

# Union Calendar No. 665

114<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5003

**[Report No. 114–852, Part I]**

To reauthorize child nutrition programs, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 20, 2016

Mr. ROKITA introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

DECEMBER 8, 2016

Additional sponsor: Mr. KLINE

DECEMBER 8, 2016

Reported from the Committee on Education and the Workforce with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

DECEMBER 8, 2016

The Committee on the Budget discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on April 20, 2016]

# **A BILL**

To reauthorize 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,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the “Im-*  
 5 *proving Child Nutrition and Education Act of 2016”.*

6 (b) *TABLE OF CONTENTS.*—*The table of contents for*  
 7 *this Act is as follows:*

*Sec. 1. Short title; table of contents.*

*Sec. 2. Definition of Secretary.*

*TITLE I—NATIONAL SCHOOL LUNCH ACT*

*Sec. 100. State agency.*

*Sec. 101. Apportionments to States.*

*Sec. 102. Repeal of nutrition promotion.*

*Sec. 103. Direct Federal expenditures.*

*Sec. 104. Nutritional and other program requirements.*

*Sec. 105. Miscellaneous provisions.*

*Sec. 106. Summer food service program for children.*

*Sec. 107. Commodity distribution program.*

*Sec. 108. Child and adult care food program.*

*Sec. 109. Demonstration projects.*

*Sec. 110. Fruit and vegetable program.*

*Sec. 111. Compliance and accountability.*

*Sec. 112. Repeal of State childhood hunger challenge grants.*

*Sec. 113. Duties of the Secretary relating to nonprocurement debarment.*

*Sec. 114. Improvements to school lunch facilities.*

*Sec. 115. Prohibitions.*

*TITLE II—CHILD NUTRITION ACT*

*Sec. 201. Special milk program authorization.*

*Sec. 202. School breakfast program.*

*Sec. 203. State administrative expenses.*

*Sec. 204. Regulations.*

*Sec. 205. Definition of State agency.*

*Sec. 206. Special supplemental nutrition program for women, infants, and chil-*  
*dren.*

*Sec. 207. Team nutrition network.*

*TITLE III—MISCELLANEOUS*

*Sec. 301. Reviews.*

*Sec. 302. Program delivery.*

*Sec. 303. Product availability.*

*Sec. 304. Procurement.*

*Sec. 305. School Nutrition Advisory Committee.*

*Sec. 306. Paperwork reduction.*

*Sec. 307. Technology.*

*Sec. 308. Improving health and safety oversight and monitoring for the child and adult care food program.*

*Sec. 309. Technical corrections.*

*Sec. 310. Budgetary effects.*

*Sec. 311. Effective date.*

1 **SEC. 2. DEFINITION OF SECRETARY.**

2 *In this Act, the term “Secretary” means the Secretary*  
 3 *of Agriculture.*

4 **TITLE I—NATIONAL SCHOOL**  
 5 **LUNCH ACT**

6 **SEC. 100. STATE AGENCY.**

7 *In each of the following Acts, by striking “State edu-*  
 8 *cational agency” and “State educational agencies” each*  
 9 *place such term appears (including any headings) and in-*  
 10 *serting “State agency” and “State agencies”, respectively:*

11 *(1) The Richard B. Russell National School*  
 12 *Lunch Act (42 U.S.C. 1751 et seq.).*

13 *(2) The Child Nutrition Act of 1966 (42 U.S.C.*  
 14 *1771 et seq.).*

15 **SEC. 101. APPORTIONMENTS TO STATES.**

16 *Section 4(b) of the Richard B. Russell National School*  
 17 *Lunch Act (42 U.S.C. 1753(b)) is amended—*

18 *(1) in paragraph (3)—*

19 *(A) in subparagraph (B), by striking “Be-*  
 20 *ginning on” and all that follows through “the*  
 21 *Secretary” and inserting “The Secretary”;*

1           (B) in subparagraph (E), by striking “Be-  
2           ginning on” and all that follows through “school  
3           food authorities” and inserting “School food au-  
4           thorities”; and

5           (C) in subparagraph (F)(iii)—

6           (i) in subclause (I), by inserting “(as  
7           in effect on the day before the date of the en-  
8           actment of the Improving Child Nutrition  
9           and Education Act of 2016)” after “sub-  
10          paragraph (A)(ii)”; and

11          (ii) by adding at the end the following:

12                   “(III) SUNSET.—The Secretary  
13                   shall return to the general fund of the  
14                   Treasury any funds that were made  
15                   available under this subparagraph but  
16                   not obligated by a State agency as of  
17                   September 30, 2016.”; and

18          (2) by adding at the end the following:

19                   “(4) ANNOUNCEMENTS.—With respect to reim-  
20                   bursement rates described in this subsection, the Sec-  
21                   retary shall announce the rates and, to the maximum  
22                   extent practicable, any associated guidance by Feb-  
23                   ruary 15 of the school year prior to the school year  
24                   for which the rates and guidance will become effec-  
25                   tive.”.

1 **SEC. 102. REPEAL OF NUTRITION PROMOTION.**

2 *Section 5 of the Richard B. Russell National School*  
3 *Lunch Act (42 U.S.C. 1754) is repealed.*

4 **SEC. 103. DIRECT FEDERAL EXPENDITURES.**

5 *Section 6 of the Richard B. Russell National School*  
6 *Lunch Act (42 U.S.C. 1755) is amended—*

7 *(1) in subsection (c)—*

8 *(A) by striking “(c)(1)(A) The national av-*  
9 *erage” and all that follows through “(D) Among*  
10 *those commodities” and inserting the following:*

11 *“(c) CALCULATION OF TOTAL ASSISTANCE.—*

12 *“(1) NATIONAL AVERAGE VALUE.—*

13 *“(A) IN GENERAL.—Subject to subpara-*  
14 *graphs (B) and (C), the national average value*  
15 *of donated foods, or cash payments in lieu there-*  
16 *of, shall be equal to the quotient obtained by di-*  
17 *viding, not later than February 15 of each year*  
18 *for the upcoming school year—*

19 *“(i) the total funds available in the*  
20 *preceding school year under section 4, this*  
21 *section, and section 11; by*

22 *“(ii) the number of lunches served in*  
23 *the preceding school year in all schools par-*  
24 *ticipating in the school lunch program*  
25 *under this Act.*

26 *“(B) ADJUSTMENT.—*

1           “(i) *IN GENERAL.*—*The value deter-*  
2           *mined under subparagraph (A) shall be ad-*  
3           *justed by the annual percentage change in*  
4           *a 3-month average value of the Producer*  
5           *Price Index for Foods Used in Schools and*  
6           *Institutions of the Bureau of Labor Statis-*  
7           *tics (in this subparagraph referred to as the*  
8           *‘Index’) for the preceding September, Octo-*  
9           *ber, and November.*

10           “(ii) *REQUIREMENT.*—*An adjustment*  
11           *under clause (i) shall be computed to the*  
12           *nearest  $\frac{1}{4}$  cent.*

13           “(iii) *INDEX.*—

14           “(I) *IN GENERAL.*—*The Index*  
15           *shall be computed using 5 major food*  
16           *components in the Index (cereal and*  
17           *bakery products, meats, poultry and*  
18           *fish, dairy products, processed fruits*  
19           *and vegetables, and fats and oils).*

20           “(II) *COMPONENTS.*—*Each com-*  
21           *ponent described in subclause (I) shall*  
22           *be weighted using the same relative*  
23           *weight as determined by the Bureau of*  
24           *Labor Statistics.*

1                   “(iv) *MINIMUM AMOUNT OF COM-*  
2                   *MODITY ASSISTANCE.—Not less than 12 per-*  
3                   *cent of the value adjusted in accordance*  
4                   *with this subparagraph shall be provided in*  
5                   *the form of commodity assistance.*

6                   “(C) *INSUFFICIENT AMOUNTS.—If amounts*  
7                   *available to carry out section 4, this section, and*  
8                   *section 11 are insufficient to meet the require-*  
9                   *ments of such sections for a school year, the Sec-*  
10                   *retary shall, to the extent necessary, use the au-*  
11                   *thority provided under section 14(a) to meet the*  
12                   *requirements for the school year.*

13                   “(D) *AMOUNT FOR EACH STATE.—For each*  
14                   *school year, the total commodity assistance or*  
15                   *cash in lieu thereof available to a State for the*  
16                   *school lunch program shall be equal to the prod-*  
17                   *uct obtained by multiplying—*

18                   “(i) *the number of lunches served in*  
19                   *such State in the most recent school year for*  
20                   *which data are available; by*

21                   “(ii) *the rate determined under sub-*  
22                   *paragraphs (A) and (B).*

23                   “(E) *SPECIAL EMPHASIS.—Among those*  
24                   *commodities”; and*



1                   (B) in paragraph (1), by striking “(E) Not-  
2                   withstanding” and inserting the following:

3                   “(F) *MINIMUM QUANTITY OF DONATED*  
4                   *FOODS.—Notwithstanding*”;

5                   (2) by striking subsection (e); and

6                   (3) by redesignating subsection (f) as subsection  
7                   (e).

8 **SEC. 104. NUTRITIONAL AND OTHER PROGRAM REQUIRE-**  
9                   **MENTS.**

10                  Section 9 of the Richard B. Russell National School  
11 *Lunch Act (42 U.S.C. 1758) is amended—*

12                   (1) by striking the section heading and designa-  
13                   tion and all that follows through the end of para-  
14                   graph (1) in subsection (a) and inserting the fol-  
15                   lowing:

16 **“SEC. 9. NUTRITIONAL AND OTHER PROGRAM REQUIRE-**  
17                   **MENTS.**

18                   “(a) *REQUIREMENTS.—*

19                   “(1) *TECHNICAL ASSISTANCE AND TRAINING.—*  
20                   *The Secretary shall provide—*

21                   “(A) *technical assistance and training to*  
22                   *schools participating in the school lunch pro-*  
23                   *gram to assist the schools in complying with the*  
24                   *nutritional requirements prescribed by the Sec-*  
25                   *retary pursuant to subsection (f) and in pro-*

1        *viding appropriate meals to children with medi-*  
2        *cally certified special dietary needs, including*  
3        *food allergies or other special dietary needs of in-*  
4        *dividual children, including religious dietary re-*  
5        *strictions; and*

6                *“(B) additional technical assistance to*  
7        *schools that are having difficulty maintaining*  
8        *compliance with the requirements.”;*

9        *(2) in subsection (a)—*

10                *(A) in paragraph (2), by adding at the end*  
11        *the following:*

12                *“(D) FLUID MILK CONSIDERATIONS.—In de-*  
13        *termining varieties of fluid milk that shall be*  
14        *available with school meals programs under this*  
15        *Act and section 4 of the Child Nutrition Act of*  
16        *1966 (42 U.S.C. 1773) and outside of the school*  
17        *meal programs, the Secretary, not later than 90*  
18        *days after the date of enactment of the Improv-*  
19        *ing Child Nutrition and Education Act of 2016,*  
20        *shall carry out the following:*

21                *“(i) Consider the critical nutrient*  
22        *needs of children who may be at risk for in-*  
23        *adequate intake of the recommended daily*  
24        *servings of milk and dairy products under*  
25        *the most recent Dietary Guidelines de-*

1           scribed in subparagraph (A)(i) and conform  
2           the applicable regulations to such guide-  
3           lines.

4           “(ii) Analyze milk consumption data  
5           and trends for school-aged children, and to  
6           the extent practicable, increase actual milk  
7           consumption in schools in a manner con-  
8           sistent with the number of servings rec-  
9           ommended under such Dietary Guidelines,  
10          and ensure that schools may offer any type  
11          of milk with fat levels that are in compli-  
12          ance with such Dietary Guidelines.

13          “(E) MILK VARIETY CONSIDERATIONS.—In  
14          determining milk varieties eligible for schools to  
15          offer with school meal programs under this Act  
16          and section 4 of the Child Nutrition Act of 1966  
17          (42 U.S.C. 1773) and outside of the school meal  
18          programs, the Secretary shall consider the most  
19          commonly available types, sizes, containers, and  
20          varieties of milk in local, regional, and national  
21          commercial markets from which local edu-  
22          cational agencies procure milk, to promote com-  
23          petition and reduce milk waste.”;

24          (B) by striking “(4) PROVISION OF INFOR-  
25          MATION” and all that follows through “(C) PRO-

1           *CUREMENT AND PROCESSING OF FOOD SERVICE*  
2           *PRODUCTS AND COMMODITIES.—The Secretary”*  
3           *and inserting the following:*

4           “(4) *PROCUREMENT AND PROCESSING OF FOOD*  
5           *SERVICE PRODUCTS AND COMMODITIES.—The Sec-*  
6           *retary”;*

7                   *(C) in paragraph (4) (as so designated)—*  
8                           *(i) by redesignating clauses (i) through*  
9                           *(iii) as subparagraphs (A) through (C), re-*  
10                          *spectively, and indenting appropriately;*  
11                          *and*

12                           *(ii) by redesignating subclauses (I) and*  
13                           *(II) as clauses (i) and (ii), respectively, and*  
14                           *indenting appropriately; and*

15                          *(D) by adding at the end the following:*

16           “(6) *EMERGENCY ACCESS TO POTABLE WATER.—*

17                   “(A) *IN GENERAL.—To ensure that children*  
18                   *have access to potable water during meal service,*  
19                   *the Secretary may award funds to State agencies*  
20                   *to assist such agencies in providing bottled water*  
21                   *for a period of not more than 90 days (except as*  
22                   *otherwise provided under subparagraph (C))*  
23                   *when—*

24                           “(i) *a major disaster or emergency has*  
25                           *been declared by the President under the*

1           *Robert T. Stafford Disaster Relief and*  
2           *Emergency Assistance Act (42 U.S.C. 5121*  
3           *et seq.); and*

4           “(i) *the Secretary determines that*  
5           *there is a significant risk to the health of*  
6           *school children posed by the public water*  
7           *system (as defined under section 1401(4) of*  
8           *the Safe Drinking Water Act (42 U.S.C.*  
9           *300f)).*

10           “(B) *MATCHING REQUIREMENT.—To receive*  
11           *funds under this paragraph, a State agency shall*  
12           *assure the Secretary that the State will utilize*  
13           *donated water supplies and State funding to*  
14           *supplement the funds that the State receives*  
15           *under this paragraph to provide bottled water as*  
16           *necessary for students.*

17           “(C) *EXTENSION OF AUTHORITY.—If the*  
18           *risk described in subparagraph (A)(ii) persists*  
19           *in a State after the first 90-day period for which*  
20           *funds under this paragraph are provided to such*  
21           *State, funds may be provided under this para-*  
22           *graph to such State for an additional 90-day pe-*  
23           *riod.*

1           “(D) FUNDING.—Not more than \$475,000  
2           may be provided under this paragraph for a fis-  
3           cal year.”;

4           (3) in subsection (b)—

5           (A) in paragraph (2)(B)—

6           (i) in clause (i), by striking “, and  
7           shall contain only the family size income  
8           levels for reduced price meal eligibility with  
9           the explanation that households with in-  
10          comes less than or equal to these values  
11          would be eligible for free or reduced price  
12          lunches”;

13          (ii) in clause (ii), by inserting “or re-  
14          duced price” after “free”;

15          (iii) in clause (iii)(I)—

16           (I) in item (aa), by striking  
17           “and” at the end;

18           (II) in item (bb), by striking the  
19           period at the end and inserting “;  
20           and”;

21           (III) by adding at the end the fol-  
22           lowing:

23           “(cc) individuals may report  
24           alleged fraud to the Office of the

1                    *Inspector General of the Depart-*  
2                    *ment of Agriculture.”; and*

3                    *(iv) by adding at the end the following:*

4                    *“(iv) REPORTING OF FRAUD.—The*  
5                    *Secretary shall ensure that the Internet*  
6                    *website of the Department of Agriculture*  
7                    *prominently displays a link to the Internet*  
8                    *website of the Office of the Inspector General*  
9                    *of the Department and the phone number of*  
10                   *the Office of the Inspector General through*  
11                   *which an individual may report any al-*  
12                   *leged fraud.*

13                   *“(v) APPLICATION FORMS.—Not later*  
14                   *than 120 days after the date of the enact-*  
15                   *ment of the Improving Child Nutrition and*  
16                   *Education Act of 2016, the Secretary*  
17                   *shall—*

18                   *“(I) review a sample of applica-*  
19                   *tion forms, including paper and dig-*  
20                   *ital forms, used to apply for participa-*  
21                   *tion in the school lunch program au-*  
22                   *thorized under this Act and the school*  
23                   *breakfast program established by sec-*  
24                   *tion 4 of the Child Nutrition Act of*  
25                   *1966 (42 U.S.C. 1773);*

