

108TH CONGRESS  
2D SESSION

# H. R. 3873

To amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with access to food and nutrition assistance, to simplify program operations, to improve children's nutritional health, and to restore the integrity of child nutrition programs, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

MARCH 2, 2004

Mr. CASTLE (for himself, Mr. BOEHNER, Mr. McKEON, Mr. UPTON, Mr. EHLERS, Mr. KELLER, Mr. WILSON of South Carolina, Mr. PORTER, Mr. CARTER, Mr. CASE, Mr. PEARCE, Mr. SIMMONS, Ms. WATSON, Mr. PETERSON of Minnesota, and Ms. KILPATRICK) introduced the following bill; which was referred to the Committee on Education and the Workforce

---

## A BILL

To amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to provide children with access to food and nutrition assistance, to simplify program operations, to improve children's nutritional health, and to restore the integrity of child nutrition programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

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.

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 insert “The amount”.

9    **SEC. 102. HOMELESS CHILDREN AND RUNAWAY YOUTH ELI-**  
10                                   **GIBILITY.**

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

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

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

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

18                                   “(iv) a homeless child or youth (as de-  
19 fined in section 725(2) of the McKinney-

1 Vento Homeless Assistance Act (42 U.S.C.  
2 11434a)); or

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

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

7 Section 4(d)(1)(B) of the Child Nutrition Act of 1966  
8 (42 U.S.C. 1773(d)(1)(B)) is amended by inserting “(or  
9 those new schools drawing their attendance from schools  
10 receiving severe need assistance)” after “reduced price”.

11 **SEC. 104. REAUTHORIZATION OF SUMMER FOOD PRO-**  
12 **GRAMS.**

13 (a) SUMMER FOOD PILOT PROJECTS.—Section  
14 18(f)(2) of the Richard B. Russell National School Lunch  
15 Act (42 U.S.C. 1769(f)(2)) is amended by striking  
16 “March 31, 2004” and inserting “September 30, 2009”.

17 (b) SUMMER FOOD SERVICE PROGRAM FOR CHIL-  
18 DREN.—Section 13(q) of the Richard B. Russell National  
19 School Lunch Act (42 U.S.C. 1761(q)) is amended by  
20 striking “March 31, 2004” and inserting “September 30,  
21 2009”.

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

23 (a) ELIGIBILITY OF PRIVATE CHILD CARE CEN-  
24 TERS.—Section 17(a)(2)(B)(i) of the Richard B. Russell  
25 National School Lunch Act (42 U.S.C. 42 U.S.C.

1 1766(a)(2)(B)(i) is amended by striking “during the pe-  
2 riod” and all that follows through “March 31, 2004”.

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

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

11 “(j) AGREEMENTS.—

12 “(1) IN GENERAL.—The Secretary shall issue  
13 regulations directing States to develop and provide  
14 for the use of a standard form of agreement between  
15 each family or group day care sponsoring organiza-  
16 tion and the family or group day care homes partici-  
17 pating in the program under such organization, for  
18 the purpose of specifying the rights and responsibil-  
19 ities of each party.

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

23 (d) MANAGEMENT IMPROVEMENT INITIATIVE.—Sec-  
24 tion 17(q)(3) of the Richard B. Russell National School  
25 Lunch Act (42 U.S.C. 1766(q)(3)) is amended by striking

1 “1999 through 2003” and inserting “2004 through  
2 2006”.

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

6 “(i) AUDITS.—

7 “(1) FUNDS FOR AUDITS.—The Secretary shall  
8 make available for each fiscal year to State admin-  
9 istering the child care food program, for the purpose  
10 of conducting audits of participating institutions, an  
11 amount up to 1.5 percent (except in the case of fis-  
12 cal years 2005 through 2007, 1 percent) of the  
13 funds used by each State in the program under this  
14 section during the second preceding fiscal year.

15 “(2) AUDIT PROCEDURES.—

16 “(A) IN GENERAL.—Subject to subpara-  
17 graph (B), in conducting management evalua-  
18 tions, reviews, or audits of the program under  
19 their section, the Secretary or a State agency  
20 may disregard any overpayment to an institu-  
21 tion if the total overpayment for any fiscal year  
22 does not exceed an amount, consistent with the  
23 disregards allowed in other programs under this  
24 Act, which recognizes the cost of collecting  
25 small claims.

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

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

10                   (1) in subclause (I)—

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

12                           and

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

14                           and

15                   (2) by striking subclause (II) and redesignating  
16                   subclause (III) as subclause (II).

17           (g) PAPERWORK REDUCTION.—The Secretary of Ag-  
18   riculture, in conjunction with States and participating in-  
19   stitutions, shall examine the feasibility of reducing paper-  
20   work resulting from regulations and record-keeping re-  
21   quirements for family child care homes, child care centers,  
22   and sponsoring organizations participating in the child  
23   and adult care food program established under section 17  
24   of the Richard B. Russell National School Lunch Act (42  
25   U.S.C. 1766).

1 **TITLE II—IMPROVING PROGRAM**  
2 **QUALITY AND INTEGRITY**

3 **SEC. 201. ELIGIBILITY AND CERTIFICATION FOR FREE AND**  
4 **REDUCED PRICE LUNCHES.**

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

7 (1) by amending the subsection heading to read  
8 as follows:

9 “(b) **ELIGIBILITY FOR FREE AND REDUCED PRICE**  
10 **LUNCHES.—**”; and

11 (2) by amending paragraphs (1) and (2) to  
12 read as follows:

13 “(1) **INCOME GUIDELINES.—**

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

1 with subparagraph (B). The income guidelines  
2 for determining eligibility for reduced price  
3 lunches for any school year shall be 185 percent  
4 of the applicable family size income levels con-  
5 tained in the nonfarm income poverty guidelines  
6 issued by the Secretary of Health and Human  
7 Services, as adjusted annually in accordance  
8 with subparagraph (B). Such guidelines shall be  
9 revised at annual intervals, or at any shorter in-  
10 terval deemed feasible and desirable.

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

14 “(i) the official poverty line (as de-  
15 fined by the Secretary of Health and  
16 Human Services); by

17 “(ii) the percentage change in the  
18 Consumer Price Index during the annual  
19 or other interval immediately preceding the  
20 time at which the adjustment is made.

21 Revisions under this subparagraph shall be  
22 made not more than 30 days after the date on  
23 which the Consumer Price Index data required  
24 to compute the adjustment becomes available.

