

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3873
OFFERED BY MR. CASTLE**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “The Child Nutrition
3 Improvement and Integrity Act”.

4 SEC. 2. TABLE OF CONTENTS.

5 The table of contents of this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of Contents.

TITLE I—ENSURING ACCESS TO CHILD NUTRITION PROGRAMS

- Sec. 101. Exclusion of military housing allowances.
- Sec. 102. Homeless children and runaway youth eligibility.
- Sec. 103. Eligibility for special payments.
- Sec. 104. Reauthorization of Summer food programs.
- Sec. 105. Child and adult care food program.
- Sec. 106. Review of best practices in the breakfast program.

TITLE II—IMPROVING PROGRAM QUALITY AND INTEGRITY

- Sec. 201. Eligibility and Certification for Free and Reduced Price Lunches.
- Sec. 202. Duration of eligibility for free and reduced price lunches.
- Sec. 203. Certification by local educational agencies.
- Sec. 204. Compliance and accountability.
- Sec. 205. Technology Improvement.
- Sec. 206. Minimum State Administrative Expense Grants.
- Sec. 207. District-wide eligibility for special assistance.
- Sec. 208. Administrative error reduction.

**TITLE III—PROMOTING NUTRITION QUALITY AND PREVENTING
CHILDHOOD OBESITY**

- Sec. 301. Local school wellness policy.
- Sec. 302. Supporting Nutrition Education, Improving Meal Quality, and Access to Local Foods.



- Sec. 303. Fruits and vegetable commodities.
- Sec. 304. Fruit and vegetable pilot program.
- Sec. 305. Fluid milk.
- Sec. 306. Waiver of requirements for weighted averages for nutrient analysis.
- Sec. 307. Whole grains.
- Sec. 308. Study on Healthy School Environments.

TITLE IV—IMPROVING THE WOMEN, INFANTS, AND CHILDREN
PROGRAM

- Sec. 401. Definition of nutrition education.
- Sec. 402. Definition of supplemental foods.
- Sec. 403. Improving certification.
- Sec. 404. Reviews of available supplemental foods.
- Sec. 405. Notification of violations and infant formula benefits.
- Sec. 406. Competitive bidding.
- Sec. 407. Fruit and vegetable projects.
- Sec. 408. Management information systems.
- Sec. 409. Infant formula fraud prevention.
- Sec. 410. State alliances.
- Sec. 411. Limits on expenditures.
- Sec. 412. Migrant and community health centers initiative.
- Sec. 413. Demonstration projects.
- Sec. 414. Authorization of appropriations.

TITLE V—REAUTHORIZATION, MISCELLANEOUS PROVISIONS, AND
EFFECTIVE DATE

- Sec. 501. Training, Technical, and Other Assistance.
- Sec. 502. Notice of irradiated food.
- Sec. 503. Reauthorization of programs.
- Sec. 504. Effective date.

1 TITLE I—ENSURING ACCESS TO
2 CHILD NUTRITION PROGRAMS

3 SEC. 101. EXCLUSION OF MILITARY HOUSING ALLOW-
4 ANCES.

5 Section 9(b)(7) of the Richard B. Russell National
6 School Lunch Act (42 U.S.C. 1758(b)) is amended by
7 striking “For each of fiscal years 2002” and all that fol-
8 lows through “the amount” and inserting “The amount”.



1 **SEC. 102. HOMELESS CHILDREN AND RUNAWAY YOUTH ELI-**
2 **GIBILITY.**

3 Section 9(b)(6)(A) of the Richard B. Russell Na-
4 tional School Lunch Act (42 U.S.C. 1758(b)(6)(A)) is
5 amended—

6 (1) in clause (ii), by striking “or”;

7 (2) in clause (iii), by striking the period and in-
8 serting a semicolon; and

9 (3) by inserting after clause (iii) the following:

10 “(iv) a homeless child or youth (as de-
11 fined in section 725(2) of the McKinney-
12 Vento Homeless Assistance Act (42 U.S.C.
13 11434a)); or

14 “(v) a youth served by programs
15 under the Runaway and Homeless Youth
16 Act (42 U.S.C. 5701 et seq.)”.

17 **SEC. 103. ELIGIBILITY FOR SPECIAL PAYMENTS.**

18 Section 4(d)(1)(B) of the Child Nutrition Act of 1966
19 (42 U.S.C. 1773(d)(1)(B)) is amended by inserting “(or
20 those new schools drawing their attendance from schools
21 receiving severe need assistance)” after “reduced price”.

22 **SEC. 104. REAUTHORIZATION OF SUMMER FOOD PRO-**
23 **GRAMS.**

24 (a) SUMMER FOOD PILOT PROJECTS.—Section 18(f)
25 of the Richard B. Russell National School Lunch Act (42
26 U.S.C. 1769(f)(2)) is amended—



1 (1) in paragraph (2), by striking “March 31,
2 2004” and inserting “September 30, 2008”; and

3 (2) in paragraph (3), by striking “(other than
4 a service institution described in section 13(a)(7))”
5 both places it appears.

6 (b) SUMMER FOOD SERVICE PROGRAM FOR CHIL-
7 DREN.—Section 13(q) of the Richard B. Russell National
8 School Lunch Act (42 U.S.C. 1761(q)) is amended by
9 striking “March 31, 2004” and inserting “September 30,
10 2008”.

11 **SEC. 105. CHILD AND ADULT CARE FOOD PROGRAM.**

12 (a) ELIGIBILITY OF PRIVATE CHILD CARE CEN-
13 TERS.—Section 17(a)(2)(B)(i) of the Richard B. Russell
14 National School Lunch Act (42 U.S.C. 42 U.S.C.
15 1766(a)(2)(B)(i)) is amended by striking “during the pe-
16 riod” and all that follows through “March 31, 2004”.

17 (b) DURATION OF DETERMINATION AS TIER 1 FAM-
18 ILY OR GROUP DAY CARE HOME.—Section
19 17(f)(3)(E)(iii) of the Richard B. Russell National School
20 Lunch Act (42 U.S.C. 1766(f)(3)(E)(iii)) is amended by
21 striking “3 years” and inserting “5 years”.

22 (c) DURATION OF AGREEMENTS.—Section 17(j) of
23 the Richard B. Russell National School Lunch Act (42
24 U.S.C. 1766(j)) is amended to read as follows:

25 “(j) AGREEMENTS.—



1 “(1) IN GENERAL.—The Secretary shall issue
2 regulations directing States to develop and provide
3 for the use of a standard form of agreement between
4 each family or group day care sponsoring organiza-
5 tion and the family or group day care homes partici-
6 pating in the program under such organization, for
7 the purpose of specifying the rights and responsibil-
8 ities of each party.

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

12 (d) MANAGEMENT IMPROVEMENT INITIATIVE.—Sec-
13 tion 17(q)(3) of the Richard B. Russell National School
14 Lunch Act (42 U.S.C. 1766(q)(3)) is amended by striking
15 “1999 through 2003” and inserting “2004 through
16 2006”.

17 (e) AUDITS.—Section 17(i) of the Richard B. Russell
18 National School Lunch Act (42 U.S.C. 1766(i)) is amend-
19 ed to read as follows:

20 “(i) AUDITS.—

21 “(1) FUNDS FOR AUDITS.—The Secretary shall
22 make available for each fiscal year to a State admin-
23 istering the child and adult care food program, for
24 the purpose of conducting audits of participating in-
25 stitutions, an amount up to 1.5 percent (except in



1 the case of fiscal years 2005 through 2007, 1 per-
2 cent) of the funds used by each State in the pro-
3 gram under this section during the second preceding
4 fiscal year.

5 “(2) AUDIT PROCEDURES.—

6 “(A) IN GENERAL.—Subject to subpara-
7 graph (B), in conducting management evalua-
8 tions, reviews, or audits of the program under
9 their section, the Secretary or a State agency
10 may disregard any overpayment to an institu-
11 tion if the total overpayment for any fiscal year
12 does not exceed an amount, consistent with the
13 disregards allowed in other programs under this
14 Act, which recognizes the cost of collecting
15 small claims.

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

21 (f) HOMELESS AND DOMESTIC VIOLENCE SHEL-
22 TERS.—Section 17(t)(5)(A)(i)() of the Richard B. Russell
23 National School Lunch Act (42 U.S.C. 1766(t)(5)(A)(i)
24 is amended—

25 (1) in subclause (I)—



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

2 and

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

4 and

5 (2) by striking subclause (II) and redesignating
6 subclause (III) as subclause (II).

7 (g) PAPERWORK REDUCTION.—The Secretary of Ag-
8 riculture, in conjunction with States and participating in-
9 stitutions, shall examine the feasibility of reducing paper-
10 work resulting from regulations and record-keeping re-
11 quirements for family child care homes, child care centers,
12 and sponsoring organizations participating in the child
13 and adult care food program established under section 17
14 of the Richard B. Russell National School Lunch Act (42
15 U.S.C. 1766).

16 **SEC. 106. REVIEW OF BEST PRACTICES IN THE BREAKFAST**
17 **PROGRAM.**

18 (a) REVIEW.—The Secretary of Agriculture shall
19 enter into an agreement with a research organization to
20 collect and disseminate a review of best practices to assist
21 schools in addressing existing impediments at the State
22 and local level that hinder the growth of the school break-
23 fast program under section 4 of the Child Nutrition Act
24 of 1966 (42 U.S.C. 1773). The review shall describe model



1 breakfast programs and offer recommendations for schools
2 to overcome the following obstacles:

3 (1) the length of the school day;

4 (2) bus schedules; and

5 (3) potential increases in costs at the State and
6 local level.

7 (b) DISSEMINATION.—Not later than 12 months
8 after the date of enactment of this Act, the Secretary shall
9 make the review required under subsection (a) available
10 to local educational agencies via the Internet, including
11 recommendations to improve participation in the school
12 breakfast program. Not later than 12 months after the
13 date of enactment of this Act, the review shall also be
14 transmitted to the Committee on Education of the House
15 of Representatives and the Committee on Agriculture of
16 the senate.

17 **TITLE II—IMPROVING PROGRAM**
18 **QUALITY AND INTEGRITY**

19 **SEC. 201. ELIGIBILITY AND CERTIFICATION FOR FREE AND**
20 **REDUCED PRICE LUNCHES.**

21 Section 9(b) of the Richard B. Russell National
22 School Lunch Act (42 U.S.C. 1758) is amended—

23 (1) by amending the subsection heading to read
24 as follows:



1 “(b) ELIGIBILITY FOR FREE AND REDUCED PRICE
2 LUNCHESES.—”; and

3 (2) by amending paragraphs (1) and (2) to
4 read as follows:

5 “(1) INCOME GUIDELINES.—

6 “(A) IN GENERAL.—Not later than June 1
7 of each fiscal year, the Secretary shall prescribe
8 income guidelines for determining eligibility for
9 free and reduced price lunches during the 12-
10 month period beginning July 1 of such fiscal
11 year and ending June 30 of the following fiscal
12 year. The income guidelines for determining eli-
13 gibility for free lunches shall be 130 percent of
14 the applicable family size income levels con-
15 tained in the nonfarm income poverty guidelines
16 issued by the Secretary of Health and Human
17 Services, as adjusted annually in accordance
18 with subparagraph (B). The income guidelines
19 for determining eligibility for reduced price
20 lunches for any school year shall be 185 percent
21 of the applicable family size income levels con-
22 tained in the nonfarm income poverty guidelines
23 issued by the Secretary of Health and Human
24 Services, as adjusted annually in accordance
25 with subparagraph (B). Such guidelines shall be



1 revised at annual intervals, or at any shorter in-
2 terval deemed feasible and desirable.