1           “(II) provide to States guidance  
2 relating to best practices, including a  
3 standard application form local edu-  
4 cational agencies or schools may use;

5           “(III) provide to States guidance  
6 relating to how to improve the applica-  
7 tion to ensure families understand and  
8 can enroll in the school lunch program  
9 and the school breakfast program; and

10          “(IV) provide to States such infor-  
11 mation as is necessary to ensure that  
12 States understand school food authori-  
13 ties may not—

14           “(aa) require or mandate  
15 families apply for either program;

16           “(bb) request that a family  
17 apply for the program after the  
18 parent or guardian has informed  
19 the school that the family does not  
20 want to participate in the pro-  
21 gram or receive additional infor-  
22 mation about the program in that  
23 school year; or

24           “(cc) in the case of a family  
25 that has not informed the school



1                   *about their choice, request more*  
2                   *than twice in that school year*  
3                   *that such family apply for the*  
4                   *program if such family has not*  
5                   *submitted an application, except*  
6                   *that providing information about*  
7                   *the application (including how*  
8                   *and when the application will be*  
9                   *sent to parents and how to fill out*  
10                   *the application) shall not count as*  
11                   *a request to apply.”;*

12                   *(B) in paragraph (3)—*

13                   *(i) by striking subparagraph (D) and*  
14                   *inserting the following:*

15                   “(D) *VERIFICATION.—*

16                    “(i) *STANDARD VERIFICATION OF AP-*  
17                    *PLICATIONS.—*

18                    “(I) *IN GENERAL.—Beginning*  
19                    *with the second school year that begins*  
20                    *after the date of the enactment of the*  
21                    *Improving Child Nutrition and Edu-*  
22                    *cation Act of 2016, each school year,*  
23                    *each local educational agency shall*  
24                    *verify the eligibility of the children in*  
25                    *a portion of the household applications*

1                   *approved for the school year by the*  
2                   *local educational agency, as of Novem-*  
3                   *ber 1 of the school year, as determined*  
4                   *by the Secretary in accordance with*  
5                   *this subsection.*

6                   “(II) *SAMPLE SIZE.—*

7                             “(aa) *IN GENERAL.—The*  
8                             *portion for a local educational*  
9                             *agency for a school year shall*  
10                            *equal the lesser of—*

11                                     “(AA) *10,000; or*

12                                     “(BB) *10 percent of ap-*  
13                                     *proved household applica-*  
14                                     *tions.*

15                             “(bb) *CALCULATION.—Not*  
16                             *later than July 1 of each year, the*  
17                             *Secretary shall calculate the sam-*  
18                             *ple size under this subparagraph*  
19                             *for each local educational agency*  
20                             *based on data from the 2 most re-*  
21                             *cent school years available.*

22                             “(III) *SAMPLE SELECTION.—Ap-*  
23                             *plications shall be selected for*  
24                             *verification by the local educational*  
25                             *agency based on indications that infor-*

1 *mation relevant to eligibility is incon-*  
2 *sistent with the information provided*  
3 *on the application, including at a*  
4 *minimum the following:*

5 *“(aa) The household has sub-*  
6 *mitted information in writing to*  
7 *the local educational agency that*  
8 *is inconsistent with the informa-*  
9 *tion on the application.*

10 *“(bb) The information pro-*  
11 *vided on the application is con-*  
12 *sistent with a pattern of error or*  
13 *fraud detected by the local edu-*  
14 *cational agency, the State agency,*  
15 *or the Secretary.*

16 *“(cc) For not more than 1/4*  
17 *of the sample, students who are*  
18 *directly certified or the applica-*  
19 *tion provides a case number (in*  
20 *lieu of income information) show-*  
21 *ing participation in—*

22 *“(AA) the supplemental*  
23 *nutrition assistance program*  
24 *established under the Food*

1                                    *and Nutrition Act of 2008 (7*  
2                                    *U.S.C. 2011 et seq.); or*  
3                                    *“(BB) a State program*  
4                                    *funded under the program of*  
5                                    *block grants to States for*  
6                                    *temporary assistance for*  
7                                    *needy families established*  
8                                    *under part A of title IV of*  
9                                    *the Social Security Act (42*  
10                                   *U.S.C. 601 et seq.) that the*  
11                                   *Secretary determines com-*  
12                                   *plies with standards estab-*  
13                                   *lished by the Secretary that*  
14                                   *ensure that the eligibility re-*  
15                                   *quirements under the State*  
16                                   *program are comparable to*  
17                                   *the requirements for partici-*  
18                                   *pation in accordance with*  
19                                   *this Act and the Child Nutri-*  
20                                   *tion Act of 1966 (42 U.S.C.*  
21                                   *1771 et seq.).*

22                                   *“(dd) For not more than  $\frac{1}{4}$*   
23                                   *of the sample, the income infor-*  
24                                   *mation provided on the applica-*  
25                                   *tion is close to the income limit*

1           *for free or reduced price meals, as*  
2           *determined by the local edu-*  
3           *cational agency each year.*

4                   “(ee) *Such other criteria as*  
5                   *is determined by the State.*

6                   “(IV) *ADDITIONAL VERIFICATION*  
7           *OF APPLICATIONS.—If the number of*  
8           *applications that match the criteria*  
9           *described in subclause (III) is insuffi-*  
10           *cient to meet the number of applica-*  
11           *tions determined under subclause (II),*  
12           *the local educational agency shall select*  
13           *additional applications at random.*

14                   “(ii) *VERIFICATION FOR CAUSE.—In*  
15           *addition to conducting verification of a*  
16           *sample of applications as described in*  
17           *clause (i), a local educational agency may*  
18           *verify any household application at any*  
19           *point in the school year if the household ap-*  
20           *plication meets the criteria described in*  
21           *item (aa), (bb), or (cc) of clause (i)(III) or*  
22           *such other criteria as is determined by the*  
23           *Secretary.*

24                   “(iii) *COMPLIANCE.—In conducting*  
25           *verification under this subparagraph, a*

1           *State agency or local educational agency*  
2           *shall not select applications in a manner*  
3           *that violates section 12(l)(4)(M).”;*

4           *(ii) in subparagraph (F)—*

5                   *(I) in clause (i), in the matter*  
6                   *preceding subclause (I), by striking*  
7                   *“may” and inserting “shall”; and*

8                   *(II) by striking clauses (iv) and*  
9                   *(v) and inserting the following:*

10                   *“(iv) DIRECT CERTIFICATION.—If eli-*  
11                   *gibility for a household application is con-*  
12                   *firmed using direct verification, each child*  
13                   *in the household shall be considered directly*  
14                   *certified.”;*

15           *(iii) in subparagraph (G)—*

16                   *(I) in clause (iii), by striking “1*  
17                   *attempt” and inserting “2 attempts”;*  
18                   *and*

19                   *(II) by adding at the end the fol-*  
20                   *lowing:*

21                   *“(v) VALIDITY OF VERIFICATION RE-*  
22                   *SULTS.—*

23                   *“(I) DEFINITIONS.—In this*  
24                   *clause:*

1           “(aa) *APPROVED APPLICA-*  
2           *TION.—The term ‘approved appli-*  
3           *cation’ includes each student on a*  
4           *paper or electronic application*  
5           *approved by the local educational*  
6           *agency for free or reduced price*  
7           *lunches for the school year.*

8           “(bb) *RESPONSE RATE.—The*  
9           *term ‘response rate’ means the*  
10           *percentage of the approved house-*  
11           *hold applications of the local edu-*  
12           *cational agency for which*  
13           *verification information was ob-*  
14           *tained after attempted verification*  
15           *under this section.*

16           “(cc) *NONRESPONSE RATE.—*  
17           *The term ‘nonresponse rate’*  
18           *means the percentage of the ap-*  
19           *proved household applications of*  
20           *the local educational agency for*  
21           *which verification information*  
22           *was not obtained after attempted*  
23           *verification under this section.*

24           “(dd)           *CONFIRMATION*  
25           *RATE.—The term ‘confirmation*

1                    *rate' means the percentage of ap-*  
2                    *proved household applications and*  
3                    *directly certified students selected*  
4                    *by the local educational agency*  
5                    *for verification under this sub-*  
6                    *paragraph that had the level of*  
7                    *benefits confirmed as a result of*  
8                    *information obtained during the*  
9                    *verification process.*

10                   *“(II) REDUCTIONS.—*

11                            *“(aa) IN GENERAL.—The*  
12                            *sample under subparagraph*  
13                            *(D)(i)(II) may be reduced by not*  
14                            *more than the lesser of 2,500 ap-*  
15                            *plications or 2.5 percentage points*  
16                            *for each of the criteria described*  
17                            *in subclause (III) that are met by*  
18                            *the local educational agency.*

19                            *“(bb) LIMITATION.—Reduc-*  
20                            *tions under item (aa) may result*  
21                            *in a sample of not less than 2.5*  
22                            *percent of approved applications.*

23                            *“(III) CRITERIA.—The criteria*  
24                            *referred to in subclause (II)(aa) are as*  
25                            *follows:*



1                   “(aa) *RESPONSE RATE.*—For  
2                   the preceding school year the re-  
3                   sponse rate was more than 85 per-  
4                   cent.

5                   “(bb) *NONRESPONSE RATE*  
6                   *REDUCTION.*—The nonresponse  
7                   rate was at least 15 percent below  
8                   the nonresponse rate for the sec-  
9                   ond preceding school year.

10                  “(cc) *CONFIRMATION RATE.*—  
11                  The confirmation rate is 100 per-  
12                  cent or has increased by at least 5  
13                  percent over the two most recent  
14                  school years for which data is  
15                  available.

16                  “(dd) *ADMINISTRATIVE BUR-*  
17                  *DEN REDUCTION.*—

18                  “(AA) *IN GENERAL.*—  
19                  The local educational agency  
20                  receives a determination  
21                  from the Secretary that com-  
22                  pliance with subparagraph  
23                  (D)(i)(II) would render the  
24                  local educational agency un-

1                   able to administer the pro-  
2                   gram.

3                   “(BB)           REQUIRE-  
4                   MENT.—The Secretary shall  
5                   develop a system by which to  
6                   measure cost and adminis-  
7                   trative burden associated  
8                   with compliance with sub-  
9                   paragraph (D)(i)(II) and  
10                  shall consider requests from  
11                  local educational agencies  
12                  based on that system.”;

13                (iv) in subparagraph (H)(i)—

14                   (I) in subclause (I), by striking  
15                   “November” and inserting “December”;  
16                   and

17                   (II) in subclause (II), by striking  
18                   “December” and inserting “January”;

19                   (v) in subparagraph (K)(i), in the  
20                   matter preceding subclause (I), by striking  
21                   “data mining” and inserting “analyses of  
22                   data”;

23                   (vi) by amending subparagraph (K)(ii)  
24                   to read as follows:

1           “(ii) *REPORT.*—Not later than two  
2           years after the date of the enactment of the  
3           *Improving Child Nutrition and Education*  
4           *Act of 2016, the Secretary shall submit to*  
5           *the Committee on Education and the Work-*  
6           *force of the House of Representatives and*  
7           *Committee on Agriculture, Nutrition, and*  
8           *Forestry of the Senate a report describing—*

9                   “(I) *the results of the feasibility*  
10                  *study conducted under this subsection;*

11                  “(II) *how a computer system—*

12                          “(aa) *used to reduce*  
13                          *verification and certification er-*  
14                          *rors can be adapted to further re-*  
15                          *duce errors; and*

16                          “(bb) *using technology de-*  
17                          *scribed in clause (i) could be im-*  
18                          *plemented; and*

19                          “(III) *a plan to adapt or imple-*  
20                          *ment such system.”;*

21                  “(vii) *by adding at the end the fol-*  
22                  *lowing:*

23                  “(L) *ENHANCED VERIFICATION METHODS.—*

24                          “(i) *REQUIREMENTS.—*

1                   “(I) *IN GENERAL.*—*The Secretary*  
2                   *shall help local educational agencies*  
3                   *engage in alternative and enhanced*  
4                   *methods of certification and*  
5                   *verification to increase the effectiveness*  
6                   *of the process, reduce certification er-*  
7                   *rors, and produce more meaningful*  
8                   *management information to facilitate*  
9                   *local educational agency, State, and*  
10                   *Federal oversight with respect to pro-*  
11                   *gram integrity in the school meal pro-*  
12                   *grams.*

13                   “(II) *BEST PRACTICES.*—*The Sec-*  
14                   *retary shall encourage local edu-*  
15                   *cational agencies to adopt proven best*  
16                   *practices with regard to verification.*

17                   “(III) *SELECTION FOR IMPLEMEN-*  
18                   *TATION.*—*To the extent necessary to re-*  
19                   *fine alternative verification methods or*  
20                   *assess the feasibility, impact, or effi-*  
21                   *cacy of the methods prior to recom-*  
22                   *mending the methods, the Secretary*  
23                   *shall select States and local edu-*  
24                   *cational agencies that have requested to*  
25                   *participate in the development of best*

1 *practices to implement methods subject*  
2 *to clause (iii).*

3 *“(ii) REQUIREMENTS.—The certifi-*  
4 *cation and verification methods shall—*

5 *“(I) meet such terms and condi-*  
6 *tions as the Secretary considers appro-*  
7 *priate; and*

8 *“(II) except as otherwise provided*  
9 *in this subparagraph, be conducted in*  
10 *accordance with this subsection.*

11 *“(iii) SELECTION CRITERIA.—In select-*  
12 *ing methods, including methods for imple-*  
13 *mentation under clause (i)(III), the Sec-*  
14 *retary shall—*

15 *“(I) consider the degree to which*  
16 *the method would improve certification*  
17 *accuracy and program integrity with-*  
18 *in the school meal programs;*

19 *“(II) consider whether there is*  
20 *evidence that the method could be rep-*  
21 *licated easily by other local edu-*  
22 *cational agencies or political subdivi-*  
23 *sions;*

1           “(III) consider whether the meth-  
2           od would increase the efficiency and ef-  
3           fectiveness of the verification process;

4           “(IV) consider whether the local  
5           educational agency or State agency has  
6           a demonstrated capacity to undertake  
7           the method and to produce the data  
8           necessary to support the evaluation;  
9           and

10          “(V) ensure the methods imple-  
11          mented under clause (i)(III) are imple-  
12          mented across a range of geographic  
13          areas and States, including rural and  
14          urban areas, and, when considered as  
15          a group, allow for an assessment of a  
16          range of strategies regarding  
17          verification sample selection, obtaining  
18          eligibility documentation, and the enti-  
19          ty conducting verification, including  
20          strategies that—

21               “(aa) use analyses of data,  
22               particularly in large local edu-  
23               cational agencies to develop algo-  
24               rithms to select error-prone appli-  
25               cations for verification;

1           “(bb) use third-party data  
2 sources to confirm eligibility prior  
3 to conducting household  
4 verification under subparagraph  
5 (G);

6           “(cc) rely on alternative  
7 methods, including message test-  
8 ing, of communicating with  
9 households to assess which meth-  
10 ods most effectively result in  
11 household responses;

12           “(dd) rely on agencies or or-  
13 ganizations other than the local  
14 educational agency to conduct  
15 verification, including at a min-  
16 imum the State agency; and

17           “(ee) could reduce the admin-  
18 istrative burden of conducting  
19 verification for a consortia of  
20 local educational agencies, includ-  
21 ing shared online applications  
22 and shared verification proce-  
23 dures.

