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"§ 660. Carrier's Fund Derived from Commerce; State Prosecutions.

"Whoever, being a president, director, officer, or manager of any firm, association, or corporation engaged in commerce as a common or contract carrier, person controlling, controlled by, or under common control with such carrier, or whoever being an employee of such common or contract carrier riding in or upon any railroad car, motortruck, steamboat, vessel, aircraft, or other vehicle of such carrier moving in interstate commerce, embezzles, steals, abstracts, or willfully misapplies or willfully permits to be misapplied, any of the moneys, funds, credits, securities, properties, or assets of such firm, association, or corporation arising or accruing from, or used in, such commerce, in whole or in part, or willfully or knowingly converts the same to his own use or to the use of another, shall be fined not more than \$5,000 or imprisoned not more than ten years, or both. The offense shall be deemed to have been committed not only in the district where the violation first occurred but also in any district in which the defendant may have taken or had possession of such moneys, funds, credits, securities, properties or assets.

The offense shall be deemed to have been committed not only in the district where the violation first occurred but also in any district in which the defendant may have taken or had possession of such moneys, funds, credits, securities, properties or assets.

A judgment of conviction or acquittal on the merits under the laws of any State shall be a bar to any prosecution under this section for the same act or acts."

SEC. 23. The amendments made by the foregoing provisions of this bill shall become effective ninety days from the date of their enactment.

#### CONGLOMERATES

We recommend that the Interstate Commerce Act be amended to give the Commission authority to oversee the acquisition and control of carriers by noncarriers and the common control of carrier and noncarrier enterprises.

There has been a trend for conglomerate holding companies and other non-carriers to assume control of carriers subject to the Commission's jurisdiction and for carriers to enter non-transportation fields. The possibility that such a trend would weaken the common carrier system and render it incapable of responding to the needs of the public has caused great concern in both Governmental and private sectors.

National attention was focused on this problem following the filing by Penn Central Transportation Company for reorganization under section 77 of the Bankruptcy Act.

Indiscriminate acquisition of transportation enterprises by holding companies which have little or no interest in the performance of needed services for the shipping or traveling public can be detrimental to the public interest. The establishment of a parent company to escape Commission jurisdiction and to undertake activities unrelated to transportation may impair the transportation company's ability to render efficient and economical service as contemplated by the national transportation policy. Unless the Commission is armed with authority to look into, pass upon, and generally oversee the acquisition and control of carriers by non-carriers and the common control of carrier and non-carrier enterprises, a substantial and growing amount of essential transportation service will escape effective, necessary regulation and there could be no assurance of its continuance in the public interest.

The proposed changes to be made in the statute (section 5(2) (a) (iii)) would give the Commission authority over single carrier stock acquisitions. Basically these changes focus upon the relationship between major railroads and the holding companies established to acquire control of the railroads and

other diverse, unrelated companies. The added jurisdiction should be limited essentially to acquisitions of Class I carriers, that is, railroads having annual revenues in excess of \$5,000,000 and other carriers having annual revenues in excess of \$1,000,000.

Other amendments to section 5, including section 5(3), would enable the Commission to maintain a surveillance over transactions between carriers and their affiliated companies and to curtail intercorporate activities involving the carriers which are found inconsistent with sound transportation. Section 5(4) would be amended to establish a presumption of control where any person owns 10 percent or more of the voting securities of a carrier. A new section 5(17) would enable the Commission to enter any and all necessary orders, including divestiture, whenever it finds that continued control will impair the ability of the affiliated carrier to render its services.

Section 20 of the Act would be amended to require the recording of the beneficial or record ownership by those holding more than 1 percent of any class of stock of a railroad or other carrier having operating revenues in excess of \$5,000,000 and \$1,000,000, respectively, annually. Other amendments would authorize the Commission to prescribe accounts and reports of persons controlling, controlled by, and under common control with carriers, as well as those of the carriers themselves and would permit the inspection of records of such persons, as well as those of the carriers themselves. Similar amendment would be made to the other Parts of the Act to bring regulated carriers of other modes under similar regulation.

To discourage and prevent misappropriation of funds by officials of carriers, persons controlling, controlled by, or under common control with such carriers, section 660 of the Criminal Code would be amended to make it a crime to misappropriate funds of a carrier.

#### By Mr. MAGNUSON:

S. 2631. A bill to provide for paper money of the United States to carry a designation in braille indicating the denomination. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. MAGNUSON. Mr. President, I introduce for appropriate reference, a bill to provide for paper money of the United States to carry a designation in braille indicating the denomination.

The special problem that blind people have in handling paper money has been brought to my attention recently—by a young girl from the State of Washington who read the autobiography of Helen Keller and asked "Why can't this be done?"

Although blind persons can learn a great many ways to overcome their handicap, one thing they cannot learn to do is distinguish between a \$1 and a \$5 bill. It has come to my attention that many private banks provide the blind with special checks to facilitate their obtaining money in the amount they wish. I think it is proper that the Federal Government join with the private sector in providing for the special needs of this particularly disadvantaged group of citizens, and mark paper money in such a way that a blind person can identify it—a small thing that will make a great difference to those without sight.

Mr. MONDALE. Mr. President, I introduce a joint resolution today, which would legislatively guarantee reasonable minimum reimbursement rates to States under the National School Lunch Act, and release funds now available under

section 32, to finance continuation and expansion of the school lunch program.

The purposes of this legislation are, first, to assure that every needy child will receive a free or reduced-price lunch as required by section 9 of the National School Lunch Act; second, to alleviate the financial burden on the States and local schools in providing nutritious meals for all schoolchildren; and third, to enable schools to lower the prices now charged for lunches purchased by the nonpoor.