3 “(B) FORMULA FOR REVISION.—The revi-
4 sion required by subparagraph (A) of this para-
5 graph shall be made by multiplying—

6 “(i) the official poverty line (as de-
7 fined by the Secretary of Health and
8 Human Services); by

9 “(ii) the percentage change in the
10 Consumer Price Index during the annual
11 or other interval immediately preceding the
12 time at which the adjustment is made.

13 Revisions under this subparagraph shall be
14 made not more than 30 days after the date on
15 which the Consumer Price Index data required
16 to compute the adjustment becomes available.

17 “(2) CERTIFICATION OF ELIGIBILITY.—

18 “(A) ANNOUNCEMENT BY STATE EDU-
19 CATIONAL AGENCY.—Following the determina-
20 tion by the Secretary under paragraph (1) of
21 this subsection of the income eligibility guide-
22 lines for each school year, each State edu-
23 cational agency shall announce the income eligi-
24 bility guidelines, by family size, to be used by
25 schools in the State in making determinations



1 of eligibility for free and reduced price lunches.
2 Local educational agencies shall, each year,
3 publicly announce the income eligibility guide-
4 lines for free and reduced price lunches on or
5 before the opening of school.

6 “(B) APPLICATIONS.—

7 “(i) IN GENERAL.—Applications for
8 free and reduced price lunches, in such
9 form as the Secretary may prescribe or ap-
10 prove, and any descriptive material, in an
11 understandable and uniform format, and
12 to the extent practicable, in a language
13 that parents can understand, shall be dis-
14 tributed at least annually to the parents or
15 guardians of children in attendance at the
16 school.

17 “(ii) INCOME LEVELS.—Applications
18 and descriptive material shall contain only
19 the family size income levels for reduced
20 price meal eligibility, with the explanation
21 that households with incomes less than or
22 equal to these values would be eligible for
23 free or reduced price lunches. Such forms
24 and descriptive material may not contain
25 the income eligibility guidelines for free



1 lunches, and may be made available elec-
2 tronically via the Internet.

3 “(iii) NOTIFICATION.—Descriptive
4 materials shall contain a notification that
5 participants in the Special Supplemental
6 Nutrition Program for Women, Infants,
7 and Children authorized under Section 17
8 of the Child Nutrition Act of 1966 (42
9 U.S.C. 1771 et seq.) or the State program
10 funded under part A of title IV of the So-
11 cial Security Act are eligible for free or re-
12 duced price lunches.

13 “(iv) ELECTRONIC AVAILABILITY.—
14 Applications and descriptive material may
15 be made available electronically via the
16 Internet.

17 “(C) ELIGIBILITY.—

18 “(i) HOUSEHOLD APPLICATIONS.—

19 “(I) IN GENERAL.—If an eligi-
20 bility determination for a child is not
21 made under clause (ii) or (iii), an eli-
22 gibility determination shall be made
23 on the basis of a complete household
24 application executed by an adult mem-
25 ber of the household.

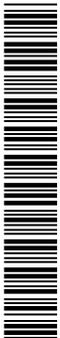


1 “(II) ELIGIBILITY DETER-
2 MINANTS.—Eligibility may be deter-
3 mined by the local educational agency
4 on the basis of a complete application
5 (including an electronic signature
6 when the application is submitted
7 electronically) executed by an adult
8 member of the household if the appli-
9 cation filing system meets confiden-
10 tiality standards established by the
11 Secretary.

12 “(III) CHILDREN IN HOUSE-
13 HOLD.—

14 “(aa) IN GENERAL.—The
15 application shall identify the
16 names of each child in the house-
17 hold for whom meal benefits are
18 requested.

19 “(bb) SEPARATE APPLICA-
20 TIONS.—A State educational
21 agency or local educational agen-
22 cy may not request a separate
23 application for each child in the
24 household.



1 “(IV) VERIFICATION.—The Sec-
2 retary, State, or local educational
3 agency may verify any data contained
4 in such application. In accordance
5 with guidance issued by the Secretary,
6 each local educational agency shall
7 verify the information contained in a
8 sample of approved free and reduced
9 price applications and shall make ap-
10 propriate changes in the eligibility de-
11 termination with respect to such ap-
12 plications on the basis of such ver-
13 ification. The sample selected for ver-
14 ification shall be as follows:

15 “(aa) For local educational
16 agencies able to obtain verifica-
17 tion information for at least 75
18 percent of all applications se-
19 lected for verification in the prior
20 year, or local educational agen-
21 cies receiving more than 20,000
22 applications and that in the prior
23 year had a verification non-re-
24 sponse rate that was 10 percent
25 below the the verification non-re-



1 sponse rate of the second prior
2 year, the sample selected shall be
3 either—

4 “(AA) the lesser of
5 3,000 or 3 percent of ap-
6 proved applications selected
7 at random by the local edu-
8 cational agencies from all
9 approved applications; or

10 “(BB) the lesser of
11 1,000 or 1 and ½ percent of
12 all approved applications se-
13 lected from applications that
14 indicate monthly income
15 that is within \$100, or an-
16 nual income that is within
17 \$1,200, of the income eligi-
18 bility limitation for free or
19 reduced price meals, plus
20 the lesser of 500 or ½ of 1
21 percent of approved applica-
22 tions that provided a case
23 number in lieu of income in-
24 formation in accordance
25 with paragraph (6) of this



1 subsection selected from
2 those approved applications
3 that provided a case number
4 in lieu of income information
5 in accordance with para-
6 graph (6) of this subsection.

7 “(bb) For all other local
8 educational agencies, the sample
9 selected shall be the lesser of
10 3,000 or 3 percent of all ap-
11 proved applications selected from
12 applications that indicate month-
13 ly income that is within \$100, or
14 annual income that is within
15 \$1,200, of the income eligibility
16 limitation for free or reduced
17 price meals. If, for any local edu-
18 cational agency, the total number
19 of such applications is less than
20 3,000 or 3 percent of all ap-
21 proved applications, the local
22 educational agency shall select
23 additional applications at random
24 from all approved applications in
25 order to obtain a total sample for



1 verification of 3,000 or 3 percent
2 of all approved applications.

3 “(V) PLAIN, UNDERSTANDABLE
4 LANGUAGE.—Any and all communica-
5 tions to parents regarding verification
6 under subclause (IV) shall be in an
7 understandable and uniform format,
8 and, to the extent practicable, in a
9 language that parents can under-
10 stand.

11 “(ii) DIRECT CERTIFICATION FOR
12 CHILDREN IN FOOD STAMP HOUSE-
13 HOLDS.—

14 “(I) IN GENERAL.—Each State
15 agency shall, to the extent practicable,
16 enter into an agreement with the
17 State agency conducting eligibility de-
18 terminations for the food stamp pro-
19 gram established under the Food
20 Stamp Act of 1977 (7 U.S.C. 2011 et
21 seq.).

22 “(II) PROCEDURES.—Subject to
23 clause (iv), the agreement shall estab-
24 lish procedures under which a child
25 who is a member of a household re-



1 ceiving assistance under the program
2 referred to in subclause (I) shall be
3 certified as eligible for free meals
4 under this Act, without further appli-
5 cation.

6 “(III) DIRECT CERTIFICATION.—
7 Subject to clause (iv), under the
8 agreement, the local educational agen-
9 cy conducting eligibility determina-
10 tions for a school meal program con-
11 ducted under this Act shall certify a
12 child who is a member of a household
13 receiving assistance under the food
14 stamp program established under the
15 program referred to in subclause (I)
16 as eligible for free meals under this
17 Act without further application.

18 “(IV) NOTICE.—The appropriate
19 local educational agency shall provide
20 annually to the parents or guardians
21 of all students who are members of a
22 household receiving assistance under
23 the program referred to in subclause
24 (I), notification, in an understandable
25 and uniform format, and, to the ex-



1 tent practicable, in a language that
2 parents can understand, that any
3 school-aged child in that household is
4 eligible for free lunches or breakfasts.

5 “(iii) CERTIFICATION OF CHILDREN
6 IN HOUSEHOLDS RECEIVING TEMPORARY
7 ASSISTANCE FOR NEEDY FAMILIES.—Sub-
8 ject to clause (iv), any local educational
9 agency may certify any child as eligible for
10 free lunches or breakfasts, without further
11 application, by directly communicating
12 with the appropriate State or local agency
13 to obtain documentation of such child’s
14 status as a member of a family that is re-
15 ceiving assistance under the State program
16 funded under part A of title IV of the So-
17 cial Security Act that the Secretary deter-
18 mines complies with standards established
19 by the Secretary that ensure that the
20 standards under the State program are
21 comparable to or more restrictive than
22 those in effect on June 1, 1995.

23 “(iv) DISCLOSURE OF INFORMA-
24 TION.—The use or disclosure of any infor-
25 mation obtained from an application for



1 free or reduced price meals, or from a
2 State or local agency referred to in clauses
3 (ii) and (iii), shall be limited to—

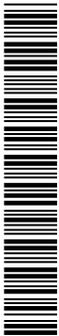
4 “(I) a person directly connected
5 with the administration or enforce-
6 ment of this Act or the Child Nutri-
7 tion Act of 1966 (42 U.S.C. 1771 et
8 seq.), or a regulation issued pursuant
9 to either Act;

10 “(II) a person directly connected
11 with the administration or enforce-
12 ment of—

13 “(aa) a Federal education
14 program;

15 “(bb) a State health or edu-
16 cation program administered by
17 the State or local educational
18 agency (other than a program
19 carried out under title XIX of
20 the Social Security Act (42
21 U.S.C. 1396 et seq.)); or

22 “(cc) a Federal, State, or
23 local means-tested nutrition pro-
24 gram with eligibility standards



1 comparable to the program under
2 this section;

3 “(III)(aa) the Comptroller Gen-
4 eral of the United States for audit
5 and examination authorized by any
6 other provision of law; and

7 “(bb) notwithstanding any other
8 provision of law, a Federal, State, or
9 local law enforcement official for the
10 purpose of investigating an alleged
11 violation of any program requirements
12 under paragraph (1) or this para-
13 graph; and

14 “(IV) a person directly connected
15 with the administration of the State
16 Medicaid program under title XIX of
17 the Social Security Act (42 U.S.C.
18 1396 et seq.) or the State children’s
19 health insurance program under title
20 XXI of that Act (42 U.S.C. 1397aa et
21 seq.) solely for the purpose of identi-
22 fying children eligible for benefits
23 under, and enrolling children in, such
24 programs, except that this subclause
25 shall apply only to the extent that the



1 State and the local educational agency
2 so elect.

3 “(v) LIMITATION.—Information pro-
4 vided under clause (iv)(II) shall be limited
5 to the income eligibility status of the child
6 for whom application for free or reduced
7 price meal benefits was made or for whom
8 eligibility information was provided under
9 clause (ii) or (iii), unless the consent of the
10 parent or guardian of the child for whom
11 application for benefits was made is ob-
12 tained.