24           “(iv) REDUCTION.—Notwithstanding  
25 the limitation in subparagraph

1                   (D)(v)(II)(bb), a local educational agency  
2                   that uses the strategies described in clause  
3                   (iii)(V) may qualify for a reduction of ad-  
4                   ditional 0.25 percentage points under such  
5                   subparagraph, creating a floor of 2.25 per-  
6                   cent for the verification sample size.”;

7                   (C) in paragraph (4)—

8                   (i) in subparagraph (B), by inserting  
9                   “, including a child enrolled in a nonpublic  
10                  school,” after “under which a child”;

11                  (ii) by striking subparagraph (E);

12                  (iii) by redesignating subparagraphs  
13                  (F) and (G) as subparagraphs (E) and (F),  
14                  respectively; and

15                  (iv) in subparagraph (E) (as so reded-  
16                  ignated)—

17                   (I) in clause (i), by striking  
18                   “means—” and all that follows  
19                   through “each school year thereafter”  
20                   in subclause (III) and inserting  
21                   “means, for the school year”;

22                   (II) in clause (ii)—

23                   (aa) in subclause (II), by  
24                   striking “and” at the end;



1                    (bb) in subclause (III), by  
2                    striking the period at the end and  
3                    inserting a semicolon; and

4                    (cc) by adding at the end the  
5                    following:

6                    “(IV) include in the report re-  
7                    quired under section 4301 of the Food,  
8                    Conservation, and Energy Act of 2008  
9                    (42 U.S.C. 1758a), a description of  
10                   technical assistance provided to and  
11                   progress of States identified under sub-  
12                   clause (I) toward implementing the  
13                   measures and meeting the goals estab-  
14                   lished by the State as required under  
15                   clause (iii)(II); and

16                   “(V) provide guidance to schools  
17                   on providing meals and collecting pay-  
18                   ment for any student who is no longer  
19                   able to receive meals because the stu-  
20                   dent did not provide a response to the  
21                   verification request for the student’s  
22                   school meal application.”; and

23                   (III) in clause (iii)(II)(bb), by in-  
24                   serting “within 3 school years” after  
25                   “those measures”;

1                   (D) in paragraph (15)—

2                   (i) in subparagraph (B)(i), by striking  
3                   “section 9(b)(1)(A) of this Act” and insert-  
4                   ing “paragraph (1)(A)”; and

5                   (ii) in subparagraphs (C)(ii) and (D),  
6                   by striking “paragraph (4)(G)” both places  
7                   it appears and inserting “paragraph  
8                   (4)(F)”;

9                   (4) in subsection (f)—

10                   (A) in paragraph (1)—

11                   (i) in subparagraph (A), by striking  
12                   “and” at the end;

13                   (ii) in subparagraph (B), by striking  
14                   the period at the end and inserting “; and”;  
15                   and

16                   (iii) by adding at the end the fol-  
17                   lowing:

18                   “(C) meet minimum nutritional require-  
19                   ments prescribed by the Secretary on the basis of  
20                   tested nutritional research specifically conducted  
21                   to understand the impact for children, except  
22                   that the minimum nutritional requirements—

23                   “(i) may not prohibit the substitution  
24                   of foods to accommodate the medical, in-  
25                   cluding allergies, or other special dietary

1           *needs of individual students, including reli-*  
2           *gious dietary restrictions; and*

3           “(ii) shall, as possible in accommo-  
4           *dating the medical or other special dietary*  
5           *needs of such students, be based on the week-*  
6           *ly average of the nutrient content of school*  
7           *lunches.”;*

8           *(B) in paragraph (3)(A)(ii), by striking*  
9           *“paragraph (3)” and inserting “paragraph (2)”;*

10          *(C) by striking paragraph (4) and inserting*  
11          *the following:*

12          “(4) *REGULATIONS, REVIEW, AND RELIEF.—*

13                 “(A) *REVIEW REGULATIONS.—The Sec-*  
14                 *retary shall, at least every 3 years—*

15                         “(i) *review the regulations promul-*  
16                         *gated in accordance with this Act for the*  
17                         *school meal programs described in para-*  
18                         *graph (1) (in this paragraph referred to as*  
19                         *the ‘school meal programs’);*

20                         “(ii) *with consultation from a parent,*  
21                         *a pediatrician, a dietician who conducts*  
22                         *child nutrition research, and stakeholders in*  
23                         *schools (including school leaders, school*  
24                         *boards, local educational agency adminis-*

1                   trators, and school food nutrition directors),  
2                   certify that the regulations are—

3                   “(I) appropriate for the age of  
4                   children participating in the school  
5                   meal programs, including for the  
6                   health of children;

7                   “(II) in compliance with the pre-  
8                   ponderance of the latest high-quality  
9                   research based on school-aged children  
10                  conducted to examine the health and  
11                  safety of children participating in the  
12                  school meal programs;

13                  “(III) not increasing the cost to  
14                  implement the requirements of the  
15                  school meal programs (which costs  
16                  shall be considered the total costs to  
17                  implement the regulations and not lim-  
18                  ited to the cost of any changes to the  
19                  regulations); and

20                  “(IV) not discouraging students  
21                  from participating in the school meal  
22                  programs;

23                  “(iii) if necessary to meet the require-  
24                  ments of clause (ii), revise the regulations to  
25                  meet such requirements;

1           “(iv) not later than 30 days prior to  
2 publication under clause (v)(II) of the re-  
3 vised regulations—

4           “(I) submit the revised regulations  
5 for comment to the Committee on Edu-  
6 cation and the Workforce of the House  
7 of Representatives and the Committee  
8 on Agriculture, Nutrition, and For-  
9 estry of the Senate;

10          “(II) review any comments pro-  
11 vided under subclause (I), and further  
12 revise the regulations, if necessary to  
13 ensure the revised regulations are in  
14 compliance with clause (i); and

15          “(III) provide a public notice and  
16 comment period of not less than 60  
17 days, review the public comments, and  
18 further revise the regulations, if nec-  
19 essary to ensure the revised regulations  
20 are in compliance with clause (i); and

21          “(v) publish in the *Federal Register*,  
22 and submit to the Committee on Education  
23 and the Workforce of the House of Rep-  
24 resentatives and the Committee on Agri-

1                   *culture, Nutrition, and Forestry of the Sen-*  
2                   *ate—*

3                   “(I) *a notice that no changes to*  
4                   *the regulations are required and the*  
5                   *certification described in clause (ii); or*

6                   “(II) *the regulations, as revised*  
7                   *under clause (iv), and the certification*  
8                   *described in clause (ii).*

9                   “(B) *FIRST REVIEW.—The first review re-*  
10                  *quired under subparagraph (A) after the date of*  
11                  *enactment of the Improving Child Nutrition and*  
12                  *Education Act of 2016 shall—*

13                  “(i) *be concluded not later than De-*  
14                  *cember 31, 2016;*

15                  “(ii) *include a review of the sodium*  
16                  *and whole grain requirements under the*  
17                  *regulations for the school meal programs;*  
18                  *and*

19                  “(iii) *ensure that such requirements—*

20                  “(I) *maintain the sodium target*  
21                  *requirements established for the school*  
22                  *lunch program and school breakfast*  
23                  *program under sections 210.10(f) and*  
24                  *220.8(f) of title 7, Code of Federal Reg-*  
25                  *ulations, respectively (as such regula-*

1            *tions are in effect on the day before the*  
2            *date of the enactment of the Improving*  
3            *Child Nutrition and Education Act of*  
4            *2016) until such requirements are re-*  
5            *vised in accordance with subclause*  
6            *(II); and*

7            *“(II) in a case in which the so-*  
8            *dium target requirements are revised*  
9            *as a result of the review described in*  
10           *this subparagraph, ensure that such a*  
11           *revision—*

12           *“(aa) is based on health re-*  
13           *quirements for children;*

14           *“(bb) is supported by a ma-*  
15           *jority of research focused on*  
16           *school-aged children that directly*  
17           *establishes, through well-controlled*  
18           *randomized trials or well-de-*  
19           *signed, long-term observational*  
20           *studies, that sodium reductions*  
21           *are both safe and produce bene-*  
22           *ficial health outcomes for such*  
23           *children;*

24           *“(cc) is able to support food*  
25           *safety and be produced in a man-*

1 *ner that does not significantly in-*  
2 *crease the cost of food; and*

3 *“(dd) does not take effect*  
4 *until 3 years after the revision*  
5 *has been published in the Federal*  
6 *Register.*

7 *“(C) SPECIAL RULE FOR REGULATION RE-*  
8 *LIEF FOR FAMILY MEAL DAYS.—*

9 *“(i) IN GENERAL.—Subject to clause*  
10 *(ii), the Secretary shall issue guidance, or*  
11 *promulgate new rules as necessary, to en-*  
12 *sure each State agency provides guidance to*  
13 *school food authorities with respect to the*  
14 *allowance of up to 4 family meal days, as*  
15 *designated by a school, which shall be ex-*  
16 *empt from the meal pattern rules specified*  
17 *under the regulations for the school meal*  
18 *programs, during which the school may—*

19 *“(I) invite parents to participate*  
20 *in special meals, such as a Thanks-*  
21 *giving meal or a parents’ day meal;*  
22 *and*

23 *“(II) provide additional nutrition*  
24 *education, such as recipe building or*  
25 *healthy cooking classes to parents and*



1            *families on making healthy meal op-*  
2            *tions at home, which may be provided*  
3            *by an entity or individual other than*  
4            *a school food service director or food*  
5            *service personnel.*

6            “(ii) *CLARIFICATION.—In issuing*  
7            *guidance or promulgating rules under*  
8            *clause (i), the Secretary shall not establish*  
9            *any requirements or limitations for family*  
10           *meal days, except to ensure that schools*  
11           *have the authority to hold up to 4 family*  
12           *meal days per school year.*

13           “(D) *REGULATION FLEXIBILITY.—The Sec-*  
14           *retary shall provide guidance, when there is dif-*  
15           *iculty in procuring food to comply with the reg-*  
16           *ulations, to allow a school food authority to sub-*  
17           *stitute food items across food groups and sub-*  
18           *groups, including in-season, locally-produced*  
19           *fruits and vegetables, notwithstanding the food-*  
20           *based meal patterns and menu planning require-*  
21           *ments of this subsection, provided that the school*  
22           *food authority continues to meet applicable daily*  
23           *and weekly nutrient and dietary requirements*  
24           *under this subsection.”; and*

25           *(D) by adding at the end the following:*

1           “(5) *ACCOMMODATIONS.*—*The accommodation*  
2           *requirements described in paragraph (1)(C)(i) shall*  
3           *apply to all programs under this Act and all pro-*  
4           *grams under the Child Nutrition Act of 1966 (42*  
5           *U.S.C. 1771 et seq.), except for section 17 of such Act*  
6           *(42 U.S.C. 1786).”.*

7           (5) *by striking subsections (g) and (k);*

8           (6) *by redesignating subsections (h), (i), (j), and*  
9           *(l) as subsections (g), (h), (i), and (j), respectively;*  
10          *and*

11          (7) *in subsection (g) (as so redesignated), by*  
12          *striking “2011 through 2015” each place it appears*  
13          *in paragraphs (3) and (4) and inserting “2017*  
14          *through 2021”.*

15   **SEC. 105. MISCELLANEOUS PROVISIONS.**

16          (a) *UNIVERSAL MEAL SERVICE IN HIGH POVERTY*  
17          *AREAS THRESHOLD.*—*Section 11(a)(1)(F) of the Richard*  
18          *B. Russell National School Lunch Act (42 U.S.C.*  
19          *17659a(a)(1)(F)) is amended—*

20               (1) *in clause (ii)(I), in the matter preceding*  
21               *item (aa), by inserting “(including a subset of schools*  
22               *within the local educational agency if the result ob-*  
23               *tained by dividing the total number of the identified*  
24               *students enrolled in such schools by the total number*  
25               *of all students enrolled in such schools, is above the*

1 *threshold in clause (viii))” after “on behalf of certain*  
2 *schools”; and*

3 *(2) by striking clause (viii) and inserting the fol-*  
4 *lowing:*

5 *“(viii) THRESHOLD.—*

6 *“(I) IN GENERAL.—For each school year be-*  
7 *ginning on or after July 1, 2017, the Secretary*  
8 *shall use a threshold that is not less than 60 per-*  
9 *cent.*

10 *“(II) COMMUNITY ELIGIBILITY SELECTION*  
11 *TRANSITION.—In the case of a school that re-*  
12 *ceived special assistance payments under this*  
13 *subparagraph during the school year imme-*  
14 *diately prior to the school year in which the Im-*  
15 *proving Child Nutrition and Education Act of*  
16 *2016 was enacted, such school shall, not later*  
17 *than June 30, 2018—*

18 *“(aa) meet the threshold described in*  
19 *subclause (I); or*

20 *“(bb) transition from receiving pay-*  
21 *ments under this subparagraph in accord-*  
22 *ance with subclause (III).*

23 *“(III) TECHNICAL ASSISTANCE.—In the*  
24 *case of schools described in subclause (II)(bb), the*  
25 *Secretary shall provide technical assistance to*

1       *ensure that such schools are able to effectively*  
2       *and efficiently transition from receiving pay-*  
3       *ments under this subparagraph to receiving spe-*  
4       *cial assistance payments otherwise made avail-*  
5       *able under this paragraph, including commu-*  
6       *nicating the application process to families in a*  
7       *timely manner to ensure continuity of services*  
8       *for eligible families.”; and*

9       *(3) in clause (xi)—*

10           *(A) in subclause (II), by striking “Not later*  
11           *than December 31, 2013” and inserting “Not*  
12           *later than one year after the date of enactment*  
13           *of the Improving Child Nutrition and Education*  
14           *Act of 2016”; and*

15           *(B) in subclause (III), by striking “If the*  
16           *Secretary uses the authority provided in clause*  
17           *(vii)(II)(bb) to use a different multiplier for dif-*  
18           *ferent schools or local educational agencies, for*  
19           *each school year beginning on or after July 1,*  
20           *2014, not later than April 1, 2014” and insert-*  
21           *ing “If the Secretary uses the authority provided*  
22           *in clause (vii), for each school year beginning on*  
23           *or after July 1, 2017, not less than one year*  
24           *prior to the Secretary electing to use such au-*  
25           *thority”.*

1           (b) *REIMBURSEMENT RATE.*—Section 11(a)(3)(A) of  
2 *the Richard B. Russell National School Lunch Act* (42  
3 *U.S.C. 17659a(a)(3)(A)*) is amended by striking “July 1”  
4 and inserting “February 15”.

5           (c) *DEFINITION OF STATE AGENCY.*—Paragraph (9) of  
6 *section 12(d) of the Richard B. Russell National School*  
7 *Lunch Act* (42 *U.S.C. 1760(d)(9)*) is amended to read as  
8 *follows:*

9                   “(9) *STATE AGENCY.*—The term ‘State agency’  
10 *means—*

11                           “(A) *the chief State school officer (such as*  
12 *the State superintendent of public instruction,*  
13 *commissioner of education, or similar officer);*

14                           “(B) *a board of education controlling the*  
15 *State department of education;*

16                           “(C) *the State Commissioner or individual*  
17 *who administers agricultural programs in the*  
18 *State; or*

19                           “(D) *a State official the State legislature*  
20 *designates to administer the programs under this*  
21 *Act.”.*

22           (d) *PROCUREMENT TRAINING.*—Section 12(m)(4) of  
23 *the Richard B. Russell National School Lunch Act* (42  
24 *U.S.C. 1760)* is amended by striking “2015” and inserting  
25 “2021”.

1           (e) *PRICE FOR A PAID LUNCH.*—Section 12 of the  
 2 *Richard B. Russell National School Lunch Act (42 U.S.C.*  
 3 *1760)* is further amended by striking subsection (p) and  
 4 redesignating subsections (q) and (r) as subsections (p) and  
 5 (q), respectively.

6 **SEC. 106. SUMMER FOOD SERVICE PROGRAM FOR CHIL-**  
 7 **DREN.**

8           Section 13 of the *Richard B. Russell National School*  
 9 *Lunch Act (42 U.S.C. 1761)* is amended—

10           (1) in subsection (a)—

11                   (A) in paragraph (4), by adding at the end  
 12                   the following:

13                           “(C) *EDUCATIONAL AND ENRICHMENT AC-*  
 14                           *TIVITIES.*—In determining participation under  
 15                           subparagraph (A), the State shall prioritize ap-  
 16                           plications that include an educational or enrich-  
 17                           ment activity, or demonstrate a partnership with  
 18                           an entity providing such activity.”;

19                   (B) by amending paragraph (8) to read as  
 20                   follows:

21                           “(8) *STREAMLINING.*—

22                                   “(A) *SEAMLESS SUMMER.*—Except as other-  
 23                                   wise determined by the Secretary, a service insti-  
 24                                   tution that is a public or private nonprofit  
 25                                   school food authority may provide summer or

1           *school vacation food service in accordance with*  
2           *applicable provisions of law governing the school*  
3           *lunch program established under this Act or the*  
4           *school breakfast program established under the*  
5           *Child Nutrition Act of 1966 (42 U.S.C. 1771 et*  
6           *seq.).*

7           “(B) *SUMMER AND CACFP AT-RISK STREAM-*  
8           *LINING.—*

9           “(i) *IN GENERAL.—Notwithstanding*  
10           *subsections (b)(2) and (c)(1), in order for*  
11           *States and service institutions to operate*  
12           *more effectively through the year, a State*  
13           *may elect to streamline and simplify pro-*  
14           *gram operations and requirements by re-*  
15           *ducing paperwork and other administrative*  
16           *burdens, and consolidating training, moni-*  
17           *toring, and other requirements, while re-*  
18           *taining appropriate measures of program*  
19           *integrity. Such State election may include*  
20           *the utilization of technical assistance pro-*  
21           *vided to the State under clause (iv) and*  
22           *shall apply to service institutions that—*

23                   *“(I) are described in paragraphs*  
24                   *(6) or (7);*

1           “(II) provide care to at-risk school  
2 children (as defined in section  
3 17(r)(2)), and may be eligible child  
4 care centers or homes (as defined under  
5 section 17(a)(2)); and

6           “(III) are not public schools.