25 “(2) CERTIFICATION OF ELIGIBILITY.—

1           “(A) ANNOUNCEMENT BY STATE EDU-  
2           CATIONAL AGENCY.—Following the determina-  
3           tion by the Secretary under paragraph (1) of  
4           this subsection of the income eligibility guide-  
5           lines for each school year, each State edu-  
6           cational agency shall announce the income eligi-  
7           bility guidelines, by family size, to be used by  
8           schools in the State in making determinations  
9           of eligibility for free and reduced price lunches.  
10          Local educational agencies shall, each year,  
11          publicly announce the income eligibility guide-  
12          lines for free and reduced price lunches on or  
13          before the opening of school.

14           “(B) APPLICATIONS.—

15           “(i) IN GENERAL.—Applications for  
16           free and reduced price lunches, in such  
17           form as the Secretary may prescribe or ap-  
18           prove, and any descriptive material, shall  
19           be distributed at least annually to the par-  
20           ents or guardians of children in attendance  
21           at the school.

22           “(ii) INCOME LEVELS.—Applications  
23           and descriptive material shall contain only  
24           the family size income levels for reduced  
25           price meal eligibility, with the explanation

1 that households with incomes less than or  
2 equal to these values would be eligible for  
3 free or reduced price lunches. Such forms  
4 and descriptive material may not contain  
5 the income eligibility guidelines for free  
6 lunches, and may be made available elec-  
7 tronically via the Internet.

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

18 “(iv) ELECTRONIC AVAILABILITY.—  
19 Applications and descriptive material may  
20 be made available electronically via the  
21 Internet.

22 “(C) ELIGIBILITY.—

23 “(i) HOUSEHOLD APPLICATIONS.—

24 “(I) IN GENERAL.—If an eligi-  
25 bility determination for a child is not

1 made under clause (ii) or (iii), an eli-  
2 gibility determination shall be made  
3 on the basis of a complete household  
4 application executed by an adult mem-  
5 ber of the household.

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

17 “(III) CHILDREN IN HOUSE-  
18 HOLD.—

19 “(aa) IN GENERAL.—The  
20 application shall identify the  
21 names of each child in the house-  
22 hold for whom meal benefits are  
23 requested.

24 “(bb) SEPARATE APPLICA-  
25 TIONS.—A State educational

1 agency or local educational agen-  
2 cy may not request a separate  
3 application for each child in the  
4 household.

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

19 “(aa) For local educational  
20 agencies able to obtain  
21 verification information for at  
22 least 75 percent of all applica-  
23 tions selected for verification in  
24 the prior year, or local edu-  
25 cational agencies receiving more

1 than 20,000 applications and  
2 that in the prior year had a  
3 verification non-response rate  
4 that was 10 percent below the  
5 the verification non-response rate  
6 of the second prior year, the  
7 sample selected shall be either—

8 “(AA) the lesser of  
9 3,000 or 3 percent of ap-  
10 proved applications selected  
11 at random by the local edu-  
12 cational agencies from all  
13 approved applications; or

14 “(BB) the lesser of  
15 1,000 or 1 and  $\frac{1}{2}$  percent of  
16 all approved applications se-  
17 lected from applications that  
18 indicate monthly income  
19 that is within \$100, or an-  
20 nual income that is within  
21 \$1,200, of the income eligi-  
22 bility limitation for free or  
23 reduced price meals, plus  
24 the lesser of 500 or  $\frac{1}{2}$  of 1  
25 percent of approved applica-

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

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

1 educational agency shall select  
2 additional applications at random  
3 from all approved applications in  
4 order to obtain a total sample for  
5 verification of 3,000 or 3 percent  
6 of all approved applications.

7 “(ii) DIRECT CERTIFICATION FOR  
8 CHILDREN IN FOOD STAMP HOUSE-  
9 HOLDS.—

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

18 “(II) PROCEDURES.—Subject to  
19 clause (iv), the agreement shall estab-  
20 lish procedures under which a child  
21 who is a member of a household re-  
22 ceiving assistance under the program  
23 referred to in subclause (I) shall be  
24 certified as eligible for free meals

1 under this Act, without further appli-  
2 cation.

3 “(III) DIRECT CERTIFICATION.—

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

15 “(IV) NOTICE.—The appropriate

16 local educational agency shall provide  
17 annually to the parents or guardians  
18 of all students who are members of a  
19 household receiving assistance under  
20 the program referred to in subclause  
21 (I), notification, in an understandable  
22 and uniform format, that any school-  
23 aged child in that household is eligible  
24 for free lunches or breakfasts.

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

19          “(iv) DISCLOSURE OF INFORMA-  
20          TION.—The use or disclosure of any infor-  
21          mation obtained from an application for  
22          free or reduced price meals, or from a  
23          State or local agency referred to in clauses  
24          (ii) and (iii), shall be limited to—

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

7           “(II) a person directly connected  
8           with the administration or enforce-  
9           ment of—

10                   “(aa) a Federal education  
11                   program;

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

19                   “(cc) a Federal, State, or  
20                   local means-tested nutrition pro-  
21                   gram with eligibility standards  
22                   comparable to the program under  
23                   this section; and

24                   “(III)(aa) the Comptroller Gen-  
25                   eral of the United States for audit

1 and examination authorized by any  
2 other provision of law; and

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

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

24 “(v) LIMITATION.—Information pro-  
25 vided under clause (iv)(II) shall be limited

1 to the income eligibility status of the child  
2 for whom application for free or reduced  
3 price meal benefits was made or for whom  
4 eligibility information was provided under  
5 clause (ii) or (iii), unless the consent of the  
6 parent or guardian of the child for whom  
7 application for benefits was made is ob-  
8 tained.

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

18 “(vii) REQUIREMENTS FOR WAIVER  
19 OF CONFIDENTIALITY.—A State that elects  
20 to exercise the option described in clause  
21 (iv)(IV) shall ensure that any local edu-  
22 cational agency acting in accordance with  
23 that option—

24 “(I) has a written agreement  
25 with the State or local agency or

1 agencies administering health insur-  
2 ance programs for children under ti-  
3 tles XIX and XXI of the Social Secu-  
4 rity Act (42 U.S.C. 1396 et seq. and  
5 1397aa et seq.) that requires the  
6 health agencies to use the information  
7 obtained under clause (iv) to seek to  
8 enroll children in those health insur-  
9 ance programs; and

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

16 “(bb) provides each parent or  
17 guardian of a child in the household  
18 with an opportunity to elect not to  
19 have the information disclosed.