13 “(vi) PENALTY FOR UNAUTHORIZED
14 DISCLOSURE.—A person described in
15 clause (iv) who publishes, divulges, dis-
16 closes, or makes known in any manner, or
17 to any extent not authorized by Federal
18 law (including a regulation), any informa-
19 tion obtained under this subsection shall be
20 fined not more than \$1,000 or imprisoned
21 not more than 1 year, or both.

22 “(vii) REQUIREMENTS FOR WAIVER
23 OF CONFIDENTIALITY.—A State that elects
24 to exercise the option described in clause
25 (iv)(IV) shall ensure that any local edu-



1 cational agency acting in accordance with
2 that option—

3 “(I) has a written agreement
4 with the State or local agency or
5 agencies administering health insur-
6 ance programs for children under ti-
7 tles XIX and XXI of the Social Secu-
8 rity Act (42 U.S.C. 1396 et seq. and
9 1397aa et seq.) that requires the
10 health agencies to use the information
11 obtained under clause (iv) to seek to
12 enroll children in those health insur-
13 ance programs; and

14 “(II)(aa) notifies each household,
15 the information of which shall be dis-
16 closed under clause (iv), that the in-
17 formation disclosed will be used only
18 to enroll children in health programs
19 referred to in clause (iv)(IV); and

20 “(bb) provides each parent or
21 guardian of a child in the household
22 with an opportunity to elect not to
23 have the information disclosed.

24 “(viii) USE OF DISCLOSED INFORMA-
25 TION.—A person to which information is



1 disclosed under clause (iv)(IV) shall use or
2 disclose the information only as necessary
3 for the purpose of enrolling children in
4 health programs referred to in clause
5 (iv)(IV).

6 “(D) FREE AND REDUCED PRICE POLICY
7 STATEMENT.—After the initial submission, a
8 local educational agency shall not be required to
9 submit a free and reduced price policy state-
10 ment to a State educational agency under this
11 Act unless there is a substantive change in the
12 free and reduced price policy of the local edu-
13 cational agency. A routine change in the policy
14 of a local educational agency, such as an annual
15 adjustment of the income eligibility guidelines
16 for free and reduced price meals, shall not be
17 sufficient cause for requiring the local edu-
18 cational agency to submit a policy statement.”.

19 **SEC. 202. DURATION OF ELIGIBILITY FOR FREE AND RE-**
20 **DUCED PRICE LUNCHES.**

21 Section 9(b)(3) of the Richard B. Russell National
22 School Lunch Act (42 U.S.C. 1758(b)(3)) is amended to
23 read as follows:

24 “(3) ELIGIBILITY FOR FREE AND REDUCED
25 PRICE LUNCHES.—



1 “(A) FREE LUNCHES.—Any child who is a
2 member of a household whose income, at the
3 time the application is submitted, is at an an-
4 nual rate which does not exceed the applicable
5 family size income level of the income eligibility
6 guidelines for free lunches, as determined under
7 paragraph (1), shall be served a free lunch.

8 “(B) REDUCED PRICE LUNCHES.—

9 “(i) IN GENERAL.—Any child who is a
10 member of a household whose income, at
11 the time the application is submitted, is at
12 an annual rate greater than the applicable
13 family size income level of the income eligi-
14 bility guidelines for free lunches, as deter-
15 mined under paragraph (1), but less than
16 or equal to the applicable family size in-
17 come level of the income eligibility guide-
18 lines for reduced price lunches, as deter-
19 mined under paragraph (1), shall be served
20 a reduced price lunch.

21 “(ii) MAXIMUM PRICE.—The price
22 charged for a reduced price lunch shall not
23 exceed 40 cents.

24 “(C) DURATION.—Except as otherwise
25 specified in section 11(a), eligibility for free or



1 reduced price meals for any school year shall
2 remain in effect—

3 “(i) beginning on the date of eligi-
4 bility approval for the current school year;
5 and

6 “(ii) ending on the date of the begin-
7 ning of school in the subsequent school
8 year or as otherwise specified by the Sec-
9 retary.”.

10 **SEC. 203. CERTIFICATION BY LOCAL EDUCATIONAL AGEN-**
11 **CIES.**

12 (a) CERTIFICATION BY LOCAL EDUCATIONAL AGEN-
13 CY.—Section 9 of the Richard B. Russell National School
14 Lunch Act (42 U.S.C. 1758) is further amended—

15 (1) in subsection (b)(5), by striking “Local
16 school authorities” and inserting “Local educational
17 agencies”; and

18 (2) in subsection (d)(2)—

19 (A) by striking “local school food author-
20 ity” each place it appears and inserting “local
21 educational agency”; and

22 (B) in subparagraph (A), by striking “such
23 authority” and inserting “the local educational
24 agency”.



1 (b) DEFINITION OF LOCAL EDUCATIONAL AGEN-
2 CY.—Section 12(d) of the Richard B. Russell National
3 School Lunch Act (42 U.S.C. 1760(d)) is amended

4 (1) by redesignating paragraphs (3) through
5 (7) as paragraphs (5) through (9), respectively, and
6 moving the paragraphs to the end of the subsection;

7 (2) by redesignating the first paragraph (3) (as
8 so redesignated) the following:

9 “(4) LOCAL EDUCATIONAL AGENCY.—

10 “(A) IN GENERAL.—The term ‘local edu-
11 cational agency’ has the meaning given the
12 term in section 9101 of the Elementary and
13 Secondary Education Act of 1965 (20 U.S.C.
14 7801).

15 “(B) INCLUSION.—The term ‘local edu-
16 cational agency’ includes, in the case of a pri-
17 vate nonprofit school food authority, an appro-
18 priate entity determined by the Secretary.”.

19 (c) SCHOOL BREAKFAST PROGRAM.—Section
20 4(b)(1)(E)) of the Child Nutrition Act of 1966 (42 U.S.C.
21 1773(b)(1)(E)) is amended by striking “school food au-
22 thority” each place it appears and inserting “local edu-
23 cational agency”.



1 **SEC. 204. COMPLIANCE AND ACCOUNTABILITY.**

2 Section 22 of the Richard B. Russell National School
3 Lunch Act (42 U.S.C. 1769c) is amended by inserting
4 “and local educational agencies” after “food service au-
5 thorities” each place it appears.

6 **SEC. 205. TECHNOLOGY IMPROVEMENT.**

7 (a) PRIORITY FOR REALLOCATED FUNDS.—Section
8 7(a)(5)(B)(ii) of the Child Nutrition Act of 1966 (42
9 U.S.C. 1776(a)(5)(B)(ii)) is amended by inserting the fol-
10 lowing new sentence at the end: “The Secretary shall give
11 priority consideration to States that will use the funds for
12 improvements in technology and information management
13 systems described in subsection (e)(2).”

14 (b) TECHNOLOGY INFRASTRUCTURE IMPROVE-
15 MENT.—Section 7(e) of the Child Nutrition Act of 1966
16 (42 U.S.C. 1776) is amended—

17 (1) by striking “Each State” and inserting “(1)
18 Each State”; and

19 (2) by adding at the end the following new
20 paragraph:

21 “(2) Each State shall at a minimum include a de-
22 scription of how technology and information management
23 systems will be used to improve program integrity by—

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

25 “(B) training schools and school food authorities how
26 to utilize technology and information management systems



1 for activities such as menu planning, collecting point of
2 sale data, and processing applications for free and reduced
3 price meals; and

4 “(C) using electronic data to establish benchmarks
5 to compare and monitor program integrity, program par-
6 ticipation, and financial data across schools and school
7 food authorities.”.

8 (c) CONFORMING AMENDMENT.—Section 7(b) of the
9 Child Nutrition Act of 1966 (42 U.S.C. 1776(b)) is
10 amended by striking “and for staff development.” and in-
11 serting “; for staff development; and technology and infor-
12 mation management systems.”.

13 **SEC. 206. MINIMUM STATE ADMINISTRATIVE EXPENSE**
14 **GRANTS.**

15 Section 7 of the Child Nutrition Act (42 U.S.C.
16 1776(a)(1)) is amended—

17 (1) by amending the section heading to read as
18 follows:

19 **“SEC. 7. STATE ADMINISTRATIVE EXPENSES.”**; and

20 (2) in subsection (a)—

21 (A) by amending the subsection heading to
22 read as follows:

23 **“(a) AMOUNT AND ALLOCATION OF FUNDS.—”**.

24 (B) by amending paragraph (1) to read as
25 follows:



1 “(1) AMOUNT AVAILABLE.—

2 “(A) IN GENERAL.—Except as provided in
3 subparagraph (B), each fiscal year the Sec-
4 retary shall make available to the States for
5 their Administrative costs an amount equal to
6 not less than 1½ percent of the Federal funds
7 expended under sections 4, 11, 17, and 17A of
8 the Richard B. Russell National School Lunch
9 Act (42 U.S.C. 1753, 1759a, 1766, and
10 1766a)) and sections 3 and 4 of this Act during
11 the second preceding fiscal year.

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

18 “(C) ALLOCATION.—The Secretary shall
19 allocate the funds so provided in accordance
20 with paragraphs (2), (3), and (4) of this sub-
21 section.

22 “(D) AUTHORIZATION OF APPROPRIA-
23 TIONS.—There is authorized to be appropriated
24 such sums as may be necessary to carry out the
25 purposes of this section.”; and



1 (C) in paragraph (2), by striking
2 “\$100,000” and inserting “\$200,000”.