7           “(i) *STREAMLINED REIMBURSE-*  
8 *MENT.—States that demonstrate stream-*  
9 *lined and simplified program operations*  
10 *under clause (i) for service institutions, and*  
11 *that are selected by the Secretary under*  
12 *clause (v), shall streamline reimbursements*  
13 *for such service institutions by providing*  
14 *reimbursements for—*

15           “(I) lunch and either breakfast or  
16 a supplement served to at-risk school  
17 children—

18           “(aa) during each day of op-  
19 eration during the months of May  
20 through September; and

21           “(bb) in the case of a service  
22 institution that provides meal  
23 service to such children who are  
24 not in school for a period during  
25 the school year due to a natural



1                    *disaster, building repair, court*  
2                    *order, or similar cause, at any*  
3                    *time during such period in that*  
4                    *school year; and*

5                    *“(II) up to 1 meal and 1 supple-*  
6                    *ment served to at-risk school children*  
7                    *during each day of operation outside of*  
8                    *school hours during the regular or con-*  
9                    *tinuous school calendar, including*  
10                   *after school, weekends, and school holi-*  
11                   *days.*

12                   *“(iii) RATE OF REIMBURSEMENT.—*  
13                   *The State shall reimburse service institu-*  
14                   *tions seeking reimbursement under this sub-*  
15                   *paragraph at a rate that is consistent with*  
16                   *section 17(r)(4)(B).*

17                   *“(iv) TECHNICAL ASSISTANCE.—*

18                   *“(I) IN GENERAL.—Not later than*  
19                   *December 31, 2016, the Secretary shall*  
20                   *develop guidance and provide technical*  
21                   *assistance for States and service insti-*  
22                   *tutions to assist in the implementation*  
23                   *of this subparagraph, including by*  
24                   *identifying areas of programmatic*  
25                   *overlap in the program under this sec-*

1            *tion and the child and adult care food*  
2            *program under section 17 in order for*  
3            *States to simplify the administration*  
4            *and oversight of each such program.*

5            “(II) *GUIDANCE.*—*Such guidance*  
6            *shall include information on possible*  
7            *ways States may ensure participation*  
8            *under this subparagraph will lead to*  
9            *reduced paperwork and other adminis-*  
10           *trative burdens, including rec-*  
11           *ommendations for streamlined pro-*  
12           *gram applications, reporting require-*  
13           *ments, inspections, and other areas of*  
14           *potential duplication, while retaining*  
15           *appropriate measures of program in-*  
16           *tegrity.*

17           “(III) *OTHER STATES.*—*Informa-*  
18           *tion provided under this clause shall be*  
19           *provided in such a manner that any*  
20           *State may identify areas of pro-*  
21           *grammatic overlap, and reduce paper-*  
22           *work and other burdens, even if such*  
23           *State has not yet been selected to pro-*  
24           *vide reimbursements to service institu-*

1            *tions in accordance with this subpara-*  
2            *graph.*

3            “(v) *SUCCESSFUL IMPLEMENTATION.*—

4                    “(I) *IN GENERAL.*—*A State seek-*  
5                    *ing to provide reimbursements in ac-*  
6                    *cordance this subparagraph shall dem-*  
7                    *onstrate to the Secretary the ways in*  
8                    *which the State has used the election*  
9                    *under clause (i) to reduce paperwork*  
10                   *and other administrative burdens*  
11                   *while retaining appropriate measures*  
12                   *of program integrity, which may in-*  
13                   *clude the utilization of technical assist-*  
14                   *ance provided to the State under clause*  
15                   *(iv).*

16                   “(II) *INITIAL SELECTION OF*  
17                   *STATES.*—

18                   “(aa) *IN GENERAL.*—*The*  
19                   *Secretary shall select not more*  
20                   *than 5 States to provide reim-*  
21                   *bursements in accordance with*  
22                   *this subparagraph, beginning in*  
23                   *May 2017, if such States have the*  
24                   *capacity to effectively implement*  
25                   *this subparagraph, as dem-*

1            *onstrated by streamlining and*  
2            *simplifying program operations*  
3            *in accordance with subclause (I).*

4            “(bb) *UPDATE.—When ap-*  
5            *propriate, but not later than May*  
6            *31, 2018, and consistent with sub-*  
7            *clause (V)(bb), the Secretary shall*  
8            *update the information under*  
9            *clause (iv).*

10            “(III) *NEXT SELECTION OF*  
11            *STATES.—*

12            “(aa) *IN GENERAL.—If the*  
13            *Secretary determines that addi-*  
14            *tional States have the capacity*  
15            *described in subclause (I) and ad-*  
16            *ditional best practices could be*  
17            *provided by further implementa-*  
18            *tion of this subparagraph, the*  
19            *Secretary may select not more*  
20            *than 5 such States to provide re-*  
21            *imbursements in accordance with*  
22            *this subparagraph beginning in*  
23            *October 2018.*

24            “(bb) *UPDATE.—Not later*  
25            *than September 30, 2019, and*

1                   *consistent with subclause (V)(bb),*  
2                   *the Secretary shall update the in-*  
3                   *formation under clause (iv) to re-*  
4                   *fect the further implementation of*  
5                   *this subparagraph.*

6                   “(IV) *ADDITIONAL SELECTION OF*  
7                   *STATES.—The Secretary may select ad-*  
8                   *ditional States to provide reimburse-*  
9                   *ments in accordance with this sub-*  
10                   *paragraph beginning in May 2020,*  
11                   *and each year thereafter, if such States*  
12                   *have the capacity described in sub-*  
13                   *clause (I).*

14                   “(V) *BEST PRACTICES.—*

15                    “(aa) *IN GENERAL.—As a*  
16                    *condition of being selected under*  
17                    *this clause, a State shall provide,*  
18                    *in such time and in such manner*  
19                    *as the Secretary may reasonably*  
20                    *require, information to the Sec-*  
21                    *retary regarding best practices of*  
22                    *successful implementation of this*  
23                    *subparagraph.*

24                    “(bb) *UPDATE.—The Sec-*  
25                    *retary shall continue to periodi-*

1                   *cally update the information*  
2                   *under clause (iv) to include the*  
3                   *best practices provided under item*  
4                   *(aa) for continued successful im-*  
5                   *plementation of this subpara-*  
6                   *graph.”;*

7                   *(C) by striking paragraphs (9), (10), and*  
8                   *(12); and*

9                   *(D) by redesignating paragraph (11) as*  
10                  *paragraph (9); and*

11                  *(E) by adding at the end the following:*

12                  “(10) *TEMPORARY ALLOWANCE FOR OFF-SITE*  
13                  *CONSUMPTION.—*

14                  “(A) *IN GENERAL.—Beginning in May*  
15                  *2017, the Secretary shall grant requests made by*  
16                  *a State to allow children who are participating*  
17                  *in the program but for whom an operation under*  
18                  *paragraph (12) is not available, to consume*  
19                  *meals away from a congregate feeding site when*  
20                  *the program is available to such children at the*  
21                  *site, but—*

22                  “(i) *the site is closed due to extreme*  
23                  *weather conditions;*

1           “(ii) violence or other public safety  
2 concerns in the area temporarily prevent  
3 children from traveling safely to the site; or

4           “(iii) other emergency circumstances,  
5 as defined by the State, prevent access to the  
6 site.

7           “(B) LIMITATIONS.—In granting a request  
8 under subparagraph (A), the Secretary shall en-  
9 sure that—

10           “(i) allowances are issued by a State  
11 only between the months of May through  
12 September;

13           “(ii) allowances are granted in the  
14 most efficient and effective manner to en-  
15 sure programs and States can quickly re-  
16 spond and adapt to the circumstances de-  
17 scribed in clauses (i) through (iii) of sub-  
18 paragraph (A); and

19           “(iii) once an allowance is issued, any  
20 meal in which a component is offered but  
21 not served is not reimbursed under sub-  
22 section (b).

23           “(C) STATE PLAN.—As part of the manage-  
24 ment and administration plan described in sub-  
25 section (n), a State shall describe—

1           “(i) the approval process, including the  
2           *timeline, the State would undertake to issue*  
3           *an allowance;*

4           “(ii) standards for what circumstances  
5           *merit an allowance, how long an allowance*  
6           *will last, and when an allowance may be*  
7           *extended; and*

8           “(iii) how the program would operate  
9           *once an allowance is issued.*

10          “(11) OFF-SITE CONSUMPTION.—

11           “(A) IN GENERAL.—*Beginning in May*  
12           *2017, a State may elect for service institutions*  
13           *to carry out an off-site consumption operation in*  
14           *the State to provide summer food service pro-*  
15           *gram meals to children eligible to participate in*  
16           *the program that such children may consume*  
17           *away from a congregate feeding site.*

18           “(B) AVAILABILITY.—*The operation de-*  
19           *scribed in subparagraph (A) shall be available to*  
20           *a child described in subparagraph (A) only if the*  
21           *child lives in an area that is eligible to partici-*  
22           *pate in the summer food service program, but*  
23           *that is not currently being served, and such*  
24           *area—*



1           “(i) is rural, as defined by the State;

2           or

3           “(ii) is not rural, and is an area in  
4           which more than 80 percent of students are  
5           certified as eligible for free or reduced price  
6           meals.

7           “(C) ADMINISTRATION.—

8           “(i) IN GENERAL.—The following shall  
9           apply to an operation described in subpara-  
10          graph (A):

11           “(I) The number of meals served  
12          to each child in a single meal service  
13          is limited to 2 meals, and the number  
14          of meals in a seven-day period shall be  
15          limited to 10 meals.

16           “(II) Any meal served shall meet  
17          the same standards for nutrition, safe-  
18          ty, and quality as a meal served at a  
19          congregate feeding site.

20           “(III) Any meal in which a com-  
21          ponent is offered but not served shall  
22          not be reimbursed under subsection (b).

23           “(IV) Each State shall give pri-  
24          ority to children who are living where

1           *congregate feeding sites are not acces-*  
2           *sible.*

3           “(V) *Nothing in this section shall*  
4           *be construed to allow congregate feed-*  
5           *ing sites to cease from operating in*  
6           *order to be replaced by off-site con-*  
7           *sumption operations under this para-*  
8           *graph.*

9           “(VI) *A State shall not—*

10            “(aa) *operate an off-site con-*  
11            *sumption operation simulta-*  
12            *neously in the same service area*  
13            *with a congregate feeding site;*

14            “(bb) *use more than 10 per-*  
15            *cent of funds received for adminis-*  
16            *trative expenses to carry out this*  
17            *paragraph; or*

18            “(cc) *implement an off-site*  
19            *consumption operation in all*  
20            *service areas in the State.*

21           “(ii) *STATE PLAN.—Each State choos-*  
22            *ing to provide summer food service program*  
23            *meals through an off-site consumption oper-*  
24            *ation under this paragraph shall describe*  
25            *how the State plans to implement the oper-*

1                    *ation in the management and administra-*  
2                    *tion plan in subsection (n), which shall in-*  
3                    *clude information on how the State will—*

4                    *“(I) document operation, includ-*  
5                    *ing implementation;*

6                    *“(II) determine the method for se-*  
7                    *lecting eligible areas and eligible serv-*  
8                    *ice institutions to most effectively de-*  
9                    *liver summer food service program*  
10                   *meals in the manner described in this*  
11                   *paragraph;*

12                   *“(III) design mechanisms by*  
13                   *which households with children eligible*  
14                   *to participate in the program could in-*  
15                   *dicade a need for meal service through*  
16                   *such an operation;*

17                   *“(IV) develop an appropriate*  
18                   *maintenance of effort requirement for*  
19                   *service institutions currently operating*  
20                   *congregate feeding sites;*

21                   *“(V) develop requirements for im-*  
22                   *plementing safety and security meas-*  
23                   *ures to ensure that safety and security*  
24                   *through such an operation is equiva-*

1                    *lent to such measures at a congregate*  
 2                    *feeding site; and*

3                    *“(VI) periodically reevaluate the*  
 4                    *potential for children to be served at a*  
 5                    *congregate feeding site.”;*

6                    *(2) in subsection (k)(3)—*

7                    *(A) by striking “(3) To provide” and insert-*  
 8                    *ing the following:*

9                    *“(3) NUTRITIONAL AND FOOD QUALITY MONI-*  
 10                    *TORING.—*

11                    *“(A) IN GENERAL.—To provide”; and*

12                    *(B) by adding at the end the following:*

13                    *“(B) INSUFFICIENT FUNDS.—*

14                    *“(i) IN GENERAL.—If funds provided*  
 15                    *under subparagraph (A) are insufficient to*  
 16                    *pay for State or local health department in-*  
 17                    *spections, and to reinspect facilities and de-*  
 18                    *liveries to test meal quality, as required*  
 19                    *under this Act or the Child Nutrition Act of*  
 20                    *1966 (42 U.S.C. 1771 et seq.), State agen-*  
 21                    *cies may elect to use funds described in*  
 22                    *paragraph (1) for those activities.*

23                    *“(ii) LIMITATION.—Funds described in*  
 24                    *clause (i) shall not exceed the lesser of—*

25                    *“(I) actual costs; or*

1                                   “(II) 1 percent of program  
2                                   funds.”;

3                   (3) by amending subsection (n) to read as fol-  
4                   lows:

5                   “(n) STATE PLAN.—Each State desiring to participate  
6 in the program shall notify the Secretary by January 1  
7 of each year of its intent to administer the program and  
8 shall submit, by February 15, a management and adminis-  
9 tration plan for the program for the fiscal year, which shall  
10 include, at a minimum—

11                   “(1) the State’s administrative budget for the fis-  
12 cal year; and

13                   “(2) the State’s plans for—

14                   “(A) use of program funds and additional  
15 State or private funds to reach children with the  
16 greatest need, to the maximum extent prac-  
17 ticable;

18                   “(B) strengthening the congregate feeding  
19 model for program delivery, including a process  
20 for identifying gaps in service and barriers to  
21 access;

22                   “(C) administrative and fiscal plans for  
23 using the allowance described in subsection  
24 (a)(10) and, if applicable, the option described

1           *in subsection (a)(11) to assist service institutions*  
2           *in reaching children with the greatest need;*

3           “(D) *providing technical assistance and*  
4           *training for eligible service institutions;*

5           “(E) *monitoring and inspecting service in-*  
6           *stitutions, feeding sites, and food service manage-*  
7           *ment companies and ensuring that such compa-*  
8           *nies do not enter into contracts for more meals*  
9           *than they can provide effectively and efficiently,*  
10          *and in compliance with the program;*

11          “(F) *timely and effective action against*  
12          *program violators; and*

13          “(G) *ensuring fiscal integrity by auditing*  
14          *service institutions not subject to auditing re-*  
15          *quirements prescribed by the Secretary.”; and*

16          (4) *in subsection (r), by striking “2015” and in-*  
17          *serting “2021”.*

18   **SEC. 107. COMMODITY DISTRIBUTION PROGRAM.**

19          *Section 14 of the Richard B. Russell National School*  
20   *Lunch Act (42 U.S.C. 1762a) is amended—*

21          (1) *in subsection (f), in the third sentence—*

22                  (A) *by striking “section 9(a) of this Act”*  
23                  *and inserting “section 9(f)”;* and

1                   (B) by striking “represent the four basic  
2                   food groups, including” and inserting “include”;  
3                   and  
4                   (2) by striking subsection (h).