20 “(viii) USE OF DISCLOSED INFORMA-  
21 TION.—A person to which information is  
22 disclosed under clause (iv)(IV) shall use or  
23 disclose the information only as necessary  
24 for the purpose of enrolling children in

1 health programs referred to in clause  
2 (iv)(IV).

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

16 **SEC. 202. DURATION OF ELIGIBILITY FOR FREE AND RE-**  
17 **DUCE PRICE LUNCHES.**

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

21 “(3) ELIGIBILITY FOR FREE AND REDUCED  
22 PRICE LUNCHES.—

23 “(A) FREE LUNCHES.—Any child who is a  
24 member of a household whose income, at the  
25 time the application is submitted, is at an an-

1 nual rate which does not exceed the applicable  
2 family size income level of the income eligibility  
3 guidelines for free lunches, as determined under  
4 paragraph (1), shall be served a free lunch.

5 “(B) REDUCED PRICE LUNCHESES.—

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

18 “(ii) MAXIMUM PRICE.—The price  
19 charged for a reduced price lunch shall not  
20 exceed 40 cents.

21 “(C) DURATION.—Except as otherwise  
22 specified in section 11(a), eligibility for free or  
23 reduced price meals for any school year shall  
24 remain in effect—

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

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

8 **SEC. 203. CERTIFICATION BY LOCAL EDUCATIONAL AGEN-**  
9 **CIES.**

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

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

16 (2) in subsection (d)(2)—

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

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

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

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

4 (2) by redesignating the first paragraph (3) (as  
5 so redesignated) the following:

6 “(4) LOCAL EDUCATIONAL AGENCY.—

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

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

16 (c) SCHOOL BREAKFAST PROGRAM.—Section  
17 4(b)(1)(E)) of the Child Nutrition Act of 1966 (42 U.S.C.  
18 1773(b)(1)(E)) is amended by striking “school food au-  
19 thority” each place it appears and inserting “local edu-  
20 cational agency”.

21 **SEC. 204. COMPLIANCE AND ACCOUNTABILITY.**

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

1 **SEC. 205. TECHNOLOGY IMPROVEMENT.**

2 (a) PRIORITY FOR REALLOCATED FUNDS.—Section  
3 7(a)(5)(B)(ii) of the Child Nutrition Act of 1966 (42  
4 U.S.C. 1776(a)(5)(B)(ii)) is amended by inserting the fol-  
5 lowing new sentence at the end: “The Secretary shall give  
6 priority consideration to States that will use the funds for  
7 improvements in technology and information management  
8 systems described in subsection (e)(2).”

9 (b) TECHNOLOGY INFRASTRUCTURE IMPROVE-  
10 MENT.—Section 7(e) of the Child Nutrition Act of 1966  
11 (42 U.S.C. 1776) is amended—

12 (1) by striking “Each State” and inserting “(1)  
13 Each State”; and

14 (2) by adding at the end the following new  
15 paragraph:

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

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

20 “(B) training schools and school food authorities how  
21 to utilize technology and information management systems  
22 for activities such as menu planning, collecting point of  
23 sale data, and processing applications for free and reduced  
24 price meals; and

25 “(C) using electronic data to establish benchmarks  
26 to compare and monitor program integrity, program par-

1 ticipation, and financial data across schools and school  
2 food authorities.”.

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

8 **SEC. 206. MINIMUM STATE ADMINISTRATIVE EXPENSE**  
9 **GRANTS.**

10 Section 7(a) of the Child Nutrition Act (42 U.S.C.  
11 1776(a)(1)) is amended—

12 (1) by amending the section heading to read as  
13 follows:

14 **“SEC. 7. STATE ADMINISTRATIVE EXPENSES.**

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

16 (2) by amending paragraph (1) to read as fol-  
17 lows:

18 **“(1) AMOUNT AVAILABLE.—**

19 **“(A) IN GENERAL.—**Except as provided in  
20 subparagraph (B), each fiscal year the Sec-  
21 retary shall make available to the States for  
22 their Administrative costs an amount equal to  
23 not less than 1½ percent of the Federal funds  
24 expended under sections 4, 11, 17, and 17A of  
25 the Richard B. Russell National School Lunch

1 Act (42 U.S.C. 1753, 1759a, 1766, and  
2 1766a)) and sections 3 and 4 of this Act during  
3 the second preceding fiscal year.

4 “(B) MINIMUM AMOUNT.—In the case of  
5 each of fiscal years 2005 through 2007, the  
6 Secretary shall make available to each State for  
7 their administrative costs not less than the ini-  
8 tial allocation made to the State under this sub-  
9 section for fiscal year 2004.

10 “(C) ALLOCATION.—The Secretary shall  
11 allocate the funds so provided in accordance  
12 with paragraphs (2), (3), and (4) of this sub-  
13 section.

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

18 (3) in paragraph (2), by striking “\$100,000”  
19 and inserting “\$200,000”.

20 **SEC. 207. DISTRICT-WIDE ELIGIBILITY FOR SPECIAL AS-**  
21 **SISTANCE.**

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

24 (1) in subparagraph (C)—

25 (A) in clause (i)—

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

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

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

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

9 (B) in clause (ii)—

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

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

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

16 (2) in subparagraph (D)—

17 (A) in clause (i)—

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

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

22 (B) in clause (ii)—

23 (i) by inserting “or school district”  
24 after “A school”; and

1 (ii) by inserting “or school district”  
2 after “the school”;

3 (C) in clause (iii)—

4 (i) by inserting “or school district”  
5 after “a school”; and

6 (ii) by inserting “or school district”  
7 after “the school”; and

8 (D) in clause (iv) by inserting “or school  
9 district” after “levels, a school”;

10 (3) in subparagraph (E)—

11 (A) in clause (i)—

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

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

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

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

20 (v) by inserting “or school district”  
21 after “received by the school”; and

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

24 (B) in clause (ii)—

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

3 (ii) by inserting “or school district”  
4 after “for which the school” both times it  
5 appears; and

6 (iii) by inserting “or school district”  
7 after “population of the school” both times  
8 it appears.