3 **SEC. 207. DISTRICT-WIDE ELIGIBILITY FOR SPECIAL AS-**
4 **SISTANCE.**

5 Section 11(a)(1) of the Richard B. Russell National
6 School Lunch Act (42 U.S.C. 1759a(a)(1)) is amended—

7 (1) in subparagraph (C)—

8 (A) in clause (i)—

9 (i) by inserting “or school district”
10 after “in the case of any school”;

11 (ii) by inserting “or school district”
12 after “in the school” both times it appears;

13 (iii) by inserting “or school district”
14 after “in the case of a school”; and

15 (iv) by inserting “or school district”
16 after “with respect to the school”;

17 (B) in clause (ii)—

18 (i) by inserting “or school district”
19 after “served by a school”; and

20 (ii) by inserting “or school district”
21 after “served by the school”; and

22 (C) in clause (iii) by inserting “or school
23 district” after “a school”;

24 (2) in subparagraph (D)—

25 (A) in clause (i)—



1 (i) by inserting “or school district”
2 after “any school”; and

3 (ii) by inserting “or school district”
4 after “the school”;

5 (B) in clause (ii)—

6 (i) by inserting “or school district”
7 after “A school”; and

8 (ii) by inserting “or school district”
9 after “the school”;

10 (C) in clause (iii)—

11 (i) by inserting “or school district”
12 after “a school”; and

13 (ii) by inserting “or school district”
14 after “the school”; and

15 (D) in clause (iv) by inserting “or school
16 district” after “levels, a school”; and

17 (3) in subparagraph (E)—

18 (A) in clause (i)—

19 (i) by inserting “or school district”
20 after “In the case of any school”;

21 (ii) by inserting “or school district”
22 after “in the school” both times it appears;

23 (iii) by inserting “or school district”
24 after “in the case of a school”;



1 (iv) by inserting “or school district”
2 after “with respect to the school”;

3 (v) by inserting “or school district”
4 after “received by the school”; and

5 (vi) by inserting “or school district”
6 after “for which the school”; and

7 (B) in clause (ii)—

8 (i) by inserting “or school district”
9 after “A school”;

10 (ii) by inserting “or school district”
11 after “for which the school” both times it
12 appears; and

13 (iii) by inserting “or school district”
14 after “population of the school” both times
15 it appears.

16 **SEC. 208. ADMINISTRATIVE ERROR REDUCTION.**

17 (a) FEDERAL SUPPORT FOR TRAINING AND TECH-
18 NICAL ASSISTANCE.—Section 21 of the Richard B. Russell
19 National School Lunch Act (42 U.S.C. 1769b-1) is
20 amended—

21 (1) by redesignating subsection (e) as sub-
22 section (g); and

23 (2) by inserting after subsection (d) the fol-
24 lowing:



1 “(e) ADMINISTRATIVE TRAINING AND TECHNICAL
2 ASSISTANCE MATERIALS.—In collaboration with State
3 educational agencies, school food authorities, and local
4 educational agencies of varying sizes, the Secretary shall
5 develop and distribute training and technical assistance
6 materials relating to the administration of school meal
7 programs that are—

8 “(1) prepared by the Secretary (based on re-
9 search or other sources), a State educational agency,
10 a school food authority, or a local educational agen-
11 cy; and

12 “(2) representative of the best management and
13 administrative practices of State agencies, school
14 food authorities, and local educational agencies as
15 determined by the Secretary.

16 “(f) FEDERAL ADMINISTRATIVE SUPPORT.—

17 “(1) FUNDING.—

18 “(A) IN GENERAL.—Out of any funds in
19 the Treasury not otherwise appropriated, the
20 Secretary of the Treasury shall transfer to the
21 Secretary of Agriculture to carry out this
22 subsection—

23 “(i) on October 1, 2004 and October
24 1, 2005, \$3,000,000; and



1 “(ii) on October 1, 2006, and October
2 1, 2007, \$2,000,000.

3 “(B) RECEIPT AND ACCEPTANCE.—The
4 Secretary shall be entitled to receive, shall ac-
5 cept, and shall use to carry out this subsection
6 the funds transferred under subparagraph (A),
7 without further appropriation.

8 “(C) AVAILABILITY OF FUNDS.—Funds
9 transferred under subparagraph (A) shall re-
10 main available until expended.

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

13 “(A) to provide training and technical as-
14 sistance related to administrative practices de-
15 signed to improve program integrity and admin-
16 istrative accuracy in school meals programs (in-
17 cluding administrative requirements established
18 by the The Child Nutrition Improvement and
19 Integrity Act and amendments made by that
20 Act) to State educational agencies and, to the
21 extent determined by the Secretary, to school
22 food authorities and local educational agencies;

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



1 school food authorities, to the extent deter-
2 mined by the Secretary; and

3 “(C) to carry out subsection (e).”.

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

8 “(3) ADDITIONAL REVIEW REQUIREMENT FOR
9 SELECTED SCHOOL FOOD AUTHORITIES AND LOCAL
10 EDUCATIONAL AGENCIES.—

11 “(A) DEFINITION OF SELECTED SCHOOL
12 FOOD AUTHORITY OR LOCAL EDUCATIONAL
13 AGENCY.—In this paragraph, the terms ‘se-
14 lected school food authority’ and ‘selected local
15 educational agency’ mean a school food author-
16 ity or local educational agency that has a dem-
17 onstrated high level of, or a high risk for, ad-
18 ministrative error, as determined by the Sec-
19 retary.

20 “(B) ADDITIONAL ADMINISTRATIVE RE-
21 VIEW.—In addition to any review required by
22 subsection (a) or paragraph (1), each State
23 educational agency shall conduct an administra-
24 tive review of each selected school food author-



1 ity and local educational agency during the re-
2 view cycle established under subsection (a).

3 “(C) SCOPE OF REVIEW.—In carrying out
4 a review under subparagraph (B), a State edu-
5 cational agency shall only review the adminis-
6 trative processes of a selected school food au-
7 thority or local educational agency, including
8 application, certification, verification, meal
9 counting, and meal claiming procedures.

10 “(D) RESULTS OF REVIEW.—If the State
11 educational agency determines (on the basis of
12 a review conducted under subparagraph (B))
13 that a selected school food authority or local
14 educational agency fails to meet performance
15 criteria established by the Secretary, the State
16 educational agency shall—

17 “(i) require the selected school food
18 authority or local educational agency to de-
19 velop and carry out an approved plan of
20 corrective action;

21 “(ii) except to the extent technical as-
22 sistance is provided directly by the Sec-
23 retary, provide technical assistance to as-
24 sist the selected school food authority or



1 local educational agency in carrying out
2 the corrective action plan; and

3 “(iii) conduct a follow-up review of
4 the selected school food authority or local
5 educational agency under standards estab-
6 lished by the Secretary.

7 “(4) RECOVERING FUNDS AFTER ADMINISTRA-
8 TIVE REVIEWS.—

9 “(A) IN GENERAL.—Subject to subpara-
10 graphs (B) and (C), if the school food authority
11 or local educational agency fails to meet admin-
12 istrative performance criteria established by the
13 Secretary in both an initial review and a follow-
14 up review under paragraph (1) or (3) or sub-
15 section (a), the Secretary may require the State
16 educational agency to recover funds that would
17 otherwise be paid to the school food authority
18 or local educational agency for school meals
19 programs under procedures prescribed by the
20 Secretary.

21 “(B) AMOUNT.—The amount of funds re-
22 covered under subparagraph (A) shall equal the
23 value of the error during the time period de-
24 scribed in subparagraph (C).



1 “(C) TIME PERIOD.—The period for deter-
2 mining the value of the error under subpara-
3 graph (B) shall be the period—

4 “(i) beginning on the date the error
5 was made; and

6 “(ii) ending on the earlier of the date
7 the error is corrected or—

8 “(I) in the case of the first re-
9 view conducted by the State edu-
10 cational agency of the school food au-
11 thority or local educational agency
12 under this section after July 1, 2005,
13 the date that is 60 days after the be-
14 ginning of the period under clause (i);
15 or

16 “(II) in the case of any subse-
17 quent review conducted by the State
18 educational agency of the school food
19 authority or local educational agency
20 under this section, the date that is 90
21 days after the beginning of the period
22 under clause (i).

23 “(5) USE OF RECOVERED FUNDS.—

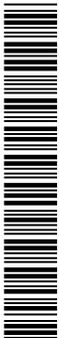


1 “(A) IN GENERAL.—Subject to subpara-
2 graph (B), funds recovered under paragraph
3 (4) shall—

4 “(i) be returned to the Secretary
5 under procedures established by the Sec-
6 retary, and may be used—

7 “(I) to provide training and tech-
8 nical assistance related to administra-
9 tive practices designed to improve pro-
10 gram integrity and administrative ac-
11 curacy in school meals programs (in-
12 cluding administrative requirements
13 established by the The Child Nutrition
14 Improvement and Integrity Act and
15 amendments made by that Act) to
16 State educational agencies and, to the
17 extent determined by the Secretary, to
18 school food authorities and local edu-
19 cational agencies;

20 “(II) to assist State educational
21 agencies in reviewing the administra-
22 tive practices of school food authori-
23 ties, to the extent determined by the
24 Secretary; and



1 “(III) to carry out section 21(e);

2 or

3 “(ii) be credited to the child nutrition
4 programs appropriation account.

5 “(B) STATE SHARE.—Subject to subpara-
6 graph (C), a State educational agency may re-
7 tain not more than 25 percent of an amount re-
8 covered under paragraph (4), to carry out
9 school meals program integrity initiatives to as-
10 sist school food authorities and local edu-
11 cational agencies that have repeatedly failed (as
12 determined by the Secretary) to meet adminis-
13 trative performance criteria.

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

17 “(i) submit to the Secretary a plan
18 describing how the State educational agen-
19 cy will use the funds to improve school
20 meals program integrity, including meas-
21 ures to give priority to school food authori-
22 ties and local educational agencies from
23 which funds were retained under para-
24 graph (4); and



1 “(ii) obtain the approval of the Sec-
2 retary for the plan.”.

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

6 (1) in subsection (e)—

7 (A) by striking “(e) Each” and inserting
8 the following:

9 “(e) PLANS.—

10 “(1) IN GENERAL.—Each”;

11 (B) by striking “After” and inserting the
12 following:

13 “(2) UPDATES.—After”; and

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

15 “(3) TRAINING AND TECHNICAL ASSISTANCE.—

16 Effective beginning July 1, 2005, each State shall

17 submit to the Secretary for approval a plan describ-

18 ing the manner in which the State intends to imple-

19 ment subsection (g) and section 22(b)(3) of the

20 Richard B. Russell National School Lunch Act (as

21 added by section 208 of the The Child Nutrition Im-

22 provement and Integrity Act).”;

23 (2) by redesignating subsection (g) as sub-
24 section (i); and



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

3 “(g) STATE TRAINING.—

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

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

14 “(A) provide training and technical assist-
15 ance (including training materials and informa-
16 tion developed under subsections (e) and (f) of
17 section 21 of the Richard B. Russell National
18 School Lunch Act (42 U.S.C. 1769b-1)) to a
19 State to assist the State in carrying out para-
20 graph (1); or

21 “(B) at the option of the Secretary, di-
22 rectly provide training and technical assistance
23 described in paragraph (1).

24 “(3) THIRD-PARTY CONTRACTING.—In carrying
25 out this subsection, the Secretary or a State may



1 contract with a third party under procedures estab-
2 lished by the Secretary.

3 “(4) REQUIRED PARTICIPATION.—Under proce-
4 dures established by the Secretary that consider the
5 various needs and circumstances of school food au-
6 thorities, each school food authority or local edu-
7 cational agency shall ensure that an individual con-
8 ducting or overseeing administrative procedures de-
9 scribed in paragraph (1) receives training at least
10 annually, unless determined otherwise by the Sec-
11 retary.