Under normal circumstances, payment rates for the school lunch program are determined by regulations issued by the Secretary of Agriculture. However, regulations issued by the Department of Agriculture this past August 13, and soon to become final, will so harm schools participating in the school lunch program that it is necessary for Congress to act to set such rates.

Many of us in Congress have been astonished and deeply dismayed by the August 13 regulations. They would actually reduce payment rates in many States at a time when Congress has legislatively required expansion of the school lunch program.

#### By Mr. MONDALE:

S.J. Res. 163. Joint resolution to assure that every needy school child will receive a free or reduced-price lunch as required by section 9 of the National School Lunch Act, and to alleviate the financial burden on States and local schools in providing nutritious meals for all schoolchildren. Referred to the Committee on Agriculture and Forestry.

The distinguished chairman of the Senate Agriculture Committee (Mr. TALMADGE) is working very hard to reverse the administration's decision to lower school lunch payment rates. He, too, has introduced legislation. While our bills differ in a number of respects, I am a cosponsor of the joint resolution he introduced last week.

I believe it is of utmost importance for the Congress to take action to restore adequate funding and payment levels to the school lunch program. Now, just 1 month into the school year, some schools are already on the verge of abandoning lunch programs.

Legislation I offer today is designed to achieve the urgent objectives of maintaining lunch programs in these schools and fulfilling the commitment made by Congress to an estimated 2 million hungry children in the United States.

Congress has long recognized the importance of nutrition programs to both the educational development of our Nation's schoolchildren and the essential health of children from low-income families.

Educational experts testify that children are not able to concentrate on material covered in classes when they are hungry. Child nutrition is thus a vital part of the Federal Government's role in assuring quality education for American children. In fact, without attending to the nutritional requirements of children in schools and child care facilities, much of the effective impact of our investment in these programs would be lost.

Hearings before the Senate Subcommittee on Employment, Manpower and Poverty, and the Select Committee on Nutrition and Human Needs have also provided ample medical evidence that millions of hungry children in the U.S. suffer greater incidence of sickness, impaired physical development, psychological and learning disabilities—simply because they do not get enough of the right things to eat.

Recognizing the tremendous responsibility of the Federal Government to alleviate these serious problems, last year Congress passed a law (Public Law 91-248) to expand the school lunch program to include every needy child in the United States.

Congress authorized such appropriations as may be necessary to carry out the purposes of this act.

Two provisions of Public Law 91-248 are particularly relevant. The first is section 9, which provides—

By January 1, 1971, any child who is a member of a household which has an annual income not above the applicable family size income level set forth in the income poverty guidelines shall be served meals free or at a reduced cost.

This legislative requirement is very clear; yet it has never been fulfilled. In fact, the *New York Times* reported on August 29, 1971, that 1.9 million eligible children still get no help from the school lunch program and even that estimate may be low.

A second provision of Public Law 91-248 takes cognizance of the need for a concerted and immediate effort to bring all needy children into the school lunch program. To institute this all-out attack on hunger among American schoolchildren, the law requires States to submit comprehensive plans for expansion of their programs to include all eligible children.

Directly contradicting the intent of Congress expressed in Public Law 91-248, the Department of Agriculture on August 13, 1971, issued new regulations for the school lunch program which would prevent the States from carrying out their plans, and prevent many needy children from receiving meals.

At issue in the new regulations are payment rates which would bring Federal funding for meals in many States significantly below last year's levels.

Regulations in effect last year enabled States to designate certain schools "especially needy" and authorized reimbursement to these schools of up to 48 cents for section 11 meals and 12 cents for section 4.

According to the new regulations issued August 13, States which paid such higher reimbursement rates last year—in order to bring needy schools and children into the program—would now be penalized. They would be forbidden to continue these higher rates and compelled to cut back on payments to schools for feeding the needy. At least 35 States would be confronted with this problem.

On a nationwide average it costs more than 60 cents to serve nutritious meals in schools. In major cities, such as Baltimore and New York, where many low-income children are concentrated, it costs 70 cents and more for each lunch.

However, the August 13 regulations would allow only one State in the Nation an average payment per meal of 35 cents or more under section 11. The remainder of the States could only reimburse needy schools at higher levels by reducing support to less than 30 cents for an equal number of free or reduced price lunches in other schools so that the average reimbursement comes to 30 cents per such lunch.

The payment mechanism for section 4 functions similarly.

For thousands of schools, the consequences of the new regulations are truly alarming. Statistics from Minnesota indicate that the city of Duluth would have a deficit of \$90,000 under the new funding structure for school lunches. In Minneapolis, the estimated deficit is \$800,000, and statewide, a \$2 million deficit is expected if these regulations are not overruled.

Assistant Secretary of Agriculture Richard Lyng explained the administration's rationale for the new regulations in testimony before the Select Committee on Nutrition and Human Needs and again before the Senate Agriculture Committee. He pointed out that average payment levels varied from State to State last year for meals served under the school lunch program and argued that the new amendments would promote uniformity of reimbursement rates among the States.

I do not differ with the administration's desire for equity in payment rates. But I do take exception to the intolerable rates of reimbursement that achieve uniformity only by jeopardizing the program itself in many States.

Minnesota is not the only State adversely affected by these regulations. Evidence compiled by a recent survey of the American School Food Service Association reports that California would lose \$9 million; Oklahoma more than \$1 million; Massachusetts, \$3.2 million; Maine \$1.3 million; Ohio, \$5.5 million; Georgia, \$6 million; and so on throughout the country.