9 **SEC. 208. ADMINISTRATIVE ERROR REDUCTION.**

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

14 (1) by redesignating subsection (e) as sub-  
15 section (g); and

16 (2) by inserting after subsection (d) the fol-  
17 lowing:

18 “(e) ADMINISTRATIVE TRAINING AND TECHNICAL  
19 ASSISTANCE MATERIALS.—In collaboration with State  
20 educational agencies, school food authorities, and local  
21 educational agencies of varying sizes, the Secretary shall  
22 develop and distribute training and technical assistance  
23 materials relating to the administration of school meal  
24 programs that are—

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

5           “(2) representative of the best management and  
6           administrative practices of State agencies, school  
7           food authorities, and local educational agencies as  
8           determined by the Secretary.

9           “(f) USE OF FUNDS.—The Secretary may—

10           “(1) provide training and technical assistance  
11           related to administrative practices designed to im-  
12           prove program integrity and administrative accuracy  
13           in school meals programs (including administrative  
14           requirements established by the The Child Nutrition  
15           Improvement and Integrity Act and amendments  
16           made by that Act) to State educational agencies  
17           and, to the extent determined by the Secretary, to  
18           school food authorities and local educational agen-  
19           cies; and

20           “(2) assist State educational agencies in review-  
21           ing the administrative practices of school food au-  
22           thorities, to the extent determined by the Sec-  
23           retary.”.

24           (b) SELECTED ADMINISTRATIVE REVIEWS.—Section  
25 22(b) of the Richard B. Russell National School Lunch

1 Act (42 U.S.C. 1769c(b)) is amended by adding at the  
2 end the following:

3 “(3) ADDITIONAL REVIEW REQUIREMENT FOR  
4 SELECTED SCHOOL FOOD AUTHORITIES AND LOCAL  
5 EDUCATIONAL AGENCIES.—

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

15 “(B) ADDITIONAL ADMINISTRATIVE RE-  
16 VIEW.—In addition to any review required by  
17 subsection (a) or paragraph (1), each State  
18 educational agency shall conduct an administra-  
19 tive review of each selected school food author-  
20 ity and local educational agency during the re-  
21 view cycle established under subsection (a).

22 “(C) SCOPE OF REVIEW.—In carrying out  
23 a review under subparagraph (B), a State edu-  
24 cational agency shall only review the adminis-  
25 trative processes of a selected school food au-

1           thority or local educational agency, including  
2           application, certification, verification, meal  
3           counting, and meal claiming procedures.

4           “(D) RESULTS OF REVIEW.—If the State  
5           educational agency determines (on the basis of  
6           a review conducted under subparagraph (B))  
7           that a selected school food authority or local  
8           educational agency fails to meet performance  
9           criteria established by the Secretary, the State  
10          educational agency shall—

11           “(i) require the selected school food  
12           authority or local educational agency to de-  
13           velop and carry out an approved plan of  
14           corrective action;

15           “(ii) except to the extent technical as-  
16           sistance is provided directly by the Sec-  
17           retary, provide technical assistance to as-  
18           sist the selected school food authority or  
19           local educational agency in carrying out  
20           the corrective action plan; and

21           “(iii) conduct a follow-up review of  
22           the selected school food authority or local  
23           educational agency under standards estab-  
24           lished by the Secretary.

1           “(4) RECOVERING FUNDS AFTER ADMINISTRA-  
2           TIVE REVIEWS.—

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

15          “(B) AMOUNT.—The amount of funds re-  
16          covered under subparagraph (A) shall equal the  
17          value of the error during the time period de-  
18          scribed in subparagraph (C).

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

22                  “(i) beginning on the date the error  
23                  was made; and

24                  “(ii) ending on the earlier of the date  
25                  the error is corrected or—

1           “(I) in the case of the first re-  
2 view conducted by the State edu-  
3 cational agency of the school food au-  
4 thority or local educational agency  
5 under this section after July 1, 2005,  
6 the date that is 60 days after the be-  
7 ginning of the period under clause (i);  
8 or

9           “(II) in the case of any subse-  
10 quent review conducted by the State  
11 educational agency of the school food  
12 authority or local educational agency  
13 under this section, the date that is 90  
14 days after the beginning of the period  
15 under clause (i).

16           “(5) USE OF RECOVERED FUNDS.—

17           “(A) IN GENERAL.—Subject to subpara-  
18 graph (B), funds recovered under paragraph  
19 (4) shall—

20           “(i) be returned to the Secretary  
21 under procedures established by the Sec-  
22 retary, and may be used—

23           “(I) to provide training and tech-  
24 nical assistance related to administra-  
25 tive practices designed to improve pro-

1                   gram integrity and administrative ac-  
2                   curacy in school meals programs (in-  
3                   cluding administrative requirements  
4                   established by the The Child Nutrition  
5                   Improvement and Integrity Act and  
6                   amendments made by that Act) to  
7                   State educational agencies and, to the  
8                   extent determined by the Secretary, to  
9                   school food authorities and local edu-  
10                  cational agencies;

11                   “(II) to assist State educational  
12                  agencies in reviewing the administra-  
13                  tive practices of school food authori-  
14                  ties, to the extent determined by the  
15                  Secretary; and

16                   “(III) to carry out section 21(e);  
17                  or

18                   “(IV) be credited to the child nu-  
19                  trition programs appropriation ac-  
20                  count.

21                   “(B) STATE SHARE.—Subject to subpara-  
22                  graph (C), a State educational agency may re-  
23                  tain not more than 25 percent of an amount re-  
24                  covered under paragraph (4), to carry out  
25                  school meals program integrity initiatives to as-

1           sist school food authorities and local edu-  
 2           cational agencies that have repeatedly failed (as  
 3           determined by the Secretary) to meet adminis-  
 4           trative performance criteria.

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

8                   “(i) submit to the Secretary a plan  
 9                   describing how the State educational agen-  
 10                  cy will use the funds to improve school  
 11                  meals program integrity, including meas-  
 12                  ures to give priority to school food authori-  
 13                  ties and local educational agencies from  
 14                  which funds were retained under para-  
 15                  graph (4); and

16                   “(ii) obtain the approval of the Sec-  
 17                  retary for the plan.”.

