOLS

(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to as-

sist schools, which draw attendance from areas in which poor economic conditions exist and which have no, or grossly inadequate, equipment, to conduct a school food service program, and to acquire such equipment. 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 and the inability of the school to finance the food service equipment needed. Disbursements to any school may be made, by advances or reimbursements, only after approval by the State educational agency of a request by the school for funds, accompanied by a detailed description of the equipment to be acquired and the plans for the use thereof in effectively meeting the nutritional needs of children in the school.

NONPROFIT PRIVATE SCHOOLS

(d) 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, as amended, exclusive of the matching provision thereof.

PAYMENTS TO STATES

SEC. 6. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under sections 3 through 7 of this Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

STATE ADMINISTRATIVE EXPENSES

SEC. 7. The Secretary may utilize funds appropriated under this section for advances to each State educational agency for use for its administrative expenses in supervising and giving technical assistance to the local school districts in their conducting of programs under this Act. Such funds shall be advanced only in amounts and to the extent determined necessary by the Secretary to assist such State agencies in the administration of additional activities undertaken by them under section 11 of the National School Lunch Act, as amended, and sections 4 and 5 of this Act. There are hereby authorized to be appropriated such sums as may be necessary for the purposes of this section.

UTILIZATION OF FOODS

SEC. 8. Each school participating under section 4 of this Act shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or foods donated by the Secretary. Foods available under section 416 of the Agricultural Act of 1949 (63 Stat. 1058), as amended, or purchased under section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, or section 709 of the Food and Agriculture Act of 1965 (79 Stat. 1212), may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in their feeding programs under this Act.

NONPROFIT PROGRAMS

SEC. 9. The food and milk service programs in schools and nonprofit institutions receiving assistance under this Act shall be conducted on a nonprofit basis.

60 Stat. 233;
76 Stat. 945.
42 USC 1759.

42 USC 1759a.

68 Stat. 458.
7 USC 1431.
7 USC 612c.
7 USC 1446a-1.

REGULATIONS

SEC. 10. The Secretary shall prescribe such regulations as he may deem necessary to carry out this Act.

PROHIBITIONS

SEC. 11. (a) In carrying out the provisions of sections 3 through 5 of this Act, neither the Secretary nor the State shall impose any requirements with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction.

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

PRESCHOOL PROGRAMS

SEC. 12. The Secretary may extend the benefits of all school feeding programs conducted and supervised by the Department of Agriculture to include preschool programs operated as part of the school system.

CENTRALIZATION OF ADMINISTRATION

SEC. 13. Authority for the conduct and supervision of Federal programs to assist schools in providing food service programs for children is assigned to the Department of Agriculture. To the extent practicable, other Federal agencies administering programs under which funds are to be provided to schools for such assistance shall transfer such funds to the Department of Agriculture for distribution through the administrative channels and in accordance with the standards established under this Act and the National School Lunch Act.

SEC. 14. There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expense under this Act.

Appropriation.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 15. For the purposes of this Act—

(a) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

(b) "State educational agency" means, as the State legislature may determine, (1) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education.

(c) "Nonprofit private school" means any private school exempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

68 A Stat. 163.

(d) "School" means any public or nonprofit private school of high school grade or under, including kindergarten and preschool programs operated by such school and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico.

(e) "Secretary" means the Secretary of Agriculture.

ACCOUNTS AND RECORDS

SEC. 16. States, State educational agencies, schools, and nonprofit institutions participating in programs under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this Act and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines is necessary.

Approved October 11, 1966, 6:06 p.m.

Public Law 89-643

AN ACT

October 13, 1966
[S. 3080]

To amend section 8 of the Revised Organic Act of the Virgin Islands to increase the special revenue bond borrowing authority, and for other purposes.

Virgin Islands.
Bond borrowing
authority, in-
crease.
72 Stat. 1095;
77 Stat. 335.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8(b) (i) of the Revised Organic Act of the Virgin Islands, as amended (68 Stat. 497, 500; 48 U.S.C. 1574(b)), is amended as follows:

(a) Delete "(1)" and delete "and (2) for the establishment, construction, operation, maintenance, reconstruction, improvement, or enlargement of other projects, authorized by an Act of the legislature, which will, in the legislature's judgment, promote the public interest by economic development of the Virgin Islands."

Limitations.

(b) Delete "\$10,000,000" and substitute therefor "\$30,000,000, exclusive of all bonds or obligations which are held by the Government of the United States as a result of a sale of real or personal property to the government of the Virgin Islands. Not to exceed \$10,000,000 of such bonds or obligations may be outstanding at any one time for public improvements or public undertakings other than water or power projects."

(c) Delete the word "specific" wherever it appears in the first and second sentences.

(d) Delete in the fifth sentence the words "shall be redeemable after five years without premium" and substitute therefor the following: "may be redeemable (either with or without premium) or nonredeemable".

Approved October 13, 1966.

Public Law 89-644

AN ACT

October 13, 1966
[H. R. 10860]

To amend the Connally Hot Oil Act by exempting States from certain provisions thereof.

Hot Oil Act,
amendment.
Definition of
"contraband oil."

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of February 22, 1935, as amended (49 Stat. 30; 15 U.S.C. 715a), commonly referred to as the Connally Hot Oil Act, is amended by striking out the period at the end of paragraph (1) of such section and inserting in lieu thereof a comma and the following: "except petroleum or any of its constituent parts, title to which has been acquired by a State pursuant to its laws."

Approved October 13, 1966.