According to the September 28, 1971 edition of the *Washington Star*—

A number of school districts are reported to be abandoning the school lunch program or considering such a move. They include: Albuquerque, New Mexico; Bridgeport, Connecticut; and Buffalo, New York.

Thirty-seven State school lunch directors have protested the new regulations—testifying to the harmful effect they will have upon needy American school children. The school lunch directors have indicated the announced payment rates would bring State school lunch plans—required by Federal law—to a screeching halt.

The number 37 is significant in light of Assistant Secretary Lyng's testimony on behalf of greater equity. It is difficult to imagine what kind of equity would endanger programs in all but a handful of States.

In fact, the key to the new regulations is not uniformity, but priorities within the administration for allocation of budgetary resources. These regulations set average reimbursement rates so low as to prohibit congressionally authorized expansion, and low enough to endanger

the survival of programs, particularly in metropolitan areas.

On the one hand, the administration can bind money to guarantee loans to Lockheed, to finance new space extravaganzas, and to develop inessential weapons systems; but on the other, it applies the concept of "fiscal discipline" to lunches for our Nation's hungry children.

And while the school lunch program has received considerable attention by the Congress in the past few weeks, other child nutrition programs are also in danger. Many of my colleagues are deeply concerned that the school breakfast program in the States may not last another month unless congressionally appropriated funds are made available. Other States, which worked to create and expand school breakfast programs last year, now find they cannot get the money even to maintain last year's progress.

The special child feeding program in Minnesota has not received even minimum support for this school year. Of the bare \$340,000 promised, no money has yet been delivered. Special child feeding provides assistance to day care centers and Headstart programs, and is capable of reaching many needy children before the effects of malnutrition become irreparably severe. Budget undercutting of this vital link in nutrition programs for the poor is truly shameful when we have the resources to feed these children.

Mr. President, budget attacks on child nutrition programs are not new to Members of Congress. This year, only by a determined effort, were we able to preserve summer feeding programs for hungry children.

Some budget officials may have difficulty understanding that a small cut here or there can mean the difference between protein and vitamin deficiencies among low income children—deficiencies so severe as to permanently impair both educational and physical development, and equal opportunity for these children.

It would also appear, in examining the administration's action on the school lunch program, that fiscal crises in State government, local school systems and in urban areas do not receive the persistent executive attention they clearly deserve.

If the States need financial relief, and I believe they do, why are they being asked to contribute more money—millions more—in order to continue the school lunch program?

We see evidence in findings from the Select Committee on Equal Educational Opportunity of the crisis in school finance. This year we have had the largest number of school bond issues, and the largest number of bond rejections in our country's history.

Millions of taxpayers in the United States are deeply troubled that they can no longer afford to support even basic school functions—such as libraries and cafeterias—unless budget deficits are alleviated. While these deficits are caused primarily by factors other than school lunch—increasing outlays for meals in school only aggravates the desperate situation they are in.

I have already indicated that many schools cannot absorb school lunch program deficits. Where States and schools are fortunate enough to have the extra

money, they are already locked into budgets based upon reasonable expectations for greater Federal support for the school lunch program.

The current wage-price freeze prohibits the schools from charging more for lunches to children not eligible for free or reduced price lunches.

But I believe asking parents to pay more is not the solution to the dilemma in school lunch funding. Particularly in low-income schools this method of finance could not work—since nearly all of the children in these schools qualify for free or reduced price lunches. In these schools as well as middle-income schools, there are also many children whose parents' incomes barely exceed eligibility criteria for reduced price lunches. These parents surely can pay no more for school lunches.

An excellent summary of the situation I have described is provided by Newsweek magazine, October 4, 1971:

... Many districts have found themselves unable to afford the required matching payments for the federal school lunch program even in areas where the school lunch is the only solid meal a child gets all day. In such circumstances, teachers find ironic the Department of Agriculture's newest radio pitch for the lunch program, which reminds citizens that 'you can't teach a hungry child.'

Mr. President, in this context, I offer a comprehensive proposal to alleviate the problem of school lunch funding, and most importantly, to ensure that the 2 million eligible children not served by the program now, will be fed this year.

Permit me to begin the discussion of my proposal by first outlining how the present funding structure for the school lunch program works.

The National School Lunch Act authorizes two annual appropriations for the program—one under section 4 of the Act and one under section 11. The Act also specifies exactly how each of these annual appropriations is to be apportioned among the States.

Section 4 funds are apportioned among the States on the basis of the number of type A—nutritionally balanced—lunches previously served by each State and the relationship between each State's per capita income and the per capita income of the United States. For fiscal 1972, the apportionment formula uses the number of type A lunches served by each State 2 years ago—in fiscal 1970.

Section 11 funds are apportioned on the basis of the relative number of school-age children in household with annual incomes below \$4,000, that reside in each of the States.

By bill would not alter this formula.

The core of the crisis in school lunch funding is not the formula for distributing the various allocations among the States.

The key to the school lunch controversy is in permissible reimbursement rates, which the States—within their formula allocations—can provide to participating schools.

Presently, reimbursement rates are established through Federal regulations issued by the Department of Agriculture. I have already explained in detail why the Department of Agriculture's regula-

tions—August 13, 1971—are not adequate to carry out the purposes of the National School Lunch Act.

My proposal would increase by 80 percent the minimum guarantee now provided to schools under section 4 for each State to 8 cents per meal, while increasing the section 11 guarantee by over 60 percent to 48 cents per meal. It would legislatively guarantee these minimum reimbursement rates to every State.

In every State, a minimum of 56 cents per meal in Federal funds would be available for each free or reduced price lunch served, using a combination of 8 cent section 4 and 48 cent section 11 reimbursement rates.