5 **SEC. 108. CHILD AND ADULT CARE FOOD PROGRAM.**

6           (a) *IN GENERAL.*—Section 17 of the Richard B. Rus-  
7 sell National School Lunch Act (42 U.S.C. 1766) is amend-  
8 ed—

9                   (1) in subsection (a)—

10                           (A) in paragraph (2)—

11                                   (i) in subparagraph (B), in the matter  
12                                   preceding clause (i), by striking “if” and  
13                                   inserting “if, during the month preceding  
14                                   the date of submission of the applicable ini-  
15                                   tial application or reapplication”;

16                                   (ii) in subparagraph (E), by striking  
17                                   “and” at the end;

18                                   (iii) in subparagraph (F), by striking  
19                                   the period at the end and inserting a semi-  
20                                   colon; and

21                                   (iv) by adding at the end the following:

22   “(G) any public or licensed nonprofit pri-  
23   vate residential child care institution (as defined  
24   in subsection (v)(1)) that is not concurrently re-  
25   ceiving reimbursement under the school lunch

1           *program under this Act or the school breakfast*  
2           *program under the Child Nutrition Act of 1966*  
3           *(42 U.S.C. 1771 et seq.); and*

4           *“(H) any boarding school funded by the Bu-*  
5           *reau of Indian Education that is not concur-*  
6           *rently receiving reimbursements under such*  
7           *school lunch program or school breakfast pro-*  
8           *gram.”; and*

9           *(B) in paragraph (3), by striking “sub-*  
10          *section (r)” and inserting “subsections (r) and*  
11          *(v)”;* and

12          *(C) by adding at the end the following:*

13          *“(7) DURATION OF DETERMINATION.—With re-*  
14          *spect to an institution described in paragraph (2)(B),*  
15          *an eligibility determination under this subsection*  
16          *shall remain in effect for a period of 4 months after*  
17          *the date such institution is approved by the State*  
18          *under subsection (d).”;*

19          *(2) in subsection (b), by striking “For the fiscal*  
20          *year ending September 30, 1979, and for each subse-*  
21          *quent fiscal year, the” and inserting “The”;*

22          *(3) in subsection (d)—*

23                  *(A) in paragraph (4)—*

24                          *(i) by striking “In consultation” and*  
25                          *inserting the following:*



1           “(A) *IN GENERAL.*—*In consultation*”; and  
2                       *(ii) by adding at the end the following:*

3           “(B) *REPORTS.*—*Each sponsoring organiza-*  
4           *tion shall, on an annual basis, submit to the ap-*  
5           *plicable State agency a report that describes,*  
6           *with respect to the preceding fiscal year—*

7                       *“(i) the expenditures of program funds*  
8                       *by the sponsoring organization; and*

9                       *“(ii) the amount of meal reimburse-*  
10           *ments retained by the sponsoring organiza-*  
11           *tion for administrative costs, if applica-*  
12           *ble.”; and*

13           *(B) in paragraph (5), by adding at the end*  
14           *the following:*

15           “(F) *SERIOUS DEFICIENCY PROCESS.*—

16                       *“(i) IN GENERAL.*—*Not later than 1*  
17           *year after the date of the enactment of the*  
18           *Improving Child Nutrition and Education*  
19           *Act of 2016, the Secretary shall review the*  
20           *serious deficiency process for the program*  
21           *under this section.*

22                       *“(ii) REVIEW.*—*In carrying out clause*  
23           *(i), the Secretary shall review the processes*  
24           *for, and those involved in—*

1           “(I) a finding of serious defi-  
2           ciency, including—

3                   “(aa) what measures auto-  
4                   matically result in a finding of  
5                   serious deficiency; and

6                   “(bb) how differentiation is  
7                   being made between—

8                           “(AA) a reasonable  
9                           margin of human error and  
10                           systematic or intentional  
11                           noncompliance; and

12                           “(BB) State-specific re-  
13                           quirements and Federal law  
14                           and regulations, if applica-  
15                           ble;

16           “(II) appeals and mediation in  
17           any case in which there is a finding of  
18           serious deficiency;

19                   “(III) determining the cir-  
20                   cumstances under which a corrective  
21                   action plan is acceptable;

22                   “(IV) information sharing be-  
23                   tween Departments of Agriculture and  
24                   Health and Human Services; and

1           “(V) *termination and disquali-*  
2           *fication, including maintenance of the*  
3           *list under subparagraph (E).*

4           “(iii) *GUIDANCE AND REGULATIONS.—*

5           “(I) *IN GENERAL.—After con-*  
6           *ducting the review under this subpara-*  
7           *graph, the Secretary shall use findings*  
8           *from such review to assist sponsoring*  
9           *organizations, State agencies, and the*  
10           *Food and Nutrition Service in ensur-*  
11           *ing a fair, uniform, and effective ad-*  
12           *ministration of the serious deficiency*  
13           *process, while retaining program integ-*  
14           *egrity, by issuing guidance, and, as ap-*  
15           *propriate, regulations, on the fol-*  
16           *lowing:*

17                   “(aa) *Clarity on the different*  
18                   *measures for noncompliance.*

19                   “(bb) *Parameters for an ap-*  
20                   *peals process to review a finding*  
21                   *of serious deficiency or a deter-*  
22                   *mination that a corrective action*  
23                   *plan is inadequate.*

24                   “(cc) *Adequate timeframes*  
25                   *under a corrective action plan for*

1 compliance that are consistent for  
2 all types of institutions partici-  
3 pating in the program, including  
4 family or group day care homes.

5 “(II) *INFORMATION SHARING.*—  
6 Within such guidance or regulation,  
7 and as soon as practicable, the Sec-  
8 retary shall ensure information about  
9 findings are shared with the Secretary  
10 of Health and Human Services as to  
11 allow for maximum health, safety,  
12 oversight, and monitoring of partici-  
13 pating child care and Head Start fa-  
14 cilities.”;

15 (4) in subsection (f)—

16 (A) in paragraph (2)(C), by adding at the  
17 end the following:

18 “(iii) *CARRYOVER FUNDS.*—Not more  
19 than 10 percent of the amount reserved by  
20 sponsoring organizations under clause (i)  
21 for administrative expenses for a fiscal year  
22 may remain available for obligation or ex-  
23 penditure in the succeeding fiscal year for  
24 administrative purposes.”; and

25 (B) in paragraph (3)—

1                   (i) by striking subparagraph (C); and  
2                   (ii) by redesignating subparagraphs  
3                   (D) and (E) as subparagraphs (C) and (D),  
4                   respectively;

5                   (5) in subsection (g), by striking paragraph (6)  
6                   and inserting the following:

7                   “(6) *USE OF DONATED FOODS.—To the max-*  
8                   *imum extent practicable, each institution shall use in*  
9                   *its food service foods that are donated by the Sec-*  
10                   *retary.”;*

11                   (6) in subsection (h)(1), by adding at the end the  
12                   following:

13                   “(E) *ENGAGEMENT WITH STATE AND LOCAL*  
14                   *AGENCIES.—*

15                   “(i) *IN GENERAL.—Subject to clause*  
16                   *(ii), institutions participating in the pro-*  
17                   *gram under this section may engage with*  
18                   *State agencies and local educational agen-*  
19                   *cies to use existing infrastructure to en-*  
20                   *hance the use of, and increase access to, do-*  
21                   *nated commodities.*

22                   “(ii) *EFFECT OF SUBPARAGRAPH.—*  
23                   *Nothing in this subparagraph shall compel*  
24                   *a local educational agency unwillingly to*

1           *serve any institution participating in the*  
2           *program under this section.”;*

3           (7) *in subsection (i)(2)(B)(i), by striking “if the*  
4           *State agency demonstrates” and all that follows*  
5           *through the period at the end and inserting “if the*  
6           *State agency demonstrates that the State agency can*  
7           *use funds to improve program management, oversight,*  
8           *and integrity, including by working with other State*  
9           *agencies involved with the monitoring of institutions*  
10          *under this section in order to streamline and coordi-*  
11          *nate the efforts of such State agencies.”;*

12          (8) *in subsection (r), by striking paragraphs (5)*  
13          *and (6);*

14          (9) *in subsection (s)(2)(C), by striking “parents*  
15          *of enrolled children at enrollment” and inserting*  
16          *“parents or legal guardians of enrolled children in an*  
17          *easily accessible manner”;*

18          (10) *in subsection (u)(3)—*

19                 (A) *in subparagraph (C)(i), by inserting*  
20                 *“for distribution to participants and families of*  
21                 *participants” after “nutrition education”; and*

22                 (B) *in subparagraph (H), by adding at the*  
23                 *end the following:*

1                   “(iii) *SUNSET.*—*The Secretary shall*  
2                   *return to the general fund of the Treasury*  
3                   *any funds that were—*

4                   “(I) *made available under this*  
5                   *subparagraph; and*

6                   “(II) *not obligated as of the date*  
7                   *of the enactment of the Improving*  
8                   *Child Nutrition and Education Act of*  
9                   *2016.”; and*

10                   (11) *by adding at the end the following:*

11                   “(v) *PARTICIPATION BY RESIDENTIAL CHILD CARE IN-*  
12                   *STITUTIONS.*—

13                   “(1) *DEFINITION OF RESIDENTIAL CHILD CARE*  
14                   *INSTITUTION.*—*In this subsection, the term ‘residen-*  
15                   *tial child care institution’ means any public or non-*  
16                   *profit private residential child care institution, or*  
17                   *distinct part of such an institution, that—*

18                   “(A) *operates principally for the care of*  
19                   *children; and*

20                   “(B) *if private, is licensed to provide resi-*  
21                   *dential child care services under the appropriate*  
22                   *licensing code by the State or local agency.*

23                   “(2) *ADMINISTRATION.*—*Except as otherwise*  
24                   *provided in this subsection, a residential child care*  
25                   *institution shall be considered eligible for reimburse-*

1 *ment for meals and supplements served to eligible*  
2 *children residing at the residential child care institu-*  
3 *tion, so long as the institution does not simulta-*  
4 *neously participate in the school lunch program*  
5 *under this Act or the school breakfast program under*  
6 *the Child Nutrition Act of 1966 (42 U.S.C. 1771 et*  
7 *seq.).*

8 *“(3) MEAL OR SUPPLEMENT REIMBURSEMENT.—*

9 *“(A) LIMITATIONS.—A residential child*  
10 *care institution may claim reimbursement under*  
11 *this section—*

12 *“(i) only for a meal or supplement*  
13 *served to children residing at the residential*  
14 *child care institution, who are—*

15 *“(I) not more than 18 years of*  
16 *age; or*

17 *“(II) children with disabilities;*  
18 *and*

19 *“(ii) for not more than—*

20 *“(I) 1 breakfast, 1 lunch, and 1*  
21 *supplement per child per day; or*

22 *“(II) 1 breakfast, 1 supper, and 1*  
23 *supplement per child per day.*

24 *“(B) RATE.—A meal or supplement eligible*  
25 *for reimbursement under this subsection shall be*



1           *reimbursed at the rate at which free, reduced*  
2           *price, and paid meals and supplements, respec-*  
3           *tively, are reimbursed under subsection (c).”.*

4           **(b) ADVISORY COMMITTEE.—**

5           **(1) IN GENERAL.—***Not later than 180 days after*  
6           *the date of the enactment of this Act, the Secretary*  
7           *shall establish and convene an advisory committee—*

8                   **(A)** *to examine the feasibility of reducing*  
9                   *unnecessary or duplicative paperwork resulting*  
10                  *from regulations and recordkeeping require-*  
11                  *ments, including paperwork resulting from addi-*  
12                  *tional State requirements, for individuals and*  
13                  *entities participating or seeking to participate*  
14                  *in the child and adult care food program under*  
15                  *section 17 of the Richard B. Russell National*  
16                  *School Lunch Act (42 U.S.C. 1766) (as amended*  
17                  *by subsection (a)), including (within the mean-*  
18                  *ing of that Act (42 U.S.C. 1751 et seq.))—*

19                           *(i) State agencies;*  
20                           *(ii) family child care homes;*  
21                           *(iii) child care centers;*  
22                           *(iv) sponsoring organizations; and*  
23                           *(v) families.*

24                   **(B)** *to provide recommendations to reduce*  
25                  *unnecessary or duplicative paperwork for those*

1           *program participants while ensuring that proper*  
2           *accountability and program integrity are main-*  
3           *tained.*

4           (2) *REPRESENTATION.*—*The advisory committee*  
5           *under this subsection shall include representation*  
6           *from each of the following (within the meaning of the*  
7           *Richard B. Russell National School Lunch Act (42*  
8           *U.S.C. 1751 et seq.), as applicable):*

9                   (A) *Public and private nonprofit organiza-*  
10                  *tions.*

11                  (B) *Home-based day care providers.*

12                  (C) *Head Start centers.*

13                  (D) *For-profit proprietary organizations.*

14                  (E) *Shelters for homeless families.*

15                  (F) *Adult day care centers.*

16                  (G) *State agencies.*

17                  (H) *Sponsor organizations that provide ad-*  
18                  *ministrative support to multiple providers.*

19           (3) *CONSIDERATIONS.*—*In developing the rec-*  
20           *ommendations under this subsection, the advisory*  
21           *committee shall take into consideration, as appro-*  
22           *priate—*

23                   (A) *any existing information, recommenda-*  
24                  *tions, and reports from the paperwork reduction*  
25                  *work group convened by the Food and Nutrition*

1           *Service in response to section 119(i) of the Child*  
2           *Nutrition and WIC Reauthorization Act of 2004*  
3           *(42 U.S.C. 1766 note; 118 Stat. 755);*

4           *(B) the use of technology for electronic rec-*  
5           *ordkeeping to reduce paperwork burdens on pro-*  
6           *gram participants and providers; and*

7           *(C) input from additional advocates and*  
8           *stakeholders for a broader knowledge base, if the*  
9           *advisory committee determines necessary.*

10          (4) *SECRETARIAL ACTION.—*

11            (A) *GUIDANCE OR REGULATIONS.—*

12            (i) *ISSUANCE.—Not later than 1 year*  
13            *after the date of the enactment of this Act,*  
14            *the Secretary shall issue guidance or regula-*  
15            *tions, as appropriate, based on the rec-*  
16            *ommendations of the advisory committee*  
17            *under paragraph (1) regarding streamlined*  
18            *and consolidated paperwork and record-*  
19            *keeping requirements, including applica-*  
20            *tions, monitoring and auditing require-*  
21            *ments, and any other areas recommended*  
22            *by the advisory committee intended to re-*  
23            *duce administrative burden.*

24            (ii) *IMPLEMENTATION.—Not later than*  
25            *18 months after the date of the enactment of*

1           *this Act, the Secretary shall implement any*  
2           *changes resulting from the guidance or reg-*  
3           *ulations described in clause (i).*

4           *(B) REPORT.—After issuing any guidance*  
5           *or regulations under subparagraph (A), the Sec-*  
6           *retary shall submit to the Committee on Agri-*  
7           *culture, Nutrition, and Forestry of the Senate*  
8           *and the Committee on Education and the Work-*  
9           *force of the House of Representatives a report de-*  
10          *scribing any recommendations for legislative*  
11          *changes to further strengthen and streamline the*  
12          *application and monitoring process and reduce*  
13          *administrative burden on grantees, participants,*  
14          *local and State governments, and the Federal*  
15          *Government.*

16 **SEC. 109. DEMONSTRATION PROJECTS.**

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

19                 *(1) by striking subsections (g), (h), (j), and (k);*

20                 *(2) by redesignating subsection (i) as subsection*  
21                 *(g);*

22                 *(3) in subsection (g)(5), as so redesignated, by*  
23                 *striking “2011 through 2015” and inserting “2017*  
24                 *through 2021”;*

1           (4) *by inserting after subsection (c) the fol-*  
2           *lowing:*

3           “(d) *ACCESS TO LOCAL FOODS: FARM TO SCHOOL*  
4           *PROGRAM.—*

5           “(1) *PROGRAM.—The Secretary shall carry out a*  
6           *program to assist eligible schools, State and local*  
7           *agencies, Indian tribal organizations, agricultural*  
8           *producers or groups of agricultural producers, and*  
9           *nonprofit entities through grants, technical assistance,*  
10           *and research to implement farm to school programs*  
11           *that improve access to local foods and improve nutri-*  
12           *tion education in eligible schools.*

13           “(2) *DEFINITIONS.—In this subsection:*

14           “(A) *AGRICULTURAL PRODUCER.—The term*  
15           *‘agricultural producer’ means a farmer, rancher,*  
16           *or fisher (including of farm-raised fish).*

17           “(B) *ELIGIBLE SCHOOL.—The term ‘eligible*  
18           *school’ means a school or institution that par-*  
19           *ticipates in—*

20           “(i) *a program under this Act, includ-*  
21           *ing the summer food service program for*  
22           *children under section 13 and the early care*  
23           *and afterschool portions of the child and*  
24           *adult care food program under section 17;*  
25           *or*

1                   “(ii) the school breakfast program es-  
2                   tablished under section 4 of the Child Nutri-  
3                   tion Act of 1966 (42 U.S.C. 1773).

4                   “(3) GRANTS.—

5                   “(A) IN GENERAL.—The Secretary shall  
6                   award competitive grants under this subsection  
7                   to be used for implementing farm to school pro-  
8                   grams for the purposes of improving access to  
9                   local foods and improving nutrition education,  
10                  through—

11                  “(i) research, training, and technical  
12                  assistance;

13                  “(ii) supporting operations;

14                  “(iii) planning;

15                  “(iv) purchasing equipment;

16                  “(v) developing school gardens; and

17                  “(vi) developing partnerships to facili-  
18                  tate nutrition education and healthy eating.

19                  “(B) REGIONAL BALANCE.—In making  
20                  awards under this subsection, the Secretary  
21                  shall, to the maximum extent practicable, en-  
22                  sure—

23                  “(i) geographical diversity; and

24                  “(ii) equitable treatment of urban,  
25                  rural, and tribal communities.