18           (e) TRAINING AND TECHNICAL ASSISTANCE.—Sec-  
 19           tion 7 of the Child Nutrition Act of 1966 (42 U.S.C.  
 20           1776) is amended—

21                   (1) in subsection (e)—

22                           (A) by striking “(e) Each” and inserting  
 23                   the following:

24                   “(e) PLANS.—

25                           “(1) IN GENERAL.—Each”;

1 (B) by striking “After” and inserting the  
2 following:

3 “(2) UPDATES.—After”; and

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

5 “(3) TRAINING AND TECHNICAL ASSISTANCE.—  
6 Effective beginning July 1, 2005, each State shall  
7 submit to the Secretary for approval a plan describ-  
8 ing the manner in which the State intends to imple-  
9 ment subsection (g) and section 22(b)(3) of the  
10 Richard B. Russell National School Lunch Act (as  
11 added by section 124(b) of the The Child Nutrition  
12 Improvement and Integrity Act).”;

13 (2) by redesignating subsection (g) as sub-  
14 section (j); and

15 (3) by inserting after subsection (f) the fol-  
16 lowing:

17 “(g) STATE TRAINING.—

18 “(1) IN GENERAL.—At least annually, each  
19 State shall provide training in administrative prac-  
20 tices (including training in application, certification,  
21 verification, meal counting, and meal claiming proce-  
22 dures) to school food authority administrative per-  
23 sonnel and other appropriate personnel, with empha-  
24 sis on the requirements established by the The Child

1 Nutrition Improvement and Integrity Act and the  
2 amendments made by that Act.

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

4 “(A) provide training and technical assist-  
5 ance (including training materials and informa-  
6 tion developed under subsections (e) and (f) of  
7 section 21 of the Richard B. Russell National  
8 School Lunch Act (42 U.S.C. 1769b-1)) to a  
9 State to assist the State in carrying out para-  
10 graph (1); or

11 “(B) at the option of the Secretary, di-  
12 rectly provide training and technical assistance  
13 described in paragraph (1).

14 “(3) THIRD-PARTY CONTRACTING.—In carrying  
15 out this subsection, the Secretary or a State may  
16 contract with a third party under procedures estab-  
17 lished by the Secretary.

18 “(4) REQUIRED PARTICIPATION.—Under proce-  
19 dures established by the Secretary that consider the  
20 various needs and circumstances of school food au-  
21 thorities, each school food authority or local edu-  
22 cational agency shall ensure that an individual con-  
23 ducting or overseeing administrative procedures de-  
24 scribed in paragraph (1) receives training at least

1       annually, unless determined otherwise by the Sec-  
2       retary.

3       “(h) TRAINING AND ADMINISTRATIVE REVIEWS.—  
4       The Secretary may assist States in carrying out subsection  
5       (g) and administrative reviews of selected school food au-  
6       thorities and local educational agencies under section  
7       22(b)(3) of the Richard B. Russell National School Lunch  
8       Act (42 U.S.C. 1769c(b)(3)).”.

9       **TITLE III—PROMOTING NUTRI-**  
10       **TION QUALITY AND PRE-**  
11       **VENTING CHILDHOOD OBE-**  
12       **SITY**

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

14       (a) IN GENERAL.—Not later than the first day of the  
15       school year beginning after June 30, 2006, local edu-  
16       cational agencies participating in the programs authorized  
17       by the Richard B. Russell National School Lunch Act (42  
18       U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966  
19       (42 U.S.C. 1771 et seq.) shall establish a local school  
20       wellness policy for such local agency that at a minimum—

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

1           (2) includes nutrition guidelines selected by the  
2 local educational agencies for all foods sold on school  
3 campus during the school day with the objective of  
4 promoting student health and reducing childhood  
5 obesity;

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

12           (4) involves parents, students, representatives  
13 of the school food authority, the school board, school  
14 administrators, and public in the development of the  
15 school wellness policy.

16 **SEC. 302. SUPPORTING NUTRITION EDUCATION, IMPROV-**  
17 **ING MEAL QUALITY, AND ACCESS TO LOCAL**  
18 **FOODS.**

19           (a) IN GENERAL.—Section 19 of the Child Nutrition  
20 Act of 1966 (42 U.S.C. 1788) is amended—

21           (1) by amending subsection (b) to read as fol-  
22 lows:

23           “(b) PURPOSE.—It is the purpose of this section to  
24 establish a system of grants to State educational agencies  
25 to support effective nutrition education through assistance

1 to State agencies, schools, and nonprofit entities for Team  
2 Nutrition and other nutrition education projects that im-  
3 prove student understanding of healthful eating patterns,  
4 the quality of school meals and access to local foods in  
5 schools and institutions operating programs under the  
6 Richard B. Russell National School Lunch Act (42 U.S.C.  
7 1751 et seq.) and section 4 of this Act.”;

8 (2) by striking subsections (e) through (h) and  
9 inserting after subsection (b) the following:

10 “(c) TEAM NUTRITION NETWORK.—

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

13 “(A) promote the nutritional health of the  
14 Nation’s school children through nutrition edu-  
15 cation, physical fitness and other activities that  
16 support healthy lifestyles for children;

17 “(B) provide grants to States for the de-  
18 velopment of State-wide, comprehensive, and in-  
19 tegrated nutrition education and physical fit-  
20 ness programs; and

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

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

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

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

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

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

23           “(A) a description of how the proposed nu-  
24 trition and physical activity program will pro-  
25 mote healthy eating and physical fitness and

1 address the health and social consequences of  
2 children who are overweight or obese;

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

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

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

21 “(E) a description of how the State Coor-  
22 dinator will evaluate the effectiveness of its pro-  
23 gram.

24 “(5) DURATION.—Subject to the availability of  
25 funds made available to carry out this subsection, a

1 State Coordinator shall conduct the project for a pe-  
2 riod of 3 successive school years.

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

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

9 “(A) collecting, analyzing, and dissemi-  
10 nating data regarding the extent to which chil-  
11 dren and youth in the State are overweight or  
12 physically inactive and the programs and serv-  
13 ices available to meet those needs;

14 “(B) developing and implementing model  
15 elementary and secondary education curricula  
16 to create a comprehensive, coordinated nutrition  
17 and physical fitness awareness and obesity pre-  
18 vention program;

19 “(C) developing and implementing pilot  
20 programs in schools to increase physical fitness  
21 and to enhance the nutritional status of stu-  
22 dents, including through the increased con-  
23 sumption of fruits and vegetables, whole grains,  
24 and lowfat dairy products;

1           “(D) developing and implementing State  
2 guidelines in health, which include nutrition  
3 education, and physical education and empha-  
4 size regular physical activity during school  
5 hours;

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

13           “(F) collaborating with public or private  
14 organizations that have as a mission the raising  
15 of public awareness of the importance of a bal-  
16 anced diet and an active lifestyles; and

17           “(G) providing training and technical as-  
18 sistance to teachers and school food service pro-  
19 fessionals consistent with the purpose of this  
20 section.

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

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

1       retary shall submit to the Committee on Education  
2       and the Workforce of the House of Representatives  
3       and the Committee on Health, Education, Labor,  
4       and Pensions of the Senate and the Committee on  
5       Agriculture, Nutrition and Forestry of the Senate a  
6       report describing the results of the evaluation of the  
7       demonstration programs and shall make such re-  
8       ports available to the public, including through the  
9       Internet.

10       “(d) LOCAL NUTRITION AND PHYSICAL FITNESS  
11       PROJECT.—

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

23               “(2) REQUIREMENT FOR PARTICIPATION IN  
24       PILOT PROJECT.—To be eligible to receive assistance  
25       under this subsection, a local educational agency

1 shall, in consultation with individuals who possess  
2 education or experience appropriate for representing  
3 the general field of public health, including nutrition  
4 and fitness professionals, submit to the Secretary an  
5 application that shall include—

6 “(A) a description of the local educational  
7 agency’s need for nutrition and fitness pro-  
8 grams;

9 “(B) a description of how the proposed  
10 project will improve health and nutrition  
11 through education and increased access to phys-  
12 ical activity;

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

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

22 “(E) a description of how the proposed  
23 project will be aligned with the local wellness  
24 policy required under the Act; and

1           “(F) a description of the procedures the  
2           agency will use for assessing and publicly re-  
3           porting progress toward meeting those goals.

4           “(3) DURATION.—Subject to the availability of  
5           funds made available to carry out this subsection, a  
6           local educational agency receiving assistance under  
7           this subsection shall conduct the project during a pe-  
8           riod of 3 successive school years.

9           “(4) AUTHORIZED ACTIVITIES.—An eligible ap-  
10          plicant that receives assistance under this sub-  
11          section—

12                 “(A) shall use funds provided to—

13                         “(i) promote healthy eating through  
14                         the development and implementation of nu-  
15                         trition education programs and curricula;

16                         “(ii) increase opportunities for phys-  
17                         ical activity through after school programs,  
18                         athletics, intramural activities, and recess;  
19                         and

20                 “(B) may use funds provided to—

21                         “(i) educate parents and students  
22                         about the relationship of a poor diet and  
23                         inactivity to obesity and other health prob-  
24                         lems;

1           “(ii) develop and implementing phys-  
2 ical education programs that promote fit-  
3 ness and lifelong activity;

4           “(iii) provide training and technical  
5 assistance to food service professionals to  
6 develop nutritious, more appealing menus  
7 and recipes;

8           “(iv) incorporate nutrition education  
9 into physical education, health education,  
10 and after school programs, including ath-  
11 letics;

12           “(v) involve parents, food service  
13 staff, educators, community leaders, and  
14 other interested parties in assessing the  
15 food options in the school environment and  
16 developing and implementing an action  
17 plan to promote a balanced and healthy  
18 diet;

19           “(vi) provide nutrient content or nu-  
20 trition information on meals served  
21 through the school lunch or school break-  
22 fast programs and items sold a la carte  
23 during meal times;

24           “(vii) encourage the increased con-  
25 sumption of a variety of healthy foods

1 through new initiatives such as salad bars  
2 and fresh fruit bars; and

3 “(viii) provide nutrition education, in-  
4 cluding sports nutrition education, for  
5 teachers, coaches, food service staff, ath-  
6 letic trainers, and school nurses.

7 “(5) LIMITATION.—Materials prepared under  
8 this subsection regarding agricultural commodity,  
9 food, or beverages must be factual and without bias.

10 “(6) REPORT.—Within 18 months of comple-  
11 tion of the projects and evaluations, the Secretary  
12 shall transmit to the Committee on Education and  
13 the Workforce of the House of Representatives and  
14 the Committee on Health, Education, Labor, and  
15 Pensions and the Committee on Agriculture, Nutri-  
16 tion and Forestry of the Senate a report describing  
17 the results of the evaluation of the pilot projects and  
18 shall make such reports available to the public, in-  
19 cluding through the Internet.

20 “(e) NUTRITION EDUCATION SUPPORT.—

21 “(1) IN GENERAL.—In carrying out the purpose  
22 of this section to support nutrition education, the  
23 Secretary may provide for technical assistance and  
24 grants to improve the quality of school meals and  
25 access to local foods in schools and institutions.

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

4                   “(A) implement the recommendations of  
5                   the Secretary’s School Meals Initiative for  
6                   Healthy Children;

7                   “(B) increase the consumption of fruits,  
8                   vegetables, low-fat dairy products, and whole  
9                   grains;

10                   “(C) reduce saturated fat and sodium in  
11                   school meals;

12                   “(D) improve school nutritional environ-  
13                   ments; and

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

17           “(3) ACCESS TO LOCAL FOODS.—The Secretary  
18           may provide assistance, through competitive match-  
19           ing grants and technical assistance, to schools and  
20           nonprofit entities for projects that—

21                   “(A) improve access to local foods in  
22                   schools and institutions participating in pro-  
23                   grams under the Richard B. Russell National  
24                   School Lunch Act (42 U.S.C. 1751 et seq.) and  
25                   Section 4 of this Act through farm-to-cafeteria

1 activities that may include the acquisition of  
2 food and appropriate equipment and the provi-  
3 sion of training and education;

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

7 “(C) support nutrition education activities  
8 or curriculum planning that incorporates the  
9 participation of schoolchildren in farm and agri-  
10 culture education activities;

11 “(D) develop a sustained commitment to  
12 farm-to-cafeteria projects in the community by  
13 linking schools, agricultural producers, parents,  
14 and other community stakeholders;

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

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

19 “(G) provide matching support in the form  
20 of cash or in kind contributions (including fa-  
21 cilities, equipment, or services provided by State  
22 and local governments and private sources); and

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

25 (3) in subsection (i)—

1 (A) in paragraph (1), by striking subpara-  
2 graph (B);

3 (B) by striking paragraph (3).

4 (b) CONFORMING AMENDMENTS.—Section 19 of the  
5 Child Nutrition Act of 1966 (42 U.S.C. 1788) is further  
6 amended—

7 (1) in subsection (d)(4), by striking “the provi-  
8 sions of this subsection” and inserting “the pro-  
9 gram”;

10 (2) in subsection (d)(5), by striking “the provi-  
11 sions of this subsection” and inserting “the pro-  
12 gram”;

13 (3) in subsection (f)(1), by inserting “,other  
14 than funds made available for activities under sub-  
15 section (i),” after “under this section”;

16 (4) in subsection (g), by inserting “schools, and  
17 nonprofit entities” after “State educational agen-  
18 cies” both times it appears;

19 (5) in subsection (h)(1), by inserting “, other  
20 than assistance provided under subsection (i)” after  
21 “under this section”;

22 (6) in subsection (h)(2), by inserting “,other  
23 than funds authorized under subsection (i)” after  
24 “by this section”; and

1 (7) in subsection (j), as redesignated by sub-  
2 section (a) of this section—

3 (A) in paragraph (1)(A), by striking  
4 “2003” and inserting “2009”;

5 (B) in paragraph (1)(B)(i) by inserting  
6 “for activities and programs conducted under  
7 subsections (d) through (h)” after “Grants”;

8 (C) in paragraph (2) by inserting “for ac-  
9 tivities and programs conducted under sub-  
10 sections (d) through (h)” after “made avail-  
11 able”; and

12 (D) in paragraph (3) by striking “this sub-  
13 section” and inserting “paragraph (1)(B)”.

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

15 Section 6(c)(1)(D) of the Richard B. Russell Na-  
16 tional School Lunch Act (42 U.S.C. 1755(c)(1)(D)) is  
17 amended by inserting “, and fruits and vegetables” before  
18 the period.

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

20 Section 18(f) of the Richard B. Russell National  
21 School Lunch Act (42 U.S.C. 1769) (as redesignated by  
22 this Act) is amended—

23 (1) in paragraph (1), by striking “In the school  
24 year beginning” and inserting “Beginning”

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

5           “(2) ADDITIONAL STATES.—In addition to the  
6 States participating under subsection (1), the Sec-  
7 retary shall make available free fresh and dried  
8 fruits and fresh vegetables to students in 25 elemen-  
9 tary or secondary schools in each of 4 additional  
10 States, and 1 Indian reservation.

11           “(3) SELECTION OF SCHOOLS.—

12           “(A) IN GENERAL.—In selecting additional  
13 schools to participate in the pilot program au-  
14 thorized by this subsection, the Secretary  
15 shall—

16           “(i) to the maximum extent prac-  
17 ticable, ensure that the majority of schools  
18 selected are those in which not less than  
19 50 percent of students are eligible for free  
20 or reduced price meals under this Act;

21           “(ii) solicit applications from inter-  
22 ested schools that include—

23           “(I) information pertaining to  
24 the percentage of students enrolled in  
25 the school submitting the application

1 who are eligible for free or reduced  
2 price school lunches under this Act;

3 “(II) a certification of support  
4 for participation in the pilot program  
5 signed by the school food manager,  
6 the school principal, and the district  
7 superintendent (or their equivalent  
8 positions, as determined by the  
9 school); and

10 “(III) a plan for implementation  
11 of the pilot program that includes a  
12 local partnership with an entity or en-  
13 tities of the fruit and vegetable indus-  
14 try, which shall contribute not less  
15 than 15 percent, in cash or in kind,  
16 for the acquisition, handling, and dis-  
17 tribution of fresh and dried fruits and  
18 fresh vegetables provided under this  
19 program; and

20 “(IV) such other information as  
21 may be requested by the Secretary;  
22 and

23 “(iii) for each application received, de-  
24 termine whether the application is from a  
25 school in which not less than 50 percent of

1 students are eligible for free or reduced  
2 price meals under this Act.”; and

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

5 “(5) FUNDING.—The Secretary shall use  
6 \$50,000,000 of the funds made available under sec-  
7 tion 32 of the Act of August 24, 1935 (7 U.S.C.  
8 612c) for fiscal years 2004 through 2009, to carry  
9 out this subsection.”.

10 **SEC. 305. FLUID MILK.**

11 (a) IN GENERAL.—Section 9(a)(2) of the Richard B.  
12 Russell National School Lunch Act (42 U.S.C.  
13 1758(a)(2)) is amended to read as follows:

14 “(2) FLUID MILK.—

15 “(A) IN GENERAL.—Lunches served by  
16 schools participating in the school lunch pro-  
17 gram under this Act—

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

20 “(ii) may offer students flavored and  
21 unflavored fluid milk and lactose-free fluid  
22 milk; and

23 “(iii) shall provide a substitute for  
24 fluid milk for students whose disability re-  
25 stricts their diet, upon receipt of a written

1 statement from a licensed physician that  
2 identifies the disability that restricts the  
3 student's diet and that specifies the sub-  
4 stitute for fluid milk;

5 “(B) SUBSTITUTES.—

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

21 “(ii) NOTICE.—Such substitutions  
22 may be made if the school notifies the  
23 State agency that it is implementing a var-  
24 iation allowed under this subparagraph,  
25 and if such substitution is requested by

1 written statement of a medical authority or  
2 by a student's parent or legal guardian  
3 that identifies the medical or other special  
4 dietary need that restricts the student's  
5 diet, provided that the school shall not be  
6 required to provide beverages other than  
7 those it has identified as acceptable sub-  
8 stitutes.

9 “(iii) EXCESS EXPENSES BORNE BY  
10 THE SCHOOL DISTRICT.—Expenses in-  
11 curred in providing substitutions pursuant  
12 to this subparagraph that are in excess of  
13 those covered by reimbursements under  
14 this Act shall be paid by the school dis-  
15 trict.”.

16 **SEC. 306. WAIVER OF REQUIREMENTS FOR WEIGHTED**  
17 **AVERAGES FOR NUTRIENT ANALYSIS.**

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

21 “(5) WAIVER OF REQUIREMENTS FOR WEIGHT-  
22 ED AVERAGES FOR NUTRIENT ANALYSIS.—State  
23 educational agencies may grant waivers to school  
24 food authorities to the requirement for weighted  
25 averages for nutrient analysis of menu items and

1 foods offered or served as part of a meal offered or  
2 served under the school lunch program under this  
3 Act or the school breakfast program under section 4  
4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773)  
5 if—

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

9 “(B) the equivalent system adequately doc-  
10 uments the extent to which the school food au-  
11 thority is meeting the Dietary Guidelines for  
12 Americans and other nutrition standards. ”.