The States would be free to allocate these funds to schools according to need for such funds in order to be able to reach every eligible youngster. The only limitation would be that no school would be entitled to recover in reimbursement more than it actually spent on meals—measured by the cost of serving such meals, less the amounts charged for regular and reduced-price lunches.

For example, if a school was compelled to spend 70 cents to produce a school lunch, the State could reimburse at that rate for all free meals served.

At the same time, however, the State would have to make sure that it could offset this high reimbursement and maintain its 56 cents average by paying less to other schools where the cost of producing a lunch was less than 56 cents.

All the State school lunch directors have made it clear that this reimbursement formula would fully meet their needs and indeed provide strong encouragement for schools to enter the program.

I realize that budget estimates submitted to Congress and approved early this summer would not be sufficient to pay for the increased reimbursement rates. Had Congress understood the intention of the administration to cut back on payment rates, I believe we would have adopted a higher appropriation.

Until we do have an opportunity to act on a supplemental appropriation to correct shortages in the school lunch program, my bill provides that the Secretary of Agriculture shall use section 32 funds to implement the minimum payment guarantees. There are ample funds in section 32 to support the school lunch program for the interim.

Each of the provisions I have outlined would insure that the will of Congress expressed clearly in Public Law 91-248 is carried out by the end of this year.

We are already a year behind in fulfilling the promise of that law. Many children have needlessly suffered—educationally and nutritionally—because we are late. Some of their losses we can remedy—others may be irreparable.

But it is not too late to prevent any more tragedies of this kind. And it is both the legislative and the human responsibility of Congress to do so without delay.

As further evidence of the need for prompt action on this proposal I offer today, I submit a number of documents for the consideration of my colleagues. Letters, telegrams, articles, and edito-

rials—these represent only a small sample of the public outcry to feed the hungry children of America.

Mr. President, I ask unanimous consent that certain materials and the text of my proposed joint resolution be printed in full at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 163

Whereas, funds appropriated for the purpose of carrying out the National School Lunch Act for the fiscal year ending June 30, 1972, including funds made available for such purpose from funds appropriated under section 32 of the Act of August 24, 1935 (49 Stat. 774), are inadequate to enable the States and schools to continue participation in the national school lunch program and to achieve the objectives of the National School Lunch Act, particularly the objective of providing a free or reduced price lunch to every needy school child: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, the Secretary of Agriculture is authorized during the remainder of the fiscal year ending June 30, 1972, or until additional funds are hereafter appropriated for such purposes, whichever is earlier, to use such funds appropriated under section 32 of the Act of August 24, 1935 (49 Stat. 774), as may be necessary to (1) provide a rate of reimbursement under the National School Lunch Act that will assure every needy school child a free or reduced price lunch, (2) provide funds sufficient to assist the States in meeting the needs of local schools in carrying out the provisions of the National School Lunch Act.*

SEC. 2. In carrying out the provisions of the National School Lunch Act, the Secretary of Agriculture shall make funds available to each State in such an amount as may be necessary to reimburse each State at a rate equal to not less than 8 cents per meal in the case of meals served in such State under section 4 of such Act and in an amount equal to not less than 48 cents per meal in the case of meals served in such State under section 11 of such Act.

SEC. 3. In making payments to schools under Sections 4 and 11 of the National School Lunch Act, at rates above or below the Statewide minimum payment provisions, States shall base the rate assigned to a school on the school's relative need for special assistance in serving free and reduced price lunches; but in no event shall reimbursement for meals served in any school exceed the actual cost of meals served in such school, less the charges collected from the children served, under each such section, respectively.

SEC. 4. The provisions of this Act shall not in any way limit the authority of the Secretary of Agriculture under any other provision of law to provide additional Federal assistance to any State for carrying out the National School Lunch Act, or prohibit him from providing higher payment rates under sections 4 and 11 of such Act whenever funds are available for such purposes.

#### FEDERAL SCHOOL LUNCH PLAN FAILS TO HELP 1.9 MILLION POOR PUPILS

WASHINGTON.—Today, nine months after President Nixon's target date of Thanksgiving, 1970, for extending the school lunch program to reach all needy children, 1.9-million children of the poor get none of its benefits.

But the Department of Agriculture—delegated the responsibility for carrying out the President's mandate—maintains that Mr.

Nixon's original goal has technically been met.

Edward J. Hekman, administrator of the Food and Nutrition Service Division of the department, said in an interview that Mr. Nixon's goal was based on a figure of 6.6 million needy children—a figure used frequently by Dr. Jean Mayer, the President's nutrition expert.

Mr. Hekman said that his department had extended the lunch program to that number of needy children by January, 1971—only two months behind schedule. He said that the number now reached was 7.4 million.

#### A NEW TIMETABLE

He said that statistics gathered later indicated that instead of 6.6 million, the estimate on which the president's goal was based, there were 9.3 million needy children.

"It would have been physically impossible to reach this new figure by Thanksgiving," he said.

Mr. Hekman said that the Department of Agriculture and the National Advisory Council created by the 1970 amendment of the School Lunch Act had discussed a new timetable.

"I expect the council to set a new target of about three years hence," he said. "The problem is bringing the approximately 20,000 schools not now a part of the program into the picture."

Mr. Hekman estimated that these schools—largely inner city or rural poverty areas—had one million eligible children.

#### A MOOT QUESTION

These, coupled with the 400,000 eligible but unreached children in schools that already participate in the program, would necessitate expenditure of about \$570.4-million a year.

This is based on Congress's estimate of \$100-million for equipment alone and on Mr. Hekman's estimate of a Federal share of 42 cents a lunch for each of the 1.4 million additional children.