1           “(C) *IMPROVED PROCUREMENT AND DIS-*  
2           *TRIBUTION.—Funds provided under this sub-*  
3           *section may be used to improve local food pro-*  
4           *urement and distribution options between agri-*  
5           *cultural producers and eligible schools, including*  
6           *innovative approaches to aggregation, processing,*  
7           *transportation, and distribution.*

8           “(D) *AWARDS.—*

9           “(i) *MAXIMUM AMOUNT.—The total*  
10           *amount provided to a grant recipient under*  
11           *this subsection shall not exceed \$150,000.*

12           “(ii) *TERM.—The term of an award*  
13           *shall not exceed 3 years.*

14           “(iii) *LIMITATION.—The Secretary*  
15           *shall not award any entity more than 1*  
16           *grant at any given time.*

17           “(iv) *PURPOSE AND SCOPE.—In car-*  
18           *rying out this subsection, the Secretary*  
19           *shall make awards of diverse amounts and*  
20           *duration so as to best match a variety of*  
21           *purposes, scopes, and needs of the project*  
22           *proposals.*

23           “(E) *LIMITATION.—The Secretary shall not*  
24           *award a grant under this subsection if the ma-*

1           *majority of grant funds would be used solely for the*  
2           *purpose of carrying out a conference.*

3           “(4) *FEDERAL SHARE.*—

4                     “(A) *IN GENERAL.*—*The Federal share of*  
5                     *costs for a project funded through a grant*  
6                     *awarded under this subsection shall not exceed*  
7                     *75 percent of the total cost of the project.*

8                     “(B) *FEDERAL MATCHING.*—*As a condition*  
9                     *of receiving a grant under this subsection, a*  
10                    *grant recipient shall provide matching support*  
11                    *in the form of cash or in-kind contributions, in-*  
12                    *cluding facilities, equipment, or services provided*  
13                    *by State and local governments, nonprofit orga-*  
14                    *nizations, and private sources.*

15           “(5) *CRITERIA FOR SELECTION.*—

16                    “(A) *IN GENERAL.*—*To the maximum ex-*  
17                    *tent practicable, in providing assistance under*  
18                    *this subsection, the Secretary shall give priority*  
19                    *to proposals to—*

20                             “(i) *serve a high proportion of children*  
21                             *who are eligible for free or reduced price*  
22                             *meals;*

23                             “(ii) *incorporate nutrition education*  
24                             *activities that encourage the participation*



1                   *of school children in farm and garden-based*  
2                   *agricultural education activities;*

3                   “(iii) *provide families the opportunity*  
4                   *to participate in educational programming,*  
5                   *including through materials and engage-*  
6                   *ment activities, to improve nutrition out-*  
7                   *side the school environment;*

8                   “(iv) *demonstrate collaboration be-*  
9                   *tween eligible schools, nongovernmental and*  
10                  *community-based organizations, agricul-*  
11                  *tural producer groups, and other commu-*  
12                  *nity partners;*

13                  “(v) *make local food products available*  
14                  *on the menu of reimbursable meals under*  
15                  *this Act at the eligible school;*

16                  “(vi) *demonstrate the potential for*  
17                  *long-term program sustainability with non-*  
18                  *Federal funds; and*

19                  “(vii) *expand the selection of local*  
20                  *commodities available for eligible schools.*

21                  “(B) *TRIBAL COMMUNITY PROJECTS.—In*  
22                  *the case of projects serving tribal communities,*  
23                  *the Secretary shall, to the maximum extent prac-*  
24                  *ticable, give highest priority to projects that pro-*  
25                  *pose to use products from tribal agricultural pro-*

1           ducers, in addition to the priorities under sub-  
2           paragraph (A).

3           “(6) *EVALUATION.*—As a condition of receiving a  
4           grant under this subsection, each grant recipient shall  
5           agree to cooperate in an evaluation of the program by  
6           the Secretary.

7           “(7) *TECHNICAL ASSISTANCE AND RESEARCH.*—

8           “(A) *IN GENERAL.*—The Secretary shall  
9           provide technical assistance, research, and infor-  
10          mation through amounts reserved under this sub-  
11          section for such purposes, to assist schools, State  
12          and local agencies, Indian tribal organizations,  
13          agricultural producers, and nonprofit entities—

14                 “(i) to facilitate the coordination and  
15                 sharing of information and resources that  
16                 may be applicable to the farm to school pro-  
17                 gram;

18                 “(ii) to collect and share information  
19                 on best practices;

20                 “(iii) to disseminate research and data  
21                 on existing farm to school programs and the  
22                 potential for programs to begin in under-  
23                 served areas; and

24                 “(iv) to increase awareness of, and  
25                 participation in, farm to school programs

1           *among agricultural and aquiculture pro-*  
2           *ducers or agricultural producer groups, in-*  
3           *cluding beginning, veteran, and socially dis-*  
4           *advantaged farmers and ranchers.*

5           “(B) REVIEW.—*Not later than 1 year after*  
6           *the date of the enactment of the Improving Child*  
7           *Nutrition and Education Act of 2016 and every*  
8           *3 years thereafter, the Secretary shall review and*  
9           *submit to the Committee on Agriculture and the*  
10          *Committee on Education and the Workforce of*  
11          *the House of Representatives and the Committee*  
12          *on Agriculture, Nutrition, and Forestry of the*  
13          *Senate a report that describes the regulatory and*  
14          *other barriers related to including locally or re-*  
15          *gionally produced food products in school food*  
16          *programs, including any progress that has been*  
17          *made in identifying and eliminating such bar-*  
18          *riers through examining—*

19                   “(i) *barriers to the development and*  
20                   *implementation of successful farm to school*  
21                   *programs;*

22                   “(ii) *the direct and indirect costs af-*  
23                   *fecting the production and marketing of lo-*  
24                   *cally or regionally produced agricultural*  
25                   *food products for school food programs;*

1           “(iii) the costs local school food pro-  
2           grams incur by acquiring such local foods  
3           for school meal programs in comparison to  
4           the costs for other foods in such school meal  
5           programs; and

6           “(iv) local and regional market access  
7           for such food products, partnerships, small-  
8           scale production, and any barriers to and  
9           long-term feasibility of such access.

10          “(8) FUNDING.—

11           “(A) IN GENERAL.—On October 1, 2016,  
12           and each October 1 thereafter, out of any funds  
13           in the Treasury not otherwise appropriated, the  
14           Secretary of the Treasury shall transfer to the  
15           Secretary to carry out this subsection  
16           \$10,000,000, to remain available until expended.

17           “(B) RECEIPT AND ACCEPTANCE.—The Sec-  
18           retary shall be entitled to receive, shall accept,  
19           and shall use to carry out this subsection the  
20           funds transferred under subparagraph (A), with-  
21           out further appropriation.

22           “(C) ADMINISTRATION.—Of the funds made  
23           available to the Secretary under subparagraph  
24           (A), not more than 5 percent may be used to pay  
25           administrative costs incurred by the Secretary in

1           *carrying out this subsection and evaluating the*  
2           *program in accordance with paragraph (6).*

3           “(e) *SUMMER MEAL SERVICE THROUGH BUSINESS*  
4 *PARTNERSHIP.—*

5           “(1) *IN GENERAL.—From the funds made avail-*  
6           *able under the summer food service program under*  
7           *section 13, the Secretary shall award grants on a*  
8           *competitive basis to not more than 4 State agencies*  
9           *to improve delivery of such summer food service pro-*  
10           *gram for low-income children in underserved areas*  
11           *during the summer through sustainable, scalable,*  
12           *business-driven solutions.*

13           “(A) *DURATION.—A grant awarded under*  
14           *this subsection shall be for a period of not more*  
15           *than 3 years.*

16           “(B) *PRIORITY.—In awarding grants under*  
17           *this subsection, the Secretary shall give priority*  
18           *to State agencies that have met the application*  
19           *requirements under this subsection and which*  
20           *demonstrate a severe unmet need for serving chil-*  
21           *dren in additional eligible areas in the State*  
22           *through the summer food service program under*  
23           *section 13.*

24           “(C) *LIMITATION.—Funds under this sub-*  
25           *section will—*

1           “(i) be awarded for the purpose of re-  
2           ducing childhood hunger and allowing par-  
3           ents to better participate in the labor force  
4           or an education or workforce development  
5           program; and

6           “(ii) not preempt or prevent operation  
7           of the summer food service program under  
8           section 13.

9           “(2) STATE APPLICATION.—A State seeking to  
10          improve delivery of the summer food service program  
11          in such State in accordance with this subsection shall  
12          submit an application at such time and in such man-  
13          ner as the Secretary may reasonably require. The ap-  
14          plication shall contain—

15               “(A) State plans to implement and manage  
16               the program in accordance with other applicable  
17               Federal requirements under this Act;

18               “(B) a determination of the eligible areas in  
19               the State in which poor economic conditions  
20               exist in accordance with the program, but where  
21               an eligible service institution is not currently in  
22               operation, where the State may reimburse a ven-  
23               dor;

1           “(C) identified eligible vendors which the  
2 State has determined to be qualified to provide  
3 meals in accordance with this subsection;

4           “(D) a proposed timeline for entering into  
5 contracts with eligible vendors and strategies for  
6 effective communication; and

7           “(E) an assurance that funds will be used  
8 to provide meals to the most vulnerable, under-  
9 served, and rural populations, as determined by  
10 the State.

11           “(3) *ELIGIBLE VENDOR*.—For purposes of this  
12 subsection, an eligible vendor is a food vendor which  
13 the State determines has the administrative capacity  
14 and proven operating performance to provide eligible  
15 meals to children in underserved areas in accordance  
16 with this subsection and the summer food service pro-  
17 gram requirements on management responsibilities of  
18 sponsors and self-preparation sites, including require-  
19 ments that the vendor—

20           “(A) accepts final administrative and fi-  
21 nancial responsibility for management of an ef-  
22 fective food service, including auditing and re-  
23 porting responsibilities, but will not receive ad-  
24 ministrative funding from the State to do so;

1           “(B) has not been determined ineligible to  
2 participate in any other program under this Act  
3 or the Child Nutrition Act of 1966 by reason of  
4 violation of the requirements of that program;

5           “(C) will provide adequate supervisory and  
6 operational personnel for monitoring and man-  
7 agement of a self-preparation site;

8           “(D) contracts directly with the State as a  
9 sponsor;

10          “(E) ensures that meals are inspected peri-  
11 odically as required under existing program reg-  
12 ulations;

13          “(F) participates in applicable State and  
14 Federal reporting and auditing requirements  
15 under this Act as appropriate, including to pro-  
16 vide other information determined relevant by  
17 the Secretary in accordance with paragraph (5);

18          “(G) has State or local health certification  
19 for the facilities in which meals will be prepared  
20 and distributed for use in the program, and en-  
21 sures that State and local health and sanitation  
22 requirements are met at all times; and

23          “(H) has the organizational capacity to  
24 offer meals in underserved communities, includ-  
25 ing preparation and delivery logistics.



1           “(4) *STATE DISBURSEMENT.*—A State shall use  
2           the grant awarded to the State under this subsection  
3           to reimburse an eligible vendor for meals served to eli-  
4           gible children in accordance with the summer food  
5           service program under section 13 and with this sub-  
6           section, as follows:

7                   “(A) Reimbursements shall be available for  
8                   an eligible vendor operating in an eligible area  
9                   in which poor economic conditions exist where  
10                  no sponsor is currently operating the program  
11                  under section 13.

12                  “(B) To the extent practicable, a State shall  
13                  give priority to eligible vendors that—

14                          “(i) demonstrate partnerships with en-  
15                          tities providing summer enrichment activi-  
16                          ties such as schools, local government agen-  
17                          cies, and nonprofit agencies; and

18                          “(ii) provide meals at a congregate  
19                          site.

20                  “(C) A State shall follow established proce-  
21                  dures in entering into contracts with a vendor,  
22                  such as through a Request for Proposal, Invita-  
23                  tion for Sealed Bid, Small Purchase Procedure,  
24                  or other common method.

25           “(5) *AUDITING.*—

1           “(A) *STATE REPORTING.*—Not later than 1  
2           year after the end of the grant period for a grant  
3           awarded to a State under this subsection, the  
4           State shall submit to the Secretary a report on—

5                   “(i) *the activities carried out with such*  
6                   *grant; and*

7                   “(ii) *the impacts of such activities on*  
8                   *children, families, and eligible service insti-*  
9                   *tutions during the summer.*

10           “(B) *REPORT FROM SECRETARY.*—No later  
11           than 4 years after the first grant is awarded  
12           under this subsection, the Secretary shall provide  
13           to the Committee on Education and the Work-  
14           force of the House of Representatives and the  
15           Committee on Agriculture, Nutrition, and For-  
16           estry of the Senate a report on the grant pro-  
17           gram under this subsection, which shall in-  
18           clude—

19                   “(i) *a review of information submitted*  
20                   *by States under subparagraph (A); and*

21                   “(ii) *best practices on reducing child-*  
22                   *hood hunger in the summer months.*

23           “(6) *LIMITATIONS.*—The following rules shall  
24           apply with respect to this subsection:

1           “(A) No commodities shall be provided to  
2 businesses or vendors under this subsection.

3           “(B) Vendors shall assume all administra-  
4 tive costs under this subsection.

5           “(C) Meals shall be provided to children eli-  
6 gible for the summer food service program under  
7 section 13.

8           “(D) A vendor receiving reimbursements  
9 shall not profit directly from such reimburse-  
10 ments under this subsection.

11           “(E) The Secretary shall include payments  
12 to States under this subsection in its calculations  
13 for administrative costs incurred by States under  
14 subsection (k)(1) of section 13.

15           “(f) *SUMMER ELECTRONIC BENEFIT TRANSFER FOR*  
16 *CHILDREN.*—

17           “(1) *PURPOSE.*—*The purposes of the provision of*  
18 *electronic benefits provided through this subsection*  
19 *are to assess the use of alternate methods of providing*  
20 *access to food for children during the summer months*  
21 *when school is not in regular session that are in-*  
22 *tended to—*

23           “(A) *increase summer food service program*  
24 *effectiveness and efficiency;*

1           “(B) *reduce or eliminate the food insecurity*  
2           *and hunger of children; and*

3           “(C) *improve the nutritional status of chil-*  
4           *dren.*

5           “(2) *DEMONSTRATION.—*

6           “(A) *ELECTION.—A State that, as of the*  
7           *date of enactment of the Improving Child Nutri-*  
8           *tion and Education Act of 2016, is operating, or*  
9           *has operated, a summer electronic benefit trans-*  
10           *fer for children demonstration may elect to con-*  
11           *tinue operating such demonstration in accord-*  
12           *ance with the requirements of this subsection as*  
13           *an alternative to other delivery models of pro-*  
14           *viding meals to children during the summer*  
15           *months when school is not in regular session.*

16           “(B) *STATE REQUIREMENTS.—As a condi-*  
17           *tion of participating in the demonstration under*  
18           *this subsection, a State shall—*

19                   “(i) *comply with the requirements*  
20                   *under this subsection; and*

21                   “(ii) *agree to provide such information*  
22                   *the Secretary may require for the evalua-*  
23                   *tion of the demonstration as required under*  
24                   *this subsection.*

25           “(3) *DEFINITIONS.—In this subsection:*

1           “(A) *ELIGIBLE HOUSEHOLD.*—The term ‘el-  
2           igible household’ means a household that includes  
3           1 or more school-aged child determined as eligi-  
4           ble to receive free or reduced price school meals  
5           during the prior school year, but such child is  
6           not participating in a program that provides  
7           food during the summer through the summer  
8           food service program under section 13.

9           “(B) *STATE.*—The term ‘State’ includes a  
10          tribal entity.

11          “(C) *SUMMER ELECTRONIC BENEFIT TRANS-*  
12          *FER FOR CHILDREN DEMONSTRATION.*—The term  
13          ‘summer electronic benefit transfer for children  
14          demonstration’ means an electronic benefit  
15          transfer demonstration project under section  
16          748(g)(1) of the Agriculture, Rural Development,  
17          Food and Drug Administration, and Related  
18          Appropriations Act, 2010 (Public Law 111–80;  
19          123 Stat. 2132).