12 “(h) FUNDING FOR TRAINING AND ADMINISTRATIVE
13 REVIEWS.—

14 “(1) FUNDING.—

15 “(A) IN GENERAL.—On October 1, 2004,
16 and on each October 1 thereafter, out of any
17 funds in the Treasury not otherwise appro-
18 priated, the Secretary of the Treasury shall
19 transfer to the Secretary of Agriculture to carry
20 out this subsection \$4,000,000, to remain avail-
21 able until expended.

22 “(B) RECEIPT AND ACCEPTANCE.—The
23 Secretary shall be entitled to receive, shall ac-
24 cept, and shall use to carry out this subsection



1 the funds transferred under subparagraph (A),
2 without further appropriation.

3 “(2) USE OF FUNDS.—

4 “(A) IN GENERAL.—Except as provided in
5 subparagraph (B), the Secretary shall use
6 funds provided under this subsection to assist
7 States in carrying out subsection (g) and ad-
8 ministrative reviews of selected school food au-
9 thorities and local educational agencies under
10 section 22(b)(3) of the Richard B. Russell Na-
11 tional School Lunch Act (42 U.S.C.
12 1769c(b)(3)).

13 “(B) EXCEPTION.—The Secretary may re-
14 tain a portion of the amount provided to cover
15 costs of activities carried out by the Secretary
16 in lieu of the State.

17 “(3) ALLOCATION.—The Secretary shall allo-
18 cate funds provided in this subsection to States
19 based on the number of schools with excessive error
20 rates, as determined by the Secretary, taking into
21 account the requirements established by the The
22 Child Nutrition Improvement and Integrity Act and
23 the amendments made by that Act.

24 “(4) REALLOCATION.—The Secretary may re-
25 allocate, to carry out this section, an amounts made



1 available to carry out this subsection that are not
2 obligated or expended, as determined by the Sec-
3 retary.”.

4 **TITLE III—PROMOTING NUTRI-**
5 **TION QUALITY AND PRE-**
6 **VENTING CHILDHOOD OBE-**
7 **SITY**

8 **SEC. 301. LOCAL SCHOOL WELLNESS POLICY.**

9 Not later than the first day of the school year begin-
10 ning after June 30, 2006, local educational agencies par-
11 ticipating in the programs authorized by the Richard B.
12 Russell National School Lunch Act (42 U.S.C. 1751 et
13 seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771
14 et seq.) shall establish a local school wellness policy for
15 such local agency that at a minimum—

16 (1) includes goals for nutrition education, phys-
17 ical activity and other school-based activities de-
18 signed to promote student wellness that the local
19 educational agency determines are appropriate;

20 (2) includes nutrition guidelines selected by the
21 local educational agencies for all foods sold on school
22 campus during the school day with the objective of
23 promoting student health and reducing childhood
24 obesity;



1 (3) establishes a plan for ensuring implementa-
2 tion of the local wellness policy, including designa-
3 tion of a person or persons within the local edu-
4 cational agency, or at each school as appropriate,
5 charged with operational responsibility for ensuring
6 that such school meets the local wellness policy; and

7 (4) involves parents, students, representatives
8 of the school food authority, the school board, school
9 administrators, and public in the development of the
10 school wellness policy.

11 **SEC. 302. SUPPORTING NUTRITION EDUCATION, IMPROV-**
12 **ING MEAL QUALITY, AND ACCESS TO LOCAL**
13 **FOODS.**

14 Section 19 of the Child Nutrition Act of 1966 (42
15 U.S.C. 1788) is amended—

16 (1) by amending subsection (b) to read as fol-
17 lows:

18 “(b) PURPOSE.—It is the purpose of this section to
19 support effective nutrition education through assistance to
20 State agencies, schools, and nonprofit entities for Team
21 Nutrition and other nutrition education projects that im-
22 prove student understanding of healthful eating patterns,
23 including an awareness and understanding of the Dietary
24 Guidelines for Americans, and the quality of school meals
25 and access to local foods in schools and institutions oper-



1 ating programs under the Richard B. Russell National
2 School Lunch Act (42 U.S.C. 1751 et seq.) and section
3 4 of this Act.”;

4 (2) by striking subsections (c) through (i) and
5 inserting after subsection (b) the following:

6 “(c) TEAM NUTRITION NETWORK.—

7 “(1) PURPOSE.—The purpose of the Team Nu-
8 trition Network is to—

9 “(A) promote the nutritional health of the
10 Nation’s school children through nutrition edu-
11 cation, physical fitness and other activities that
12 support healthy lifestyles for children based on
13 the Dietary Guidelines for Americans and the
14 physical fitness guidelines issued by the Sec-
15 retary of Health and Human Services;

16 “(B) provide assistance to States for the
17 development of State-wide, comprehensive, and
18 integrated nutrition education and physical fit-
19 ness programs; and

20 “(C) provide training and technical assist-
21 ance to States, school and community nutrition
22 programs, and child nutrition food service pro-
23 fessionals.

24 “(2) STATE COORDINATOR.—The State Team
25 Nutrition Network Coordinator shall—



1 “(A) administer and coordinate a com-
2 prehensive integrated statewide nutrition edu-
3 cation program; and

4 “(B) coordinate efforts with the Food and
5 Nutrition Service and State agencies respon-
6 sible for children’s health programs.

7 “(3) TEAM NUTRITION NETWORK.—The Sec-
8 retary, in consultation with the Secretary of Edu-
9 cation, shall, on a competitive basis, provide assist-
10 ance to States for the purpose of creating model nu-
11 trition education and physical fitness programs, con-
12 sistent with current dietary and fitness guidelines,
13 for students in elementary schools and secondary
14 schools.

15 “(4) REQUIREMENTS FOR STATE PARTICIPA-
16 TION.—To be eligible to receive assistance under this
17 subsection, a State Coordinator shall submit an ap-
18 plication to the Secretary at such time, and in such
19 manner, and containing such information as the Sec-
20 retary may require, including—

21 “(A) a description of how the proposed nu-
22 trition and physical activity program will pro-
23 mote healthy eating and physical fitness and
24 address the health and social consequences of
25 children who are overweight or obese;



1 “(B) information describing how nutrition
2 activities are to be coordinated at the State
3 level with other health activities conducted by
4 education, health and agriculture agencies;

5 “(C) information describing how physical
6 fitness activities are to be coordinated at the
7 State level with other fitness activities con-
8 ducted by education, health, and parks and
9 recreation agencies;

10 “(D) a description of the consultative proc-
11 ess that the State Coordinator employed in the
12 development of the model nutrition and physical
13 fitness program, including consultations with
14 individuals and organizations with expertise in
15 promoting public health, nutrition, or physical
16 activity, and organizations representing the ag-
17 riculture, food and beverage, and fitness indus-
18 tries;

19 “(E) a description of how the State Coor-
20 dinator will evaluate the effectiveness of its pro-
21 gram; and

22 “(F) a description of how any and all com-
23 munications to parents and guardians of all
24 students who are members of a household re-
25 ceiving or applying for assistance under the



1 program shall be in an understandable and uni-
2 form format, and, to the extent practicable, in
3 a language that parents can understand.

4 “(5) DURATION.—Subject to the availability of
5 funds made available to carry out this subsection, a
6 State Coordinator shall conduct the project for a pe-
7 riod of 3 successive school years.

8 “(6) AUTHORIZED ACTIVITIES.—An eligible ap-
9 plicant that receives assistance under this subsection
10 may use funds to carry out one or more of the fol-
11 lowing activities:

12 “(7) USE OF FUNDS.—Funds authorized under
13 paragraph (3) may be used for—

14 “(A) collecting, analyzing, and dissemi-
15 nating data regarding the extent to which chil-
16 dren and youth in the State are overweight or
17 physically inactive and the programs and serv-
18 ices available to meet those needs;

19 “(B) developing and implementing model
20 elementary and secondary education curricula
21 to create a comprehensive, coordinated nutrition
22 and physical fitness awareness and obesity pre-
23 vention program;

24 “(C) developing and implementing pilot
25 programs in schools to increase physical fitness



1 and to enhance the nutritional status of stu-
2 dents, including through the increased con-
3 sumption of fruits and vegetables, whole grains,
4 and lowfat dairy products;

5 “(D) developing and implementing State
6 guidelines in health, which include nutrition
7 education, and physical education and empha-
8 size regular physical activity during school
9 hours;

10 “(E) collaborating with community based
11 organizations, volunteer organizations, State
12 medical associations, and public health groups
13 to develop and implement nutrition and physical
14 education programs targeting lower income chil-
15 dren, ethnic minorities, and youth at a greater
16 risk for obesity;

17 “(F) collaborating with public or private
18 organizations that have as a mission the raising
19 of public awareness of the importance of a bal-
20 anced diet and an active lifestyles; and

21 “(G) providing training and technical as-
22 sistance to teachers and school food service pro-
23 fessionals consistent with the purpose of this
24 section.



1 “(8) LIMITATION.—Materials prepared under
2 this subsection regarding agricultural commodities,
3 food, or beverages must be factual and without bias.

4 “(9) REPORT.—Within 18 months of comple-
5 tion of the projects and the evaluations, the Sec-
6 retary shall submit to the Committee on Education
7 and the Workforce of the House of Representatives
8 and the Committee on Health, Education, Labor,
9 and Pensions of the Senate and the Committee on
10 Agriculture, Nutrition and Forestry of the Senate a
11 report describing the results of the evaluation of the
12 demonstration programs and shall make such re-
13 ports available to the public, including through the
14 Internet.

15 “(d) LOCAL NUTRITION AND PHYSICAL FITNESS
16 PROJECT.—

17 “(1) IN GENERAL.—Subject to the availability
18 of funds made available, the Secretary, in consulta-
19 tion with the Secretary of Education, shall provide
20 assistance to not more than 100 local educational
21 agencies, at least one per State, for the establish-
22 ment of pilot projects for purposes of promoting
23 healthy eating habits and increasing physical fitness,
24 consistent with the Dietary Guidelines for Americans
25 established by the Department of Agriculture,



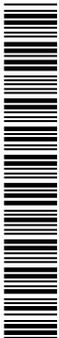
1 among elementary and secondary education stu-
2 dents.

3 “(2) REQUIREMENT FOR PARTICIPATION IN
4 PILOT PROJECT.—To be eligible to receive assistance
5 under this subsection, a local educational agency
6 shall, in consultation with individuals who possess
7 education or experience appropriate for representing
8 the general field of public health, including nutrition
9 and fitness professionals, submit to the Secretary an
10 application that shall include—

11 “(A) a description of the local educational
12 agency’s need for nutrition and fitness pro-
13 grams;

14 “(B) a description of how the proposed
15 project will improve health and nutrition
16 through education and increased access to phys-
17 ical activity;

18 “(C) a description of how funds under this
19 subsection will be coordinated with other pro-
20 grams under this Act, the Richard B. Russell
21 National School Lunch Act, or other Acts, as
22 appropriate, to improve student health and nu-
23 trition;



1 “(D) a statement of the local educational
2 agency’s measurable goals for nutrition and fit-
3 ness education and promotion;

4 “(E) a description of how the proposed
5 project will be aligned with the local wellness
6 policy required under the Act;

7 “(F) a description of the procedures the
8 agency will use for assessing and publicly re-
9 porting progress toward meeting those goals;
10 and

11 “(G) a description of how communications
12 to parents and guardians of participating stu-
13 dents regarding the activity under this sub-
14 section shall be in an understandable and uni-
15 form format, and, to the extent practicable, in
16 a language that parents can understand.