But, in view of hold-the-line posture of Mr. Nixon's budget men, it is a moot question whether this goal can be reached.

The amount spent last year for free or reduced-price lunches totaled \$356.4-million. The amount budgeted this year exceeds that amount by about \$33-million, according to Mr. Hekman.

Special provisions were made by Congress to provide \$38-million in the fiscal year 1971 and \$33-million in the fiscal year 1972 to put facilities in nonprogram schools.

The Administration cut this amount back to \$16.1-million the first year and plans to use only \$16-million this year.

"It may not be enough, but it will go a long way," Mr. Hekman said.

The sizable increase in the number of needy children—from 3.8 million in 1969 to 9.3 million today—is related to state-initiated changes in eligibility guidelines, Mr. Hekman said.

The figure of 6.6 million children results from states using a \$3,940 poverty level as a guideline, he said. Now, at least 22 states have raised their poverty-level standard to around \$4,350. Minn. \$4,200.

Opponents of the department's methods of implementation and budgeting have accused the Administration in recent weeks of using calculated methods to halt the growth of the program.

The more notable critics include Senator George McGovern, Democrat of South Dakota, and a group of 35 directors of state child nutrition programs.

#### GUIDELINES CRITICIZED

Each charged that while not cutting back in program funds, the Administration had designed Federal reimbursement guidelines that held the states liable for a matching portion above that of last year's, in effect limiting expansion in states faced with financial problems.

Members of Senator McGovern's staff charged that funds in one special section had been released to states only after they had exhausted the two principal sections that provided funds under the lunch program act.

Senator McGovern plans a Congressional hearing on the program Sept. 7. He said that he would ask the Secretary of Agriculture, the director of the Office of Management and Budget and Mr. Hekman to testify.

[From the Washington Post, Aug. 28, 1971]

#### HUNGER IN THE CLASSROOM

"Fiscal discipline is always difficult but it is absolutely essential . . . if we're to live within our budget." Thus spoke Assistant Secretary of Agriculture Richard Lyng the other day in announcing some new belt-tightening regulations for administration of the school lunch program. He is entirely right about this, of course, and the directors of any chamber of commerce would have little difficulty in grasping the validity of his observation if they heard it in the course of a luncheon speech as they were finishing their dessert and sipping their coffee. Discipline is a term more easily understood on a full stomach than on an empty one.

The fiscal discipline Mr. Lyng has in mind will be felt most intimately by a large number of school children whose families cannot afford to buy lunches for them and who will, in consequence, be called upon to accept the discipline on empty stomachs. It is to take the form of a reduced contribution to the school lunch program by the federal government, if proposed new regulations of the Agriculture Department go into effect. The formula by which federal funds are allocated to this program is a complicated one. But the nub of the matter appears to be that the department aims to contribute to the feeding of an expected 9.1 million poor and hungry children in the school year ahead with the same amount of money it supplied for the feeding of 7.3 million last year. The department did not ask for additional funds to finance the expected expansion; and, although Congress authorized the expenditure of \$100 million out of a special fund available to the department, Secretary Hardin has declined to do this.

The state director of the school lunch program responded to these proposed regulations with a unanimous outburst of indignation. "The average rate of 30 cents per meal for free and reduced lunches set forth in proposed regulations," they declared in a formal statement, "is unequivocally inadequate, and furthermore we feel that such a limitation would jeopardize the existing program and preclude any expansion to reach the additional estimated three to five million hungry children in America. The regulatory restrictions and funding projections as proposed are bringing the school lunch programs to a screeching halt, and will result in a termination of programs in many places. The state plans of operation as prepared for 1971-72 become null and void by each state as the plans were developed in good faith to meet the challenge of the President and Congress to feed the hungry children in America's schools."

This impassioned statement comes from men and women in the field who have to administer the school lunch program. Their indignation is becoming. Senator George McGovern, chairman of the Senate Select Committee on Nutrition and Human Needs, reacted similarly, charging in a letter to Secretary Hardin that the proposed regulations "blatantly violate both the spirit and the letter of the school lunch law passed by Congress last year." It is a curious order of priorities indeed that puts resuscitation of an aircraft manufacturer ahead of human hunger. It is a strange sort of fiscal discipline that puts its burden upon children.

[From the Minneapolis Tribune, Sept. 25, 1971]

#### RESTRICTING AID FOR SCHOOL LUNCH

The story of the national school lunch program has long been one of foot-dragging at all levels. Although federal money and food commodities have been offered as partial support for many years, this support was \* \* \* many states made little or no contribution, and thousands of school districts did not attempt to offer lunches in more than a few schools. Minneapolis, for example, began to serve hot lunches in elementary schools only five years ago, and although all "target area" schools now provide lunches, 25 elementary schools in the city do not.

In May 1970, Congress passed legislation which President Nixon said "will assure that every child from a family whose income falls below the poverty line will get a free or reduced price lunch." During the 1970-71 school year, there was an experience in the school-lunch program. More federal funds were available as partial payment for each lunch served, and states could obtain additional flexible funds to aid schools most needing help for their lunch operations. Still, however, many school districts in the country did little to extend their lunch services.

In August, the Department of Agriculture proposed new regulations for the distribution of lunch subsidies. As school officials interpreted the complicated rules, more and more they complained of cutbacks. They said that either they would be unable to provide the free or low-priced lunches to all children of poor families, as required by the 1970 law, or they would have to cut the lunch programs in schools where most children can pay the regular price.