13 **SEC. 307. WHOLE GRAINS.**

14 Not later than 12 months after the date of enactment  
15 of this Act, the Secretary shall issue guidance, based on  
16 Federal nutrition guidelines, to inform school food au-  
17 thorities and other sponsors of strategies to increase the  
18 presence of whole grains in foods offered in school nutri-  
19 tion programs under the Richard B. Russell National  
20 School Lunch Act (42 U.S.C. 1751 et seq.) and the Child  
21 Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

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

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

1 “(d) STUDY.—

2 “(1) IN GENERAL.—The Secretary shall enter  
3 into an agreement with a science-based organization  
4 to conduct a 12 month study, based on sound nutri-  
5 tional science, to determine appropriate nutritional  
6 standards for foods available to students in school.  
7 The study shall take into consideration the role of  
8 all foods available to students in school as they re-  
9 late to the total daily dietary intake of students par-  
10 ticipating in the school foods program. The organi-  
11 zation conducting the study shall transmit a report  
12 of the study, including recommendations to the Sec-  
13 retary within 12 months after the date of enactment  
14 of this subsection.

15 “(2) DISSEMINATION.—Upon receipt of rec-  
16 ommendations, the Secretary shall disseminate such  
17 recommendations to States and local educational  
18 agencies via the Internet and other methods of dis-  
19 semination.

20 “(3) TECHNICAL ASSISTANCE.—Not less than  
21 120 days after receipt of recommendations, the Sec-  
22 retary shall provide technical assistance to schools,  
23 upon their request, on how to implement such rec-  
24 ommendations.”.

1 **TITLE IV—IMPROVING THE**  
2 **WOMEN, INFANTS, AND CHIL-**  
3 **DREN PROGRAM**

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

5 Section 17(b)(7) of the Child Nutrition Act of 1966  
6 (42 U.S.C. 1786(b)(7)) is amended—

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

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

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

12 Section 17(b)(14) of the Child Nutrition Act of 1966  
13 (42 U.S.C. 1786(b)(14)) is amended by inserting after  
14 “children” the following: “and foods that promote health  
15 as indicated in the most recent Dietary Guidelines for  
16 Americans published under section 301 of the National  
17 Nutrition Monitoring and Related Research Act of 1990  
18 (7 U.S.C. 5341)”.

19 **SEC. 403. IMPROVING CERTIFICATION.**

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

1 (b) PHYSICAL PRESENCE REQUIREMENT.—Section  
2 17(d)(3)(C)(ii) of the Child Nutrition Act of 1966 (42  
3 U.S.C. 1786(d)(3)(C)(ii)) is amended—

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

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

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

11 “(III) an infant under 8 weeks of  
12 age—

13 “(aa) who cannot be present  
14 at certification for a reason de-  
15 termined appropriate by the local  
16 agency; and

17 “(bb) for whom all necessary  
18 certification information is pro-  
19 vided.”.

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

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

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

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

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

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

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

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

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

21 (b) **RULEMAKING.**—The Secretary shall promulgate  
22 a rule updating the prescribed supplemental foods avail-  
23 able through the program authorized under section 17 of  
24 the Child Nutrition Act of 1966 (42 U.S.C. 1786) within  
25 6 months of receiving the review of the food package for

1 such program undertaken by the National Academy of  
2 Sciences, Institute of Medicine in September 2003.

3 **SEC. 405. NOTIFICATION OF VIOLATIONS AND INFANT FOR-**  
4 **MULA BENEFITS.**

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

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

16 “(26) INFANT FORMULA BENEFITS.—The State  
17 agency may round up to the next whole can of infant  
18 formula to ensure that all infants receive the full-au-  
19 thorized nutritional benefit specified by regulation.”.

20 **SEC. 406. COMPETITIVE BIDDING.**

21 Section 17(h)(8)(A) of the Child Nutrition Act of  
22 1966 is amended by adding at the end the following:

23 “(iv) REBATE INVOICES.—Each State  
24 agency shall have a system to ensure that  
25 infant formula rebate invoices, under com-

1           petitive bidding, provide a reasonable esti-  
2           mate or an actual count of the number of  
3           units sold to participants in the program  
4           under this section.

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

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

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

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

23           Section 17(h)(10)(B)(ii) is amended by inserting  
24 after “under this section” the following: “, which may in-  
25 clude demonstration projects in up to 10 local sites, deter-

1 mined to be geographically and culturally representative  
2 of local States and Indian agencies, to evaluate the inclu-  
3 sion of fresh, frozen, or canned fruits and vegetables (to  
4 be made available through private funds) as an addition  
5 to the supplemental food provided under this section”.

6 **SEC. 408. MANAGEMENT INFORMATION SYSTEMS.**

7 Section 17(h)(12) of the Child Nutrition Act of 1996  
8 (42 U.S.C. 1786(h)(12)) is amended—

9 (1) by amending subparagraph (B) to read as  
10 follows:

11 “(B) EBT SYSTEMS.—

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

20 “(ii) EXISTING SYSTEMS.—EBT sys-  
21 tems for the program under this section  
22 that are in development or are issuing ben-  
23 efits as of the date of enactment shall be  
24 required to submit within 6 months after

1 the date of enactment of this subparagraph  
2 a plan for compliance.

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

10 (2) by amended subparagraph (C) to read as  
11 follows:

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

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

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

23 “(13) APPROVED PROVIDERS OF INFANT FOR-  
24 MULA.—

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

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

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

16 **SEC. 410. STATE ALLIANCES.**

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

19           (1) in subsection (b) by adding at the end the  
20 following:

21           “(22) ‘State alliance’ means 2 or more State  
22 agencies that join together for the purpose of pro-  
23 curing infant formula by soliciting competitive  
24 bids.”; and

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

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

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

18                           “(II) any State agency serving  
19                           fewer than 5,000 infant participants  
20                           as of October 2003, or any Indian  
21                           Tribal Organization, may request to  
22                           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 2009.”.

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 2009”;  
8 and

9 (2) in paragraph (10)(A), by striking “1995  
10 through 2003” and inserting “2004 through 2009”.

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 2009.”.

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; (ii)

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 “2009”.

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, 2009”.

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, 2009”.

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 “2009”.

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 2009”.

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 “2009”.

3 **SEC. 504. EFFECTIVE DATE.**

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.

○