17 “(3) DURATION.—Subject to the availability of
18 funds made available to carry out this subsection, a
19 local educational agency receiving assistance under
20 this subsection shall conduct the project during a pe-
21 riod of 3 successive school years.

22 “(4) AUTHORIZED ACTIVITIES.—An eligible ap-
23 plicant that receives assistance under this
24 subsection—

25 “(A) shall use funds provided to—



1 “(i) promote healthy eating through
2 the development and implementation of nu-
3 trition education programs and curricula
4 based on the Dietary Guidelines for Ameri-
5 cans; and

6 “(ii) increase opportunities for phys-
7 ical activity through after school programs,
8 athletics, intramural activities, and recess;
9 and

10 “(B) may use funds provided to—

11 “(i) educate parents and students
12 about the relationship of a poor diet and
13 inactivity to obesity and other health prob-
14 lems;

15 “(ii) develop and implement physical
16 education programs that promote fitness
17 and lifelong activity;

18 “(iii) provide training and technical
19 assistance to food service professionals to
20 develop nutritious, more appealing menus
21 and recipes;

22 “(iv) incorporate nutrition education
23 into physical education, health education,
24 and after school programs, including ath-
25 letics;



1 “(v) involve parents, food service
2 staff, educators, community leaders, and
3 other interested parties in assessing the
4 food options in the school environment and
5 developing and implementing an action
6 plan to promote a balanced and healthy
7 diet;

8 “(vi) provide nutrient content or nu-
9 trition information on meals served
10 through the school lunch or school break-
11 fast programs and items sold a la carte
12 during meal times;

13 “(vii) encourage the increased con-
14 sumption of a variety of healthy foods
15 through new initiatives such as salad bars
16 and fruit bars; and

17 “(viii) provide nutrition education, in-
18 cluding sports nutrition education, for
19 teachers, coaches, food service staff, ath-
20 letic trainers, and school nurses.

21 “(5) LIMITATION.—Materials prepared under
22 this subsection regarding agricultural commodities,
23 food, or beverages must be factual and without bias.

24 “(6) REPORT.—Within 18 months of comple-
25 tion of the projects and evaluations, the Secretary



1 shall transmit to the Committee on Education and
2 the Workforce of the House of Representatives and
3 the Committee on Health, Education, Labor, and
4 Pensions and the Committee on Agriculture, Nutri-
5 tion and Forestry of the Senate a report describing
6 the results of the evaluation of the pilot projects and
7 shall make such reports available to the public, in-
8 cluding through the Internet.

9 “(e) NUTRITION EDUCATION SUPPORT.—

10 “(1) IN GENERAL.—In carrying out the purpose
11 of this section to support nutrition education, the
12 Secretary may provide for technical assistance and
13 grants to improve the quality of school meals and
14 access to local foods in schools and institutions.

15 “(2) MEAL QUALITY IMPROVEMENT.—The Sec-
16 retary may provide assistance to enable State edu-
17 cational agencies to—

18 “(A) implement the recommendations of
19 the Secretary’s School Meals Initiative for
20 Healthy Children;

21 “(B) increase the consumption of fruits,
22 vegetables, low-fat dairy products, and whole
23 grains;

24 “(C) reduce saturated fat and sodium in
25 school meals;



1 “(D) improve school nutritional environ-
2 ments; and

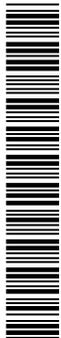
3 “(E) conduct other activities that aid
4 schools in carrying out the Secretary’s School
5 Meals Initiative for Healthy Children.

6 “(3) ACCESS TO LOCAL FOODS.—The Secretary
7 may provide assistance, through competitive match-
8 ing grants and technical assistance, to schools and
9 nonprofit entities for projects that—

10 “(A) improve access to local foods in
11 schools and institutions participating in pro-
12 grams under the Richard B. Russell National
13 School Lunch Act (42 U.S.C. 1751 et seq.) and
14 Section 4 of this Act through farm-to-cafeteria
15 activities that may include the acquisition of
16 food and appropriate equipment and the provi-
17 sion of training and education;

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

21 “(C) support nutrition education activities
22 or curriculum planning that incorporates the
23 participation of schoolchildren in farm and agri-
24 culture education activities;



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

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

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

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

13 “(H) cooperate in an evaluation to be car-
14 ried out by the Secretary.”; and

15 (3) by redesignating subsection (i) as subsection
16 (f), and amending paragraph (1) of such subsection
17 to read as follows:

18 “(1) IN GENERAL.—There is authorized to be
19 appropriated such sums as may be necessary for car-
20 rying out this section for fiscal years 1997 through
21 2008.”; and

22 **SEC. 303. FRUITS AND VEGETABLE COMMODITIES.**

23 Section 6(c)(1)(D) of the Richard B. Russell Na-
24 tional School Lunch Act (42 U.S.C. 1755(c)(1)(D)) is



1 amended by inserting “, and fruits and vegetables” before
2 the period.

3 **SEC. 304. FRUIT AND VEGETABLE PILOT PROGRAM.**

4 Section 18(g) of the Richard B. Russell National
5 School Lunch Act (42 U.S.C. 1769) is amended—

6 (1) in paragraph (1), by striking “In the school
7 year beginning” and inserting “Beginning”;

8 (2) by striking paragraph (3) and redesignating
9 paragraphs (2) and (4) as paragraphs (4) and (5),
10 respectively, and inserting after paragraph (1) the
11 following:

12 “(2) ADDITIONAL STATES.—In addition to the
13 States participating under subsection (1), the Sec-
14 retary shall make available free fresh and dried
15 fruits and fresh vegetables to students in 25 elemen-
16 tary or secondary schools in each of 4 additional
17 States, and 1 Indian reservation.

18 “(3) SELECTION OF SCHOOLS.—In selecting ad-
19 ditional schools to participate in the pilot program
20 authorized by this subsection, the Secretary shall—

21 “(A) to the maximum extent practicable,
22 ensure that the majority of schools selected are
23 those in which not less than 50 percent of stu-
24 dents are eligible for free or reduced price
25 meals under this Act;



1 “(B) solicit applications from interested
2 schools that include—

3 “(i) information pertaining to the per-
4 centage of students enrolled in the school
5 submitting the application who are eligible
6 for free or reduced price school lunches
7 under this Act;

8 “(ii) a certification of support for par-
9 ticipation in the pilot program signed by
10 the school food manager, the school prin-
11 cipal, and the district superintendent (or
12 their equivalent positions, as determined by
13 the school); and

14 “(iii) a plan for implementation of the
15 pilot program that includes a partnership
16 with an entity or entities of the fruit and
17 vegetable industry, which shall contribute
18 not less than 15 percent, in cash or in
19 kind, for the acquisition, handling, and dis-
20 tribution of fresh and dried fruits and
21 fresh vegetables provided under this pro-
22 gram; and

23 “(iv) such other information as may
24 be requested by the Secretary; and



1 “(C) for each application received, deter-
2 mine whether the application is from a school
3 in which not less than 50 percent of students
4 are eligible for free or reduced price meals
5 under this Act.”; and

6 (4) by amending paragraph (5) (as redesignig-
7 nated by this section) to read as follows:

8 “(5) FUNDING.—The Secretary shall use
9 \$50,000,000 of the funds made available under sec-
10 tion 10603 of the Farm Security and Rural Invest-
11 ment Act of 2002 (Public Law 107–171) for fiscal
12 years 2004 through 2008, to carry out this sub-
13 section.”.

14 **SEC. 305. FLUID MILK.**

15 Section 9(a)(2) of the Richard B. Russell National
16 School Lunch Act (42 U.S.C. 1758(a)(2)) is amended to
17 read as follows:

18 “(2) FLUID MILK.—

19 “(A) IN GENERAL.—Lunches served by
20 schools participating in the school lunch pro-
21 gram under this Act—

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



1 “(ii) may offer students flavored and
2 unflavored fluid milk and lactose-free fluid
3 milk; and

4 “(iii) shall provide a substitute for
5 fluid milk for students whose disability re-
6 stricts their diet, upon receipt of a written
7 statement from a licensed physician that
8 identifies the disability that restricts the
9 student’s diet and that specifies the sub-
10 stitute for fluid milk.

11 “(B) SUBSTITUTES.—

12 “(i) STANDARDS FOR SUBSTI-
13 TUTION.—Schools may substitute for the
14 fluid milk provided under subparagraph
15 (A), a non-dairy beverage that is nutrition-
16 ally equivalent to fluid milk and meets nu-
17 tritional standards as established by the
18 Secretary (which shall, among other re-
19 quirements to be determined by the Sec-
20 retary, include fortification of calcium, pro-
21 tein, vitamin A, and vitamin D to levels
22 found in cow’s milk) for students who can-
23 not consume fluid milk because of a med-
24 ical or other special dietary need other



1 than a disability described in subparagraph
2 (A)(iii).

3 “(ii) NOTICE.—Such substitutions
4 may be made if the school notifies the
5 State agency that it is implementing a var-
6 iation allowed under this subparagraph,
7 and if such substitution is requested by
8 written statement of a medical authority or
9 by a student’s parent or legal guardian
10 that identifies the medical or other special
11 dietary need that restricts the student’s
12 diet, provided that the school shall not be
13 required to provide beverages other than
14 those it has identified as acceptable sub-
15 stitutes.

16 “(iii) EXCESS EXPENSES BORNE BY
17 THE SCHOOL DISTRICT.—Expenses in-
18 curred in providing substitutions pursuant
19 to this subparagraph that are in excess of
20 those covered by reimbursements under
21 this Act shall be paid by the school dis-
22 trict.”.



1 **SEC. 306. WAIVER OF REQUIREMENTS FOR WEIGHTED**
2 **AVERAGES FOR NUTRIENT ANALYSIS.**

3 Section 9(f)(5) of the Richard B. Russell National
4 School Lunch Act (42 U.S.C 1758(f)(5)) is amended to
5 read as follows:

6 “(5) WAIVER OF REQUIREMENTS FOR WEIGHT-
7 ED AVERAGES FOR NUTRIENT ANALYSIS.—State
8 educational agencies may grant waivers to school
9 food authorities to the requirement for weighted
10 averages for nutrient analysis of menu items and
11 foods offered or served as part of a meal offered or
12 served under the school lunch program under this
13 Act or the school breakfast program under section 4
14 of the Child Nutrition Act of 1966 (42 U.S.C. 1773)
15 if—

16 “(A) the school food authority has an
17 equivalent system for conducting a nutrient
18 analysis, subject to State agency approval; and

19 “(B) the equivalent system adequately doc-
20 uments the extent to which the school food au-
21 thority is meeting the Dietary Guidelines for
22 Americans and other nutrition standards.