Department of Agriculture officials have defended their new regulations. They say the new funding procedure will provide contributions to the various states more equitably, an additional \$78.8 million will be available for free and reduced-price lunches and the aid will reach more schools and more children.

In effect, however, the states and school districts which have been most enterprising in expanding school lunch programs would be penalized by the new ceilings in federal cash subsidies (5 cents per regular-priced lunch, 30 cents per free or reduced-price lunch) and also by the loss of any flexible funds. Sen. Mondale, who is severely critical of the proposed regulations, says that Minnesota would lose \$2 million a year. The grant, on a national basis, would come in the expansion of lunch programs in states which have lagged.

It can be argued that states and school districts should contribute more to school lunches. Minnesota pays ½ cent per lunch, about \$530,000 a year, school districts spend money on staffing and facilities.) Even more obvious, however, is the fact that if seriously inadequate lunch programs in some states can be improved only by damaging the better lunch programs in other states, the new rules should be scrapped and a better federal financing system should be devised.

The intent of Congress clearly was to see that all children in poor families be provided with good lunches. In addition, many children whose parents can pay for their lunches but cannot provide them at home should be able to obtain lunch at school. The administration should set regulations which serve these purposes and Congress should gear appropriations accordingly.

[From the St. Cloud Daily Times, Sept. 17, 1971]

#### MONDALE SEES THREAT TO SCHOOL LUNCH AID

WASHINGTON.—Sen. Walter Mondale, D-Minn., urged President Nixon Thursday to withdraw proposed new Department of Agriculture regulations that "pose a very real

threat to the continued progress of the National School Lunch Program."

In a letter to Nixon, Mondale and 10 other senators said the proposed regulations would force many schools to eliminate their child nutrition programs.

In addition, he said, "there will be further hardships to the nation's economy through unemployment and reduced consumption of raw resources such as food and equipment."

He said absenteeism, dropouts and apathetic students will negate the benefits of the multimillion dollar investment for public and private schools, "and finally, and most important, there will continue to be hungry children in America's schools."

The new regulations provide for an average payment of 35 cents to states for free and reduced price lunches. Last year, Minnesota received an average of 50.8 cents per meal for free and reduced price lunches.

The senators called for new rules which would permit states to pay 60 cents maximum reimbursement rates for these lunches for needy children.

Mondale said the proposed reduction in federal payment rates for meals beneath last year could "bring planned state lunch programs to a screeching halt or seriously impair their expansion."

ST. PAUL, MINN., Sept. 21, 1971.

Senator WALTER MONDALE,  
Washington, D.C.:

The one thousand elementary school principals of Minnesota request that you reject the new Agriculture Department guide lines that would drastically decrease Federal support for the hot lunch program for elementary schoolchildren.

Note under the new guide lines that in Minneapolis over three-fourths of a million dollars of local funds will be needed to continue the former program. The fact is if the price freeze, unemployment, and limited income already limit the ability of parents to pay the former charge the new increase doubles the cost for a hot lunch. This will deprive many poor and needy children in receiving a hot lunch each day.

Your influence and support is necessary M.E.S.P.A. requests it.

ROBERT ARNOLD,  
Executive Secretary M.E.S.P.A.

SEPTEMBER 29, 1971.

Senator WALTER F. MONDALE,  
U.S. Senate,  
Washington, D.C.:

The Minnesota Congress of Parents and Teachers is deeply concerned over new school lunch regulations further limiting Federal funding of school lunches for needy children and cut back in Minnesota program. This administrative action does not carry out the intent of Congress in the passage of Public Law 92-32. We ask that you urge the U.S. Department of Agriculture to revise the proposed regulations to reflect the expressed directions of Congress.

Mrs. E. E. JACOB,  
President,  
Parents Teachers Association.

SEPTEMBER 18, 1971.

Senator MONDALE,  
Washington, D.C.:

The secondary administrators in Minneapolis which now numbers 87 members wish to go on record that we protest the decision which has been made regarding the change in lunch price especially for the Target area schools and all Minneapolis schools included. We feel that such a decision was untimely for our working in the community and certainly does not help the hungry child who needs support.

THE SECONDARY ADMINISTRATORS,  
Minneapolis Public Schools.

WINDOM ELEMENTARY SCHOOL,

Minneapolis, Minn., September 17, 1971.  
President RICHARD M. NIXON,  
The White House, Washington, D.C.

DEAR PRESIDENT NIXON: We are protesting the withdrawal of federal funds from the school hot lunch program.

The Minneapolis Public Schools cannot finance the deficit created by the withdrawal of federal funds, so the cost of hot school lunches will be raised as of September 27th. Many children will go hungry. This is a glaring departure from your campaign promises. Parents in our community see an increase in the cost of school lunches and the withdrawal of some free lunch programs as inconsistent with the price freeze.

Well nourished children are more receptive to learning. It is ineffective and inappropriate to allocate funds for educational programs without providing the conditions that make learning possible. Hungry children cannot learn.

This is also an economically unsound action. Administrative costs of screening budgets, keeping records, collecting, etc. far exceed the cost of providing a free lunch for all children in depressed areas.

We strongly urge you to reconsider this action and expand rather than curtail federal funds for the school hot lunch program.

Sincerely yours,

Morris Vogel, Evelyn Silverman, Phyllis Lund, Betty Forbes, Marilyn Kleidsch, Violet Malchow, Esther Babracki, Ann Davis, Earl S. Johnson, Louise Henrikmen, Mary —, Mary Wether-spoon, Margaret Decker.

Barbara McCart, Vi Bradherst, Grace Olson, Barbara Johnston, Isiah Brewer, Patricia Madden, Rishelle Nisbett, Arthur Anderson, Kathleen Erickson, Bernice Lumesth.

DULUTH PUBLIC SCHOOLS,

Duluth, Minn., September 3, 1971.

Hon. WALTER MONDALE,  
U.S. Senate,  
Washington, D.C.

DEAR SIR: I was greatly encouraged last year to hear of the administration's plan for a hot lunch program for public school children that would provide a good hot lunch for children. I was even more encouraged by a provision which allowed us to provide free and reduced cost lunches to needy children. Now the news is bleak! The drastic cuts in subsidies will mean a loss of \$86,000 to our program. Instead of just breaking even this loss will probably mean a drastic reduction or even elimination of our program. Our local school budget is such that we cannot absorb this type of undercutting.

What can you do to help us?

Yours truly,

DONALD H. PECKENPAUGH,  
Superintendent.

MINNEAPOLIS PUBLIC SCHOOLS,

Minneapolis, Minn., September 16, 1971.  
Hon. WALTER F. MONDALE,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR MONDALE: The news of President Nixon's cutback in support of the Federal Lunch Program distresses us greatly. We feel that there is a significant part of our population in the income range where the expenditure of the additional money for lunches will come as a great economic hardship.

Please assert as much pressure on your fellow legislators and the Executive Branch to have this cutback rescinded immediately. A great amount of time, work and money can be saved if this matter is rectified.

Very truly yours,

JACK A. GILBERTON,  
Principal.

MADISON ELEMENTARY SCHOOL,

Minneapolis, Minn., September 16, 1971.  
President RICHARD M. NIXON,  
The White House,  
Washington, D.C.

DEAR PRESIDENT NIXON: We are dismayed at the withdrawal of federal funds from the school hot lunch program.

The Minneapolis Public Schools cannot finance the deficit created by the withdrawal of federal funds, so the cost of hot school lunches will be raised as of September 27th. Many children will go hungry. This is a glaring departure from your campaign promises. Parents in our community see this as inconsistent with the price freeze.

Well nourished children are more receptive to learning. It is ineffective and inappropriate to allocate funds for educational programs without providing the conditions that make learning possible. Hungry children cannot learn.

This is also an economically unsound action. Administrative costs of screening budgets, keeping records, collecting, etc. far exceed the cost of providing a free lunch for all children in depressed areas.

We strongly urge you to reconsider this action and expand rather than curtail federal funds for the school hot lunch program.

Sincerely yours,

Jean S. Hendrickson, Waldamar P. Buchanan, Violet Brandherst, Marguerite Smith, Douglas C. Anderson, Ellen Grothe, Helen Sarff, Herman Hargest, Judith Keregi, Helen I. Soderlind, Jeanette Knutson, William Lersung, Harriet P. Burns, Evelyn I. Sheldrup, Charles R. Olson.

Robert E. Frank, Dennis M. Hawkinson, Beverly Carroll, Marianne Christian-son, Dennis J. Hayden, Shirley J. Odden, Carol Brant, Robert Wudlick, Shirley Carpenter, Jean Banks, Carol Oman, Marion Capistrant, Wilma Lane, Jean Rosenfeld, Cyril L. Paul.

CATHOLIC EDUCATION CENTER,

St. Paul, Minn., September 16, 1971.

Senator WALTER MONDALE,  
U.S. Senate Office Building,  
Washington, D.C.

DEAR SENATOR MONDALE: Just a brief note to thank you for your work on behalf of the less affluent children being affected by the Agriculture Department's decision not to support the free and reduced lunch program. In the event that no change is made in present policy, we will have to drop our program in connection with Project Discovery in St. Paul. We simply do not have the \$7,000 that we will run in debt under the present Agriculture Department policies.

We have tried to get some help on the state level but have been told that there is no chance. Only the federal people can be of any help in making changes.

I realize that you are working on this problem and I applaud you for it. Even if you can't get anything accomplished in this area, thank you for trying.

Sincerely yours,

Father JOHN GILBERT,  
Superintendent.

MINNEAPOLIS PUBLIC SCHOOLS,

Minneapolis, Minn., September 16, 1971.

Hon. WALTER MONDALE,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR MONDALE: I want to express my appreciation for your efforts on behalf of the school lunch program. The loss of federal funds means for our school an increase in the cost of hot lunches from 20 cents to 35 cents. It is especially difficult in view of the fact that this school has just been declared a "Target Area" school, and parents have many questions as to whether this designation really has any meaning. With the lower price

this year, fewer people applied for free or reduced cost lunches; thus, many were able to preserve a sense of dignity and self-sufficiency which may now be threatened.

I hope you will be able to convince the Administration that the availability of a nourishing hot lunch for all children can contribute much to successful learning, general health, and also education in nutrition.

Sincerely yours,

(Mrs.) MARY LOU LOUD,  
School Social Worker.

MINNEAPOLIS PUBLIC SCHOOLS,  
Minneapolis, Minn., September 16, 1971.

Senator WALTER MONDALE,  
Senate Office Building,  
Washington, D.C.

DEAR SENATOR MONDALE: I'm writing this letter to you fully aware of your diligence and perseverance in securing funds for public school lunch programs. Not with a feeling of protest, but rather with indignation and a sense of frustration over the recent change in our federal guidelines for target area schools.

I keep asking myself how in a country with all our resources we choose to save funds in the area of food for children? How we can loan money to large corporations and tell parents we're short of funds for hot lunch programs? The answer to these questions must lie in the Congress of the United States and the men who represent us in office. Surely a change in priorities must be instituted.

Please continue your efforts in the behalf of public education.

Sincerely,

KENNETH A. SCHUMACK, Principal.

MINNEAPOLIS, MINN.,  
September 18, 1971.

Senator WALTER MONDALE,  
Washington, D.C.

DEAR SENATOR MONDALE: As a teacher in one of the Minneapolis inner city schools, I strongly support your action in trying to stop the lunch program change proposed by President Nixon.

Sincerely,

MARIE C. SUNDHEIM.

MINNEAPOLIS, MINN.,  
September 21, 1971.

The Honorable Senator MONDALE:

We would appreciate your support in opposing any change in the school hot lunch program.

I feel the proposed change would be taking food out of the mouths of children.

Very truly yours,

Mrs. J. WASHOSKY,  
Whittier PTA—Minneapolis.

SEPTEMBER 21, 1971.

DEAR MR. MONDALE: The parents in the Phillips Jr. High School area feel very badly about the rise in cost to them, for school lunches.

Most of these people cannot afford the new prices and the children will be getting along on less than good nutrition.

Mrs. R. W. KEATING,  
PTA President.

AUGUST 29, 1971.

HON. CLIFFORD M. HARDIN,  
Secretary of Agriculture, U.S. Department of  
Agriculture, Washington, D.C.

DEAR SECRETARY HARDIN: "I strongly urge that you withdraw the regulations issued August 13, 1971, pertaining to reimbursement rates for the School Lunch Program.

"I object not only to the content of these regulations but also to the timing and conditions of their announcement.

"In each respect, the Department would break faith with Congress, the States and hungry children if these regulations go into effect.

"It is outrageous to consider that—despite

massive federal support for spending on space, loans to Lockheed and other non-essential programs—budgetary manipulations might lie behind rules which deny meals to children who are guaranteed these lunches under federal law.

"I need not repeat the President's promise to end hunger among American school children. But beyond promises, Public Law 91-248 requires that 'any child who is a member of a household that has an annual income not above the applicable family size income level shall be served meals free or at a reduced cost.'

"In accordance with the law, States have submitted plans to meet that requirement. But if the new regulations are adopted, thirty-seven State school lunch directors have testified they will be unable to implement the plans they developed, in good faith, to comply with P.L. 91-248.

"Does the Department ask that the States rescind plans that are required by law? Does it ask that the States pay for the school lunch program when they are already under such severe budgetary strain? Or, should children who do not qualify under the Act absorb the cost of lunches for those who do?

"These are the alternatives posed by the August 13 regulations. I fear the likely answer is that hungry children again will not get food.

"As unacceptable as the new regulations are in substance, the timing and conditions for their release are inexcusable.

"The August 13th public announcement comes just three weeks before school is to start, too late for many States to abandon their plans without chaos. It comes while Congress is in recess. Moreover, the fifteen day period for response denies both the States and Congress a fair opportunity for comment.

"To all of these arguments, I would add one more.

"Promises for opportunity and laws to protect the rights of children must be more than mere words, or our children will respect neither the word nor the law of this government. But, truthfully, respect for the law and concern for American children are not embodied in the August 13th regulations.

"I hope that you will act to withdraw them."

Sincerely,

WALTER F. MONDALE.

#### ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1521

At the request of Mr. PROXMIRE, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 1521, to prohibit television blackouts of home games when all tickets are sold.

S. 1985

At the request of Mr. WILLIAMS, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 1985, the Truth in Food Labeling Act.

S. 2023

At the request of Mr. BAYH, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor to S. 2023, a bill to provide for a procedure to investigate and render decisions and recommendations with respect to grievances and appeals of employees of the Foreign Service.

S. 2083

At the request of Mr. BAYH, the Senator from Illinois (Mr. STEVENSON), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from New York (Mr. JAVITS) were added as cosponsors

to S. 2083, a bill to prohibit the poisoning of animals and birds on the public lands of the United States, and for other purposes.

S. 2084

At the request of Mr. BAYH, the Senator from New Jersey (Mr. WILLIAMS), and the Senator from New York (Mr. JAVITS) were added as cosponsors to S. 2084, a bill to discourage the use of leg-hold or steel jaw traps on animals in the United States.

S. 2237

At the request of Mr. JACKSON, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 2237, to establish within the Department of the Interior the Indian Business Development Program to stimulate Indian entrepreneurship and employment.

S. 2304

At the request of Mr. TOWER, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2304, to amend title 38, United States Code, to provide financial assistance to institutions for the establishment and expansion of programs under which veterans with military acquired medical skills will be trained and educated in the allied health professions.

S. 2345

At the request of Mr. HATFIELD, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 2345, to amend the Internal Revenue Code of 1954 to allow an income tax deduction for donations of blood.

S. 2360

At the request of Mr. WILLIAMS, the Senator from Oregon (Mr. HATFIELD), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 2360, the Automobile Driver Education Act.

S. 2437

At the request of Mr. FONG, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 2437, to authorize a program for the development of fishery resources in the Central, Western, and South Pacific Ocean.

S. 2497

At the request of Mr. HATFIELD, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 2497, to authorize the President, through the temporary Vietnam Children's Care Agency, to enter into arrangements with the Government of South Vietnam to provide assistance in improving the welfare of children in South Vietnam and to facilitate the adoption of orphaned or abandoned Vietnamese children, particularly children of U.S. fathers.

S. 2535

At the request of Mr. BAYH, the Senator from Rhode Island (Mr. PELL), the Senator from Rhode Island (Mr. PASTORE), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Massachusetts (Mr. BROOKE) were added as cosponsors to S. 2535, a bill to provide financial assistance for State and local small, community-based correctional facilities; for the creation of innovative programs of vocational training, job placement, and on-the-job counseling; to