20          “(4) *BENEFIT LEVELS.*—

21                 “(A) *IN GENERAL.*—The Secretary shall ap-  
22                 prove States seeking to make an election under  
23                 paragraph (2)(A) that will evaluate the impact  
24                 of providing a variety of differentiated benefit  
25                 levels to eligible children as a way to reach such

1           *children to the greatest extent practicable. The*  
2           *values of such benefits shall be determined by the*  
3           *State, but shall be between \$15 and \$30 per*  
4           *month for each school-aged child in an eligible*  
5           *household.*

6           “(B) *RATE DETERMINATION.—In deter-*  
7           *mining the values under subparagraph (A), a*  
8           *State may consider differentiating rates based on*  
9           *the need for such benefits, which may be deter-*  
10          *mined through factors such as—*

11                   “(i) *the proportion of applicants that*  
12                   *are eligible for free price meals;*

13                   “(ii) *total number of households and*  
14                   *children seeking to participate;*

15                   “(iii) *food security in children across*  
16                   *communities in such State;*

17                   “(iv) *average redemption rates of bene-*  
18                   *fits;*

19                   “(v) *impact of such values at improv-*  
20                   *ing food security in children;*

21                   “(vi) *availability of other community*  
22                   *programs that provide meals to children*  
23                   *during the summer months when school is*  
24                   *not in regular session where children might*  
25                   *otherwise receive nutrition assistance; and*

1                   “(vii) *any other information a State*  
2                   *determines is useful for determining such*  
3                   *rates.*

4                   “(C) *LIMITATIONS.—*

5                   “(i) *TIME.—No child may receive more*  
6                   *than 3 months of benefits under this para-*  
7                   *graph in any 12-month period.*

8                   “(ii) *AMOUNT.—No child may receive*  
9                   *more than \$30 of benefits under this para-*  
10                   *graph per month.*

11                   “(D) *COST SHARING.—Nothing in this*  
12                   *paragraph shall be construed to prohibit States*  
13                   *or local entities from providing additional non-*  
14                   *Federal resources for the purposes of this sub-*  
15                   *section.*

16                   “(5) *EFFECTIVE IMPLEMENTATION.—*

17                   “(A) *IN GENERAL.—In administering this*  
18                   *subsection and providing benefits to children in*  
19                   *accordance with this subsection, a State shall*  
20                   *consider previous State experiences and best*  
21                   *practices in implementing the summer electronic*  
22                   *benefit transfer for children demonstration car-*  
23                   *ried out before the date of enactment of the Im-*  
24                   *proving Child Nutrition and Education Act of*  
25                   *2016, including information evaluating findings*

1           *of the demonstration (including the 2013 final*  
2           *report published by the Department of Agri-*  
3           *culture).*

4           “(B) *TECHNICAL ASSISTANCE.—The Sec-*  
5           *retary shall provide, and periodically update,*  
6           *technical assistance to States for purposes of this*  
7           *paragraph.*

8           “(6) *USE OF BENEFITS.—*

9           “(A) *IN GENERAL.—Benefits issued to fami-*  
10           *lies through the election under paragraph (2)(A)*  
11           *may be used only for the purchase of food for*  
12           *consumption by school-aged children in such*  
13           *family.*

14           “(B) *TIMING.—Benefits issued through the*  
15           *election described in this subparagraph may be*  
16           *redeemed only when school is out of session for*  
17           *the summer period.*

18           “(7) *ADMINISTRATION.—In administering this*  
19           *subsection, the State shall—*

20           “(A) *ensure that benefits are issued only to*  
21           *eligible households that live—*

22           “(i) *in areas with high rates of poverty*  
23           *or long-term poverty that are rural and*  
24           *have no congregate feeding sites or access to*  
25           *meals otherwise provided through the sum-*



1           mer food service program authorized under  
2           section 13; or

3           “(ii) outside an area in which poor  
4           economic conditions exist but in an area  
5           with no access to meals otherwise provided  
6           through the summer food service program  
7           authorized under section 13;

8           “(B) issue benefits to eligible households  
9           only after such household has made an oral or  
10          written request to receive electronic benefit trans-  
11          fer benefits under this subsection; and

12          “(C) document how the election will be ad-  
13          ministered in the management and administra-  
14          tion plan described in subsection (n), including  
15          the process for identifying areas in which bene-  
16          fits will be issued.

17          “(8) *EVALUATION.*—The Secretary shall provide  
18          for an ongoing, independent evaluation of the dem-  
19          onstration carried out under this subsection, includ-  
20          ing quasi-experimental or other methods that are ca-  
21          pable of producing scientifically valid information to  
22          determine effectiveness in achieving the purposes de-  
23          scribed in paragraph (1), including examining or as-  
24          sessing—

1           “(A) feasibility of, or barriers to, successful  
2           implementation of this subsection;

3           “(B) varied approaches in State implemen-  
4           tation of this subsection, including different ap-  
5           proaches, challenges, and lessons learned;

6           “(C) specific levels of use and receipt of ben-  
7           efits;

8           “(D) impact on children’s food security and  
9           nutritional impacts, including by the different  
10          impacts on children in a variety of geographical  
11          areas such as rural, urban, and suburban areas,  
12          localities, and States;

13          “(E) total cost (including administrative  
14          cost) of implementing and operating this sub-  
15          section, including in comparison to other meth-  
16          ods of providing summer meal service to school-  
17          aged children;

18          “(F) impacts and results of such evaluation  
19          in comparison to evaluations of the summer elec-  
20          tronic benefits transfer for children demonstra-  
21          tion published by the Secretary of Agriculture;  
22          and

23          “(G) the potential for benefits provided  
24          under this subsection to improve effectiveness  
25          and efficiency of the summer food service pro-

1           *gram in comparison to other methods of pro-*  
2           *viding summer meal service to school-aged chil-*  
3           *dren.*

4           “(9) *REPORT.*—*Not later than one year after*  
5           *amounts are first appropriated under paragraph*  
6           *(10), and each year thereafter, the Secretary shall*  
7           *submit to Congress a report that—*

8                   “(A) *includes the information resulting*  
9                   *from the most recent evaluation under para-*  
10                   *graph (8); and*

11                   “(B) *takes into consideration evaluations of*  
12                   *the summer electronic benefits transfer for chil-*  
13                   *dren demonstration published by the Secretary of*  
14                   *Agriculture.*

15           “(10) *AUTHORIZATION OF APPROPRIATIONS.*—

16                   “(A) *IN GENERAL.*—*There is authorized to*  
17                   *be appropriated to carry out this subsection not*  
18                   *more than \$10,000,000 for each of fiscal years*  
19                   *2018 through 2020, to remain available until ex-*  
20                   *pended.*

21                   “(B) *LIMITATIONS.*—*Of such appropria-*  
22                   *tions, for each fiscal year—*

23                           “(i) *each State shall utilize a portion*  
24                           *for administrative funds that shall be equal*  
25                           *to the levels necessary to effectively and effi-*

1           *ciently administer the State’s demonstra-*  
2           *tion under this subsection, as determined by*  
3           *the State;*

4           “(ii) *not more than 1 percent may be*  
5           *spent on administrative funds by the Sec-*  
6           *retary; and*

7           “(iii) *not more than \$499,999 shall be*  
8           *available for the Secretary to comply with*  
9           *paragraph (8).*

10           “(11) *GUIDANCE.—Not later than December 31,*  
11           *2016, the Secretary shall provide guidance to States*  
12           *to implement this subsection, including recommenda-*  
13           *tions for States to successfully continue to implement*  
14           *the summer electronic benefit transfer for children*  
15           *demonstration while complying with the new or addi-*  
16           *tional requirements of this subsection.”; and*

17           (5) *by adding at the end the following:*

18           “(h) *STATE ADMINISTRATION OF CHILD NUTRITION*  
19           *PROGRAMS.—*

20           “(1) *PURPOSES.—The purposes of this subsection*  
21           *are to provide States flexibility to develop programs*  
22           *and policies to best meet the nutritional needs of*  
23           *school-aged children in the State by providing flexi-*  
24           *bility over school meal programs under this Act and*  
25           *section 4 of the Child Nutrition Act of 1966 (42*

1       *U.S.C. 1773) and other programs to address such*  
2       *needs more effectively and efficiently with less Federal*  
3       *involvement, including by—*

4               “(A) *removing duplication, redundancies,*  
5               *regulatory burden, and unnecessary requirements*  
6               *resulting from the Federal administration of the*  
7               *school meal programs;*

8               “(B) *more efficiently using Federal, State,*  
9               *local, and nongovernmental resources to strength-*  
10              *en delivery of the school meal programs and*  
11              *other programs; and*

12              “(C) *supporting healthy meals through in-*  
13              *volvement by parents, family members, and the*  
14              *community, including nonprofit organizations,*  
15              *health organizations, and school officials from*  
16              *large and small urban, suburban, and rural*  
17              *areas in the State.*

18              “(2) *GRANTS AUTHORIZED.—*

19              “(A) *IN GENERAL.—The Secretary shall*  
20              *award grants, on a competitive basis, to up to*  
21              *3 States to enable the States to carry out the ac-*  
22              *tivities described in this subsection.*

23              “(B) *CONSIDERATIONS.—In awarding*  
24              *grants under this subsection, the Secretary*  
25              *shall—*

1           “(i) in a case in which more than 3  
2           States apply for a grant under this sub-  
3           section, give priority to States by taking  
4           into consideration regional diversity; and

5           “(ii) ensure each State awarded a  
6           grant under this subsection meets the re-  
7           quired assurances under paragraph (3)(D),  
8           except that the Secretary shall not approve  
9           or disapprove an application on the basis of  
10          a State’s plan or proposed program.

11          “(C) DURATION OF GRANTS.—A grant to a  
12          State under this subsection—

13               “(i) shall be awarded to the State for  
14               a 3-year period; and

15               “(ii) may be renewed by the Secretary  
16               for an additional 3-year period if the State  
17               can demonstrate success in meeting the nu-  
18               tritional needs of the school-aged children in  
19               the State.

20          “(D) AMOUNT OF GRANTS.—The amount of  
21          a grant awarded to a State under this subsection  
22          for each year of the grant period shall be equal  
23          to the amount described in paragraph (3)(C).

24          “(E) MATCHING REQUIREMENT.—Each  
25          State that receives a grant under this subsection

1           *shall provide funds from non-Federal sources*  
2           *(which may be provided in cash, commodities, or*  
3           *in kind) to support the activities under this sub-*  
4           *section.*

5           “(F) *LIMITATIONS.—A State that receives a*  
6           *grant under this subsection may not, during any*  
7           *period during which the State receives such*  
8           *grant, receive funds under any of the following:*

9                   “(i) *The school lunch program under*  
10                   *this Act.*

11                   “(ii) *The school breakfast program*  
12                   *under section 4 of the Child Nutrition Act*  
13                   *of 1966 (42 U.S.C. 1773).*

14                   “(iii) *The special milk program under*  
15                   *section 3 of the Child Nutrition Act of 1966*  
16                   *(42 U.S.C. 1772).*

17                   “(iv) *The State administrative ex-*  
18                   *penditures funding under section 7 of the Child*  
19                   *Nutrition Act of 1966 (42 U.S.C. 1776).*

20                   “(v) *The team nutrition network under*  
21                   *section 19 of the Child Nutrition Act of*  
22                   *1966 (42 U.S.C. 1788).*

23           “(3) *APPLICATION.—To receive a grant under*  
24           *this subsection, a State shall submit an application*  
25           *at such time and in such manner as the Secretary*

1       *may reasonably require. The application shall con-*  
2       *tain—*

3               “(A) *an assurance that each school-aged*  
4               *child in the State will have access to at least one*  
5               *affordable meal service option during the school*  
6               *day at the school in which the child is enrolled,*  
7               *and a plan for how the State will carry out such*  
8               *assurance, including—*

9                       “(i) *the income thresholds or other*  
10                      *needs-based determinations to be used for*  
11                      *determining—*

12                               “(I) *which students are eligible for*  
13                              *free meals;*

14                               “(II) *which students are eligible*  
15                              *for reduced price meals; and*

16                               “(III) *which students are required*  
17                              *to pay the full price for meals;*

18                               “(ii) *the estimated number of students*  
19                              *in the State eligible for the thresholds for*  
20                              *each meal category described in clause (i);*

21                               “(iii) *the price to be charged to stu-*  
22                              *dents eligible for reduced price meals and*  
23                              *the price to be charged to students required*  
24                              *to pay the full price for meals;*



1           “(iv) how the State will identify and  
2           verify eligibility of such students, such as  
3           through census data, application processes,  
4           or any other State-determined method;

5           “(v) an identification of any non-Fed-  
6           eral sources, including State funds, the  
7           State will utilize to meet the needs of school-  
8           aged children in the State if the grant re-  
9           ceived under this subsection is not sufficient  
10          to cover the cost of the meals to be served  
11          during the period in which the State re-  
12          ceives such grant;

13          “(vi) any other factors the State will  
14          use to determine distribution of funds re-  
15          ceived under the grant to each elementary  
16          school and secondary school in the State to  
17          reimburse the schools for the cost of the  
18          meals served, including how the State will  
19          ensure a fair distribution of such funds to  
20          address the need for such meals at each such  
21          school; and

22          “(vii) the monitoring plan the State  
23          will use to ensure the funding described in  
24          clause (v) will be used in accordance with  
25          this subsection;

1           “(B) a description of the requirements for  
2 meals provided under this subsection that the  
3 State will require, including requirements for  
4 meal standards and pricing;

5           “(C) a request for an amount of grant funds  
6 for each year that the State will receive a grant  
7 under this subsection, which may not, for each  
8 such year exceed the amount the State received  
9 for fiscal year 2016—

10           “(i) for free and reduced price meal re-  
11 imbursements under the programs described  
12 in clauses (i) and (ii) of paragraph (2)(F),  
13 excluding any additional reimbursements  
14 received under section 4(b)(3) of this Act;  
15 and

16           “(ii) under the programs described in  
17 paragraphs (iii) through (v) of paragraph  
18 (2)(F); and

19           “(D) assurances that the State will—

20           “(i) provide healthy meals to school-  
21 aged children in the State to ensure max-  
22 imum participation of students in the  
23 State;

24           “(ii) provide technical assistance to  
25 local educational agencies and schools to en-

1           *sure maximum participation of students in*  
2           *the State;*

3           “(iii) *provide an annual report to the*  
4           *Secretary that outlines the activities and*  
5           *progress made in providing healthy meals*  
6           *to students in a more cost efficient manner*  
7           *than such meals were provided prior to the*  
8           *State receiving such grant; and*

9           “(iv) *work with school leaders, school*  
10          *nutrition providers, and health profes-*  
11          *sionals to develop and implement the plan*  
12          *under subparagraph (A) and to ensure that*  
13          *meals provided in schools in the State using*  
14          *the grant will be healthy and provided in*  
15          *an efficient and cost effective manner.*

16          “(4) *USE OF FUNDS.—*

17                 “(A) *IN GENERAL.—A State that receives a*  
18                 *grant under this subsection shall use the grant*  
19                 *funds to—*

20                         “(i) *provide meals to school-aged chil-*  
21                         *dren in accordance with paragraph (3);*

22                         “(ii) *carry out the activities described*  
23                         *in subparagraph (B) of this paragraph; and*

1           “(iii) carry out any other activities the  
2           State determines will support the goals of  
3           this subsection.

4           “(B) *ADDITIONAL STATE ACTIVITIES.*—Each  
5           State that receives a grant under this subsection  
6           shall, in addition to the activities described in  
7           clauses (i) and (ii) of subparagraph (A), provide  
8           nutritional assistance to low-income and vulner-  
9           able children, as determined by the State, by—

10           “(i) addressing specific State and com-  
11           munity nutritional needs;

12           “(ii) engaging partners to deliver the  
13           meal programs to spur innovation in such  
14           delivery, including local governments and  
15           school officials, businesses, non-profit and  
16           faith-based organizations, and other com-  
17           munity partners;

18           “(iii) developing or strengthening pri-  
19           vate sector partnerships to support the com-  
20           munity and nutritional needs of school-aged  
21           children; and

22           “(iv) achieving administrative and  
23           other programmatic cost savings.