23 In addition, the Secretary may waive, on a case by
24 case basis, the requirement for a State agency to use
25 weighted averages when conducting a nutrient anal-
26 ysis as part of a review (of compliance with the Die-



1 tary Guidelines and other nutrition standards) of a
2 school food authority not using nutrient standard
3 menu planning, when, in the Secretary’s determina-
4 tion, an alternative analysis would yield results that
5 would adequately measure a school food authority’s
6 compliance with current nutrition standards for
7 school meals.”.

8 **SEC. 307. WHOLE GRAINS.**

9 Not later than 12 months after the date of enactment
10 of this Act, the Secretary shall promulgate rules, based
11 on Federal nutrition guidelines, to increase the presence
12 of whole grains in foods offered in school nutrition pro-
13 grams under the Richard B. Russell National School
14 Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutri-
15 tion Act of 1966 (42 U.S.C. 1771 et seq.).

16 **SEC. 308. STUDY ON HEALTHY SCHOOL ENVIRONMENTS.**

17 Section 10 of the Child Nutrition Act of 1966 (42
18 U.S.C. 1779) is amended by adding at the end the fol-
19 lowing:

20 “(d) STUDY ON HEALTHY SCHOOL ENVIRON-
21 MENTS.—

22 “(1) IN GENERAL.—The Secretary shall enter
23 into an agreement with a science-based organization
24 to conduct a 12 month study, based on sound nutri-
25 tional science, to determine appropriate nutritional



1 standards for foods available to students in school.
2 The study shall take into consideration the role of
3 all foods available to students in school as they re-
4 late to the total daily dietary intake of students par-
5 ticipating in the school foods program. The organi-
6 zation conducting the study shall transmit a report
7 of the study, including recommendations to the Sec-
8 retary within 12 months after the date of enactment
9 of this subsection.

10 “(2) DISSEMINATION.—Upon receipt of rec-
11 ommendations, the Secretary shall disseminate such
12 recommendations to States and local educational
13 agencies via the Internet and other methods of dis-
14 semination.

15 “(3) TECHNICAL ASSISTANCE.—Not less than
16 120 days after receipt of recommendations, the Sec-
17 retary shall provide technical assistance to schools,
18 upon their request, on how to implement such rec-
19 ommendations.”.

20 **TITLE IV—IMPROVING THE**
21 **WOMEN, INFANTS, AND CHIL-**
22 **DREN PROGRAM**

23 **SEC. 401. DEFINITION OF NUTRITION EDUCATION.**

24 Section 17(b)(7) of the Child Nutrition Act of 1966
25 (42 U.S.C. 1786(b)(7)) is amended—



1 (1) by inserting “and physical activity,” after
2 “dietary habits”; and

3 (2) by striking “nutrition and health” and in-
4 serting “nutrition, health, and child development”.

5 **SEC. 402. DEFINITION OF SUPPLEMENTAL FOODS.**

6 Section 17(b)(14) of the Child Nutrition Act of 1966
7 (42 U.S.C. 1786(b)(14)) is amended by inserting after
8 “children” the following: “and foods that promote health
9 as indicated in the most recent Dietary Guidelines for
10 Americans published under section 301 of the National
11 Nutrition Monitoring and Related Research Act of 1990
12 (7 U.S.C. 5341)”.

13 **SEC. 403. IMPROVING CERTIFICATION.**

14 (a) CERTIFICATION OF WOMEN WHO ARE
15 BREASTFEEDING.—Section 17(d)(3)(A) of the Child Nu-
16 trition Act of 1966 (42 U.S.C. 1786(d)(3)(A)) is amended
17 by adding at the end the following: “A State may certify
18 breast-feeding women for up to 1 year, or until women
19 stop breast-feeding, whichever is earlier.”

20 (b) PHYSICAL PRESENCE REQUIREMENT.—Section
21 17(d)(3)(C)(ii) of the Child Nutrition Act of 1966 (42
22 U.S.C. 1786(d)(3)(C)(ii)) is amended—

23 (1) in subclause (I)(bb), by striking “from a
24 provider other than the local agency; or” and insert-
25 ing a semicolon;



1 (2) in subclause (II)(cc), by striking the period
2 at the end and inserting “; and”; and

3 (3) by inserting after subclause (II) the fol-
4 lowing:

5 “(III) an infant under 8 weeks of
6 age—

7 “(aa) who cannot be present
8 at certification for a reason de-
9 termined appropriate by the local
10 agency; and

11 “(bb) for whom all necessary
12 certification information is pro-
13 vided.”.

14 (c) RESCHEDULING POLICIES.—Section 17(f)(19) of
15 the Child Nutrition Act of 1966 is amended—

16 (1) in subparagraph (A), by striking “; and”
17 and inserting a semicolon;

18 (2) in subparagraph (B), by striking the period
19 and inserting “; and”; and

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

21 “(C) require local agencies to permit an appli-
22 cant or participant to reschedule an appointment to
23 apply or be recertified for the program.”.



1 **SEC. 404. REVIEWS OF AVAILABLE SUPPLEMENTAL FOODS.**

2 (a) **SCIENTIFIC REVIEW.**—Section 17(f)(11) of the
3 Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(11)) is
4 amended to read as follows:

5 “(11)(A) The Secretary shall prescribe by regulations
6 the supplemental foods to be made available in the pro-
7 gram under this section. To the degree possible the Sec-
8 retary shall ensure that the fat, sugar, and salt content
9 of the prescribed foods is appropriate.

10 “(B) Beginning in 2013 and every 10 years there-
11 after, or more frequently if determined by the Secretary
12 to be necessary to reflect current scientific knowledge, the
13 Secretary shall conduct a scientific review of the supple-
14 mental foods available in the program and recommend, as
15 necessary, changes to reflect nutrition science, current
16 public health concerns, and cultural eating patterns.”.

17 (b) **RULEMAKING.**—The Secretary shall promulgate
18 a rule updating the prescribed supplemental foods avail-
19 able through the program authorized under section 17 of
20 the Child Nutrition Act of 1966 (42 U.S.C. 1786) within
21 6 months of receiving the review of the food package for
22 such program undertaken by the National Academy of
23 Sciences, Institute of Medicine in September 2003.



1 **SEC. 405. NOTIFICATION OF VIOLATIONS AND INFANT FOR-**
2 **MULA BENEFITS.**

3 Section 17(f) of the Child Nutrition Act of 1966 (42
4 U.S.C. 1786(f)) is amended by adding at the end the fol-
5 lowing:

6 “(25) NOTIFICATION OF VIOLATIONS.—If a
7 State agency finds that a vendor has committed a
8 violation that requires a pattern of occurrences in
9 order to impose a sanction, the State agency shall
10 notify the vendor of the initial violation in writing
11 prior to documentation of another violation, unless
12 the State agency determines that notifying the ven-
13 dor would compromise its investigation.

14 “(26) INFANT FORMULA BENEFITS.—

15 “(A) IN GENERAL.—The State agency may
16 round up to the next whole can of infant for-
17 mula to ensure that all infants receive the full-
18 authorized nutritional benefit specified by regu-
19 lation.

20 “(B) LIMITATION.—Subparagraph (A) ap-
21 plies only to infant formula contracts awarded
22 under bid solicitations made on or after October
23 1, 2004.”.

24 **SEC. 406. COMPETITIVE BIDDING.**

25 Section 17(h)(8)(A) of the Child Nutrition Act of
26 1966 is amended by adding at the end the following:

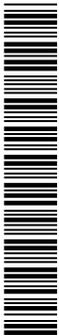


1 “(iv) REBATE INVOICES.—Each State
2 agency shall have a system to ensure that
3 infant formula rebate invoices, under com-
4 petitive bidding, provide a reasonable esti-
5 mate or an actual count of the number of
6 units sold to participants in the program
7 under this section.

8 “(v) CENT-FOR-CENT ADJUST-
9 MENTS.—A bid solicitation for infant for-
10 mula under the program made on or after
11 October 1, 2004 shall require the manufac-
12 turer to adjust the price changes subse-
13 quent to the opening of the bidding process
14 in a manner that requires—

15 “(I) a cent-for-cent increase in
16 the rebate amounts if there is an in-
17 crease in the lowest national wholesale
18 price for a full truckload of the par-
19 ticular infant formula; or

20 “(II) a cent-for-cent decrease in
21 the rebate amounts if there is a de-
22 crease in the lowest national wholesale
23 price for a full truckload of the par-
24 ticular infant formula.”.



1 **SEC. 407. FRUIT AND VEGETABLE PROJECTS.**

2 Section 17(h)(10)(B)(ii) is amended by inserting
3 after “under this section” the following: “, which may in-
4 clude demonstration projects in up to 10 local sites, deter-
5 mined to be geographically and culturally representative
6 of local States and Indian agencies, to evaluate the inclu-
7 sion of fresh, frozen, or canned fruits and vegetables (to
8 be made available through private funds) as an addition
9 to the supplemental food provided under this section”.

10 **SEC. 408. MANAGEMENT INFORMATION SYSTEMS.**

11 Section 17(h)(12) of the Child Nutrition Act of 1996
12 (42 U.S.C. 1786(h)(12)) is amended—

13 (1) by amending subparagraph (B) to read as
14 follows:

15 “(B) ELECTRONIC BENEFIT TRANSFER
16 SYSTEMS.—

17 “(i) IN GENERAL.—All States that re-
18 ceive Federal funds for design or imple-
19 mentation of electronic benefit transfer
20 (EBT) systems for the program under this
21 section shall use technical specifications or
22 standards, as applicable, as determined by
23 the Secretary, except as provided in clause
24 (ii).

25 “(ii) EXISTING SYSTEMS.—EBT sys-
26 tems for the program under this section



1 that are in development or are issuing ben-
2 efits as of the date of enactment shall be
3 required to submit within 6 months after
4 the date of enactment of this subparagraph
5 a plan for compliance.

6 “(iii) WAIVER.—The Secretary may
7 waive compliance with this subparagraph
8 for State EBT systems for the program
9 under this section that are issuing benefits
10 as of the date of enactment of this sub-
11 paragraph until such time that compliance
12 is feasible.”; and

13 (2) by amended subparagraph (C) to read as
14 follows:

15 “(C) UNIVERSAL PRODUCT CODES DATA-
16 BASE.—The Secretary shall implement a national
17 Universal Product Code Database for use by all
18 State agencies in carrying out the program and shall
19 make available from appropriated funds such sums
20 as may be required for hosting, hardware, and soft-
21 ware configuration, and support.”.

22 **SEC. 409. INFANT FORMULA FRAUD PREVENTION.**

23 Section 17(h) of the Child Nutrition Act of 1966 (42
24 U.S.C. 1786(h)) is further amended by adding at the end
25 the following:



1 “(13) APPROVED PROVIDERS OF INFANT FOR-
2 MULA.—

3 “(A) IN GENERAL.—The State agency shall
4 maintain a list of infant formula manufacturers,
5 wholesalers, distributors, and retailers approved to
6 provide infant formula to vendors.

7 “(B) LIST.—The list required under paragraph
8 (A) shall include food manufacturers, wholesalers,
9 distributors, and retailers licensed in the State in ac-
10 cordance with State law and regulations to dis-
11 tribute infant formula and food manufacturers reg-
12 istered with the U.S. Food and Drug Administration
13 that provide infant formula.

14 “(C) PURCHASE REQUIREMENT.—Vendors au-
15 thorized to participate in the program under this
16 section shall purchase infant formula from the list
17 required under paragraph (A).”.

18 **SEC. 410. STATE ALLIANCES.**

19 Section 17 of the Child Nutrition Act of 1966 (42
20 U.S.C. 1786) is further amended—

21 (1) in subsection (b) by adding at the end the
22 following:

23 “(22) ‘State alliance’ means 2 or more State
24 agencies that join together for the purpose of pro-



1 curing infant formula by soliciting competitive
2 bids.”; and

3 (2) in subsection (h)(8)(A) by adding at the
4 end the following:

5 “(iv) SIZE OF STATE ALLIANCES.—No
6 State alliance may form among States
7 whose infant participation exceeds 200,000
8 based on program participation as of Octo-
9 ber 2003, except that—

10 “(I) an alliance among States
11 with a combined 200,000 infant par-
12 ticipants as of October 2003 may con-
13 tinue, and may expand to include
14 more than 200,000 infants, but may
15 not expand to include any additional
16 State agencies that were not included
17 in the alliance as of October 1, 2003,
18 other than as provided in subclause
19 (II); and

20 “(II) any State agency serving
21 fewer than 5,000 infant participants
22 as of October 2003, or any Indian
23 Tribal Organization, may request to
24 join any State alliance.”.



1 **SEC. 411. LIMITS ON EXPENDITURES.**

2 Section 17(i)(3)(A)(ii)(I) of the Child Nutrition Act
3 of 1966 (42 U.S.C. 1786(i)(3)(A)(ii)(I)) is amended by
4 striking “1 percent” and inserting “3 percent”.

5 **SEC. 412. MIGRANT AND COMMUNITY HEALTH CENTERS**
6 **INITIATIVE.**

7 Section 17(j) of the Child Nutrition Act of 1966 (42
8 U.S.C. 1786(j)) is amended by striking paragraph (4) and
9 redesignating paragraph (5) as paragraph (4).

10 **SEC. 413. DEMONSTRATION PROJECTS.**

11 (a) CHILD NUTRITION ACT OF 1966.—Section 17 of
12 the Child Nutrition Act of 1966 (42 U.S.C. 1786) is
13 amended by striking subsection (r).

14 (b) NATIONAL SCHOOL LUNCH ACT.—Section 12 of
15 the Richard B. Russell National School Lunch Act (42
16 U.S.C. 1760) is amended by striking subsection (p).

17 **SEC. 414. AUTHORIZATION OF APPROPRIATIONS.**

18 (a) REAUTHORIZATION OF PROGRAM.—Section 17(g)
19 of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g))
20 is amended by striking “(g)(1) There are authorized” and
21 all that follows through “through 2003.” in paragraph (1)
22 and inserting the following:

23 “(g) AUTHORIZATION OF APPROPRIATIONS.—

24 “(1) IN GENERAL.—There is authorized to be
25 appropriated to carry out this section such sums as



1 are necessary for each of fiscal years 2004 through
2 2008.”.

3 (b) NUTRITION SERVICES AND ADMINISTRATION
4 FUNDS.—Section 17(h) of the Child Nutrition Act of
5 1966 (42 U.S.C. 1786(h)) is amended—

6 (1) in paragraph (2)(A), by striking “1995
7 through 2003” and inserting “2004 through 2008”;
8 and

9 (2) in paragraph (10)(A), by striking “1995
10 through 2003” and inserting “2004 through 2008”.

11 (c) FARMERS’ MARKET NUTRITION PROGRAM.—Sec-
12 tion 17(m)(9)(A)(i) of the Child Nutrition Act of 1966
13 (42 U.S.C. 1786(m)(9)) is amended to read as follows:

14 “(i) AUTHORIZATION OF APPROPRIA-
15 TIONS.—There is authorized to be appro-
16 priated to carry out this subsection such
17 sums as are necessary for each of fiscal
18 years 2004 through 2008.”.

19 **TITLE V—REAUTHORIZATION,**
20 **MISCELLANEOUS PROVI-**
21 **SIONS, AND EFFECTIVE DATE.**

22 **SEC. 501. TRAINING, TECHNICAL, AND OTHER ASSISTANCE.**

23 Section 21(a)(1) of the Richard B. Russell National
24 School Lunch Act (42 U.S.C. 1769b–1(a)(1)) is amended
25 to read as follows:



1 “(1) subject to the availability of and from
2 amounts appropriated pursuant to subsection (e)(1),
3 shall provide—

4 “(A) training and technical assistance to
5 improve the skills of individuals employed in
6 food service programs carried out under this
7 Act, section 4 of the Child Nutrition Act of
8 1966 (42 U.S.C. 1773), and, as appropriate,
9 other federally assisted feeding programs;

10 “(B) training and technical assistance to
11 States, State agencies, schools, and school food
12 authorities in the procurement of goods and
13 services for programs under this Act and the
14 Child Nutrition Act of 1966 (42 U.S.C. 1771 et
15 seq.), including training and technical assist-
16 ance to ensure compliance with section 12(n) of
17 this Act (42 U.S.C. 1760(n));

18 “(C) assistance, on a competitive basis, to
19 State agencies for the purpose of aiding schools
20 and school food authorities with at least 50 per-
21 cent of enrolled children certified to receive free
22 or reduced price meals, in meeting the cost of
23 acquiring or upgrading technology and informa-
24 tion management systems for use in food serv-
25 ice programs carried out under this Act and



1 section 4 of the Child Nutrition Act of 1966
2 (42 U.S.C. 1773) if the school or school food
3 authority submits to the State agency an infra-
4 structure development plan that addresses the
5 cost savings and improvements in program in-
6 tegrity and operations that would result from
7 the use of new or upgraded technology in—

8 “(i) methods to ensure that there
9 shall not be any overt identification of any
10 such child by special tokens or tickets, an-
11 nounced or published list of names, or by
12 any other means;

13 “(ii) processing and verifying applica-
14 tions for free and reduced price school
15 meals;

16 “(iii) integrating menu planning, pro-
17 duction, and serving data to monitor com-
18 pliance with section 9(f)(1); and

19 “(iv) establishing compatibility with
20 statewide reporting systems;

21 “(D) assistance, on a competitive basis, to
22 State agencies with low proportions of schools
23 or students that participate in the school break-
24 fast program under section 4 of the Child Nu-
25 trition Act of 1966 (42 U.S.C. 1773) and that



1 demonstrate the greatest need, for the purpose
2 of aiding schools in meeting costs associated
3 with initiating or expanding a school breakfast
4 program under section 4 of the Child Nutrition
5 Act of 1966 (42 U.S.C. 1773), including out-
6 reach and informational activities; and”.

7 **SEC. 502. NOTICE OF IRRADIATED FOOD.**

8 Section 14 of the Richard B. Russell National School
9 Lunch Act (42 U.S.C. 1762a) is amended by adding at
10 the end the following:

11 “(h) NOTICE OF IRRADIATED FOOD.—The Secretary
12 shall develop policy and establish procedures for the pur-
13 chase and distribution of irradiated food products in Fed-
14 eral school meals programs. The policies and procedures
15 shall ensure at a minimum that—

16 “(1) irradiated food products are made avail-
17 able only at the request of States and school food
18 authorities;

19 “(2) reimbursements to schools for irradiated
20 food products are equal to reimbursements to
21 schools for non-irradiated products;

22 “(3) States and school food service authorities
23 are provided factual information on the science and
24 evidence regarding irradiation technology, including
25 notice that irradiation is not a substitute for safe



1 food handling techniques and any such other infor-
2 mation necessary to promote food safety in school
3 meal programs;

4 “(4) States and school food service authorities
5 are provided model procedures for providing factual
6 information on the science and evidence regarding
7 irradiation technology and any such other informa-
8 tion necessary to promote food safety in school
9 meals to school food service authorities, parents, and
10 students regarding irradiation technology;

11 “(5) irradiated food products distributed to the
12 Federal school meals program are labeled with a
13 symbol or other printed notice indicating that the
14 product was treated with irradiation and is promi-
15 nently displayed in a clear and understandable for-
16 mat on the container;

17 “(6) irradiated products are not commingled
18 with non-irradiated products in containers; and

19 “(7) encourages schools that offer irradiated
20 foods to offer alternatives to irradiated food prod-
21 ucts as part of the meal plan used by schools.”.

22 **SEC. 503. REAUTHORIZATION OF PROGRAMS.**

23 (a) STATE ADMINISTRATIVE EXPENSES.—Section
24 7(g) of the Child Nutrition Act of 1966 (42 U.S.C.



1 1776(g)) is amended by striking “2003” and inserting
2 “2008”.

3 (b) COMMODITY DISTRIBUTION PROGRAM.—

4 (1) Section 14(a) of the Richard B. Russell Na-
5 tional School Lunch Act (42 U.S.C. 1762a(a)) is
6 amended by striking “March 31, 2004” and insert-
7 ing “September 30, 2008”.

8 (2) Section 15(e) of the Commodity Distribu-
9 tion Reform Act and WIC Amendments of 1987 (7
10 U.S.C. 612c note; Public Law 100–237) is amended
11 by striking “April 1, 2004” and inserting “October
12 1, 2008”.

13 (c) PURCHASES OF LOCALLY PRODUCED FOODS.—
14 Section 9(j)(2)(A) of the Richard B. Russell National
15 School Lunch Act (42 U.S.C. 758(j)(2)(A)) is amended
16 by striking “2007” and inserting “2008”.

17 (d) TRAINING, TECHNICAL ASSISTANCE, AND FOOD
18 SERVICE MANAGEMENT INSTITUTE.—Section 21(e)(1) of
19 the Richard B. Russell National School Lunch Act (42
20 U.S.C. 1769b-1(e)(1)) is amended by striking “for each
21 of fiscal years 1992 through 2003” and inserting “for fis-
22 cal year 2004, and such sums as may be necessary for
23 fiscal years 2005 through 2008”.

24 (e) COMPLIANCE AND ACCOUNTABILITY.—Section
25 22(d) of the Richard B. Russell National School Lunch



1 Act (42 U.S.C. 1769c(d)) is amended by striking “2003”
2 and inserting “2008”.

3 **SEC. 504. EFFECTIVE DATES.**

4 The amendments made by sections 101, 104, 105(a),
5 201, 301, 304, 308, 408, 414, and 503 shall take effect
6 on the date of enactment of this Act. The amendment
7 made by section 202 shall take effect on July 1, 2005.
8 All other amendments made by this Act shall take effect
9 October 1, 2004.