24           “(C) *LIMITATION.*—A State may use not  
25           more than 10 percent of the grant received under

1           *this subsection for administrative and outreach*  
2           *expenses.*

3           “(5) *STATE REPORTING.*—*Not later than 2 years*  
4           *after receiving a grant under this subsection, a State*  
5           *shall submit to the Secretary a report on how the*  
6           *State was better able to operate school meals and*  
7           *other programs to address needs more effectively com-*  
8           *pared to how the State addressed such needs before the*  
9           *grant was awarded to the State. The report shall in-*  
10          *clude—*

11                   “(A) *a description of how the State used the*  
12                   *grant funds, the State costs of carrying out the*  
13                   *activities under this subsection (including food,*  
14                   *administrative, labor, oversight, and any other*  
15                   *costs), and any revenue the State received by*  
16                   *carrying out such activities (including Federal,*  
17                   *non-Federal, and family contributions);*

18                   “(B) *the strategies and activities under-*  
19                   *taken at the State and, if applicable, local level*  
20                   *to meet the goals of this subsection;*

21                   “(C) *financial efficiencies the State has*  
22                   *identified through the grant, including the extent*  
23                   *to which activities under the grant have led to*  
24                   *the addition, blending, or braiding of other Fed-*  
25                   *eral or private funding, and the specific or esti-*

1           *mated amount of cost-savings, reduced burdens,*  
2           *and other efficiencies;*

3           “(D) *the impacts the State has made in*  
4           *meeting the goals of this subsection;*

5           “(E) *any barriers the State has identified*  
6           *in providing school meals, and ways in which to*  
7           *overcome such barriers; and*

8           “(F) *other State-determined and voluntarily*  
9           *provided information intended to share best*  
10           *practices for future implementation of this sub-*  
11           *section.*

12           “(6) *LIMITATIONS ON FEDERAL INTER-*  
13           *ERENCE.—Nothing in this subsection shall be con-*  
14           *strued to authorize the Secretary to establish, as a*  
15           *condition to receive a grant under this subsection or*  
16           *as requirement to operate such a grant, any criterion*  
17           *that specifies, defines, or prescribes—*

18           “(A) *nutritional guidelines, standards, or*  
19           *meal requirements, including the methods that a*  
20           *State uses to develop, implement, or improve*  
21           *such nutritional guidelines, standards, or meal*  
22           *requirements;*

23           “(B) *specific aspects, parameters, or meas-*  
24           *ures of programmatic quality, including meas-*  
25           *ures of compliance or evaluation;*

1           “(C) *nutritional curriculum, programs of*  
2           *instruction, or instructional content;*

3           “(D) *any aspect of meal provision criteria,*  
4           *including nutritional requirements, timing, du-*  
5           *ration, type, price, amount, or any other aspect*  
6           *of meals or meal program operation;*

7           “(E) *any term under this subsection as such*  
8           *term applies to activities carried out by a State,*  
9           *including the terms healthy, affordable meal,*  
10          *school day, and nutritional needs;*

11          “(F) *the ways in which a State identifies*  
12          *and verifies eligibility for benefits, including*  
13          *child, family, and provider eligibility;*

14          “(G) *differentiated payment rates a State*  
15          *may use;*

16          “(H) *the amount or sources of non-Federal*  
17          *funds that a State must provide;*

18          “(I) *the percentages or amounts of grant*  
19          *funds to be used for specific activities within or*  
20          *among programs;*

21          “(J) *the scope or structure of programs, in-*  
22          *cluding number of meals served, timing within*  
23          *the day, and length or time of year a program*  
24          *operates; and*

1           “(K) any aspect or parameter of pro-  
2           grammatic evaluation.

3           “(7) FEDERAL REPORTING.—Not later than 4  
4           years after the first grant is awarded under this sub-  
5           section, the Secretary shall provide to the Committee  
6           on Education and the Workforce of the House of Rep-  
7           resentatives and the Committee on Agriculture, Nutri-  
8           tion, and Forestry of the Senate, and to States, a re-  
9           port on the feasibility of scaling the implementation  
10          of this subsection, including the efficiencies, cost sav-  
11          ings, and other benefits identified by State implemen-  
12          tation of the programs described in paragraph (2)(F)  
13          under this subsection. Such determination of feasi-  
14          bility shall be based on information including—

15               “(A) State reports submitted under para-  
16               graph (5);

17               “(B) a determination of the level of Federal  
18               cost-savings achieved and the amount of future  
19               cost-saving implications;

20               “(C) programmatic simplifications the Fed-  
21               eral Government could pursue; and

22               “(D) other information provided by States  
23               or private entities that would be useful in rec-  
24               ommendations to the public, States, and to Con-  
25               gress.”.



1 **SEC. 110. FRUIT AND VEGETABLE PROGRAM.**

2 *Section 19 of the Richard B. Russell National School*  
3 *Lunch Act (42 U.S.C. 1769a) is amended—*

4 *(1) in the heading, by striking “FRESH”;*

5 *(2) by striking “fresh” each place it appears in*  
6 *subsections (a), (b), and (e); and*

7 *(3) in subsection (i)—*

8 *(A) by striking paragraphs (5) and (7);*

9 *(B) by redesignating paragraph (6) as*  
10 *paragraph (5); and*

11 *(C) by adding at the end the following:*

12 *“(6) CLARIFICATION.—*

13 *“(A) GUIDANCE.—The Secretary shall issue*  
14 *guidance with respect to how funds under the*  
15 *program may be used, which—*

16 *“(i) clarifies to States that such funds*  
17 *may be used on all forms of fruits and vege-*  
18 *tables, provided the fruit or vegetable prod-*  
19 *uct meets the requirements of section 210.11*  
20 *of title 7, Code of Federal Regulations (as*  
21 *in effect on the date of enactment of the Im-*  
22 *proving Child Nutrition and Education Act*  
23 *of 2016);*

24 *“(ii) provides the appropriate exemp-*  
25 *tions described in such section 210.11 of the*  
26 *Code of Federal Regulations; and*

1           “(iii) encourages schools to introduce  
2           fruits and vegetables to children in new con-  
3           texts, including by allowing schools to offer  
4           combinations of fruits and vegetables with  
5           tree nuts, which provide a good source of  
6           protein per serving and meet the nutrition  
7           standards of such section 210.11 of the Code  
8           of Federal Regulations, except that the Sec-  
9           retary shall provide exemptions from the  
10          total fat requirements under such section  
11          210.11 for tree nut products.

12          “(B) LOCAL DECISION.—Nothing in this  
13          section shall be construed to require a school par-  
14          ticipating in the program to select forms of fruit  
15          or vegetables other than fresh.”.

16 **SEC. 111. COMPLIANCE AND ACCOUNTABILITY.**

17          Section 22 of the Richard B. Russell National School  
18          Lunch Act (42 U.S.C. 1769c) is amended—

19                 (1) in subsection (a)—

20                         (A) by striking “(1) IN GENERAL.—There  
21                         shall be” and inserting “There shall be”; and

22                         (B) by redesignating subparagraphs (A)  
23                         and (B) as paragraphs (1) and (2), respectively,  
24                         and indenting appropriately;

25                 (2) in subsection (b)—

1           (A) in paragraph (1)(C)(i), by striking “3-  
2           year cycle” and inserting “5-year cycle”;

3           (B) by redesignating paragraphs (4)  
4           through (6) as paragraphs (5) through (7), re-  
5           spectively;

6           (C) by striking paragraph (3) and inserting  
7           the following:

8           “(3) *ERROR REDUCTION PLANS.*—

9           “(A) *IN GENERAL.*—Each State agency  
10          shall work with the local educational agencies  
11          that have the highest rates of certification errors  
12          according to the verification process under sec-  
13          tion 9(a)(D) to develop an error reduction plan  
14          and monitor implementation of the plan over the  
15          remainder of the review cycle.

16          “(B) *PLAN COMPONENTS.*—Each error re-  
17          duction plan shall include—

18                 “(i) specific measures that the local  
19                 educational agency shall take to reduce cer-  
20                 tification errors, including at a min-  
21                 imum—

22                         “(I) increasing the standard  
23                         verification sample size, except such  
24                         increase shall not result in a

1                   *verification sample size of more than*  
2                   *15 percent;*

3                   “*(II) improvements in the appli-*  
4                   *cation;*

5                   “*(III) the use of technology to*  
6                   *minimize opportunities for error; and*

7                   “*(IV) enhanced training and over-*  
8                   *sight of staff involved in the certifi-*  
9                   *cation and verification process;*

10                  “*(ii) a timeline for the local edu-*  
11                  *cational agency to implement those meas-*  
12                  *ures within the review cycle;*

13                  “*(iii) annual goals for reductions in*  
14                  *certification errors;*

15                  “*(iv) technical assistance to be pro-*  
16                  *vided by the State agency; and*

17                  “*(v) working with an educational serv-*  
18                  *ice agency to help conduct the verification*  
19                  *process and other aspects of the program as*  
20                  *necessary to help reduce errors in the ad-*  
21                  *ministration of the program.*

22                  “*(C) STATE AGENCY RESPONSIBILITIES.—*  
23                  *Each State agency shall—*

24                  “*(i) assist the local educational agen-*  
25                  *cies identified under subparagraph (D) with*

1           *developing an error reduction plan that*  
2           *complies with subparagraph (B);*

3           “(ii) *provide technical assistance as de-*  
4           *scribed in the error reduction plan under*  
5           *subparagraph (B)(iv);*

6           “(iii) *conduct annual reviews focused*  
7           *on the direct certification, application, cer-*  
8           *tification, verification, meal counting, and*  
9           *meal claiming processes; and*

10          “(iv) *report annually to the Secretary*  
11          *on the progress of the State in reducing er-*  
12          *rors.*

13          “(D) *SELECTION OF LOCAL EDUCATIONAL*  
14          *AGENCIES.—*

15          “(i) *IN GENERAL.—Each State agency*  
16          *shall select up to 10 percent of the local edu-*  
17          *cational agencies in the State to develop an*  
18          *error reduction plan.*

19          “(ii) *LIMITATION.—The percentage of*  
20          *local educational agencies selected under*  
21          *clause (i) shall not be comprised of more*  
22          *than 50 percent of small local educational*  
23          *agencies, as determined by the Secretary.*

24          “(iii) *ASSESSMENT OF CERTIFICATION*  
25          *ERROR.—In selecting local educational*

1           agencies under this paragraph, certification  
2           error shall be assessed based on a measure  
3           determined by the Secretary that con-  
4           siders—

5                   “(I) the results of the reviews con-  
6                   ducted under paragraph (1) and

7                   “(II) the percentage of household  
8                   applications verified under section  
9                   9(b)(3)(D)(i) that had the level of bene-  
10                  fits changed as a result of information  
11                  obtained during the verification proc-  
12                  ess, excluding benefit terminations re-  
13                  sulting from not obtaining information  
14                  during household verification con-  
15                  ducted under section 9(b)(3)(G).

16           “(4) HIGH PERFORMANCE.—

17                   “(A) IN GENERAL.—If a local educational  
18                   agency is determined to be in the top 20 percent  
19                   of local educational agencies in the State, as de-  
20                   termined by the State under subparagraph (B),  
21                   the sample size under section 9(b)(3)(D)(i)(II)  
22                   shall be a verification sample size of 2.5 percent.

23                   “(B) CONSIDERATIONS.—The State shall de-  
24                   termine whether a local educational agency is in  
25                   the top 20 percent of local educational agencies

1           *in the State by considering error rates, con-*  
 2           *firmation rates, non-response rates, response*  
 3           *rates, and other factors as necessary to make*  
 4           *such determination.”; and*

5                     *(D) in paragraph (6) (as redesignated by*  
 6                     *subparagraph (B)), in subparagraph (A), by*  
 7                     *striking “paragraph (4)” each place it appears*  
 8                     *and inserting “paragraph (5)”;* and

9                     *(3) in subsection (d), by striking “2011 through*  
 10                    *2015” and inserting “2017 through 2021”.*

11   **SEC. 112. REPEAL OF STATE CHILDHOOD HUNGER CHAL-**  
 12                            **LENGE GRANTS.**

13           *Section 24 of the Richard B. Russell National School*  
 14    *Lunch Act (42 U.S.C. 1769e) is repealed.*

15   **SEC. 113. DUTIES OF THE SECRETARY RELATING TO NON-**  
 16                            **PROCUREMENT DEBARMENT.**

17           *Section 25 of the Richard B. Russell National School*  
 18    *Lunch Act (42 U.S.C. 1769f) is amended—*

19                     *(1) by redesignating subsection (g) as subsection*  
 20                     *(h); and*

21                     *(2) by inserting after subsection (f) the following:*

22                     *“(g) FINES.—*

23                            *“(1) IN GENERAL.—In a situation in which a*  
 24                     *contractor is found guilty in any criminal proceeding*  
 25                     *or found liable in any civil or administrative pro-*

1        *ceeding, of the activities listed in paragraph (2), in*  
2        *connection with the supplying, providing, or selling of*  
3        *goods or services to any local agency in connection*  
4        *with a child nutrition program, the Secretary shall*  
5        *impose a civil penalty of not more than \$100,000,000,*  
6        *as determined by the Secretary, to provide restitution*  
7        *to the program for harm done to the program.*

8                *“(2) INCLUDED ACTIVITIES.—Activities include,*  
9        *at a minimum—*

10                    *“(A) an anticompetitive activity, including*  
11                    *bid-rigging, price-fixing, the allocation of cus-*  
12                    *tomers between competitors, or other violation of*  
13                    *Federal or State antitrust laws;*

14                    *“(B) fraud, bribery, theft, forgery, or embez-*  
15                    *zlement;*

16                    *“(C) knowingly receiving stolen property;*

17                    *“(D) making a false claim or statement; or*

18                    *“(E) any other obstruction of justice.*

19                *“(3) USE OF FUNDS.—Any funds collected under*  
20        *this subsection shall be credited to the child nutrition*  
21        *programs appropriations account.”.*

22        **SEC. 114. IMPROVEMENTS TO SCHOOL LUNCH FACILITIES.**

23                *The Richard B. Russell National School Lunch Act is*  
24        *amended by inserting after section 26 (42 U.S.C. 1769g)*  
25        *the following:*



1 **“SEC. 27. IMPROVEMENTS TO SCHOOL LUNCH FACILITIES.**

2 “(a) *DEFINITIONS.*—*In this section:*

3 “(1) *DURABLE EQUIPMENT.*—*The term ‘durable*  
4 *equipment’ means durable food preparation, han-*  
5 *dling, cooking, serving, and storage equipment greater*  
6 *than \$500 in value.*

7 “(2) *ELIGIBLE ENTITY.*—*The term ‘eligible enti-*  
8 *ty’ means—*

9 “(A) *a local educational agency or a school*  
10 *food authority administering or operating a*  
11 *school lunch program under this Act;*

12 “(B) *a tribal organization; or*

13 “(C) *a consortium that includes a local edu-*  
14 *cational agency or school food authority de-*  
15 *scribed in subparagraph (A), a tribal organiza-*  
16 *tion, or both.*

17 “(3) *INFRASTRUCTURE.*—*The term ‘infrastruc-*  
18 *ture’ means a food storage facility, kitchen, food serv-*  
19 *ice facility, cafeteria, dining room, or food prepara-*  
20 *tion facility.*

21 “(4) *LOCAL EDUCATIONAL AGENCY.*—*The term*  
22 *‘local educational agency’ has the meaning given the*  
23 *term in section 8101 of the Elementary and Sec-*  
24 *ondary Education Act of 1965 (20 U.S.C. 7801).*

25 “(5) *SCHOOL FOOD AUTHORITY.*—*The term*  
26 *‘school food authority’ has the meaning given the term*

1       *in section 210.2 of title 7, Code of Federal Regula-*  
2       *tions (or a successor regulation).*

3               “(6) *TRIBAL ORGANIZATION.*—*The term ‘tribal*  
4       *organization’ has the meaning given the term in sec-*  
5       *tion 4 of the Indian Self-Determination and Edu-*  
6       *cation Assistance Act (25 U.S.C. 450b).*

7               “(b) *LOAN GUARANTEES.*—

8               “(1) *AUTHORITY.*—*The Secretary shall issue a*  
9       *loan guarantee to an eligible lender for purposes of fi-*  
10       *nancing the construction, remodeling, or expansion of*  
11       *infrastructure or the purchase of durable equipment*  
12       *that will assist the eligible entity in providing healthy*  
13       *meals through the school lunch program authorized*  
14       *under this Act.*

15               “(2) *PREFERENCE.*—*In issuing a loan guarantee*  
16       *under this subsection, the Secretary shall give a pref-*  
17       *erence to an eligible entity that, as compared with*  
18       *other eligible entities seeking a loan guarantee under*  
19       *this subsection, demonstrates substantial or dispropor-*  
20       *tionate—*

21                       “(A) *need for infrastructure improvement or*  
22                       *durable equipment; or*

23                       “(B) *impairment in durable equipment.*

24               “(3) *OVERSIGHT.*—*The Secretary, acting through*  
25       *the Under Secretary for Rural Development, shall es-*

1        *tablish procedures to oversee any project or purchase*  
2        *for which a loan guarantee is issued under this sub-*  
3        *section.*

4            “(4) *GUARANTEE AMOUNT.*—*A loan guarantee*  
5        *issued under this subsection may not guarantee more*  
6        *than 80 percent of the principal amount of the loan.*

7            “(5) *FEEES AND COSTS.*—

8            “(A) *IN GENERAL.*—*The Secretary shall es-*  
9        *tablish fees for loan guarantees under this sub-*  
10       *section that are, to the maximum extent prac-*  
11       *ticable, equal to all costs of the loan guarantees*  
12       *as determined under the Federal Credit Reform*  
13       *Act of 1990 (2 U.S.C. 661 et. seq.), as deter-*  
14       *mined by the Secretary.*

15           “(B) *FEE SHORTEFALL.*—*To the extent that*  
16       *the Secretary determines that fees described in*  
17       *subparagraph (A) are not sufficient to pay for*  
18       *all of the costs for the loan guarantees pursuant*  
19       *to the Federal Credit Reform Act of 1990 (2*  
20       *U.S.C. 661 et. seq.), the Secretary may use funds*  
21       *described in paragraph (6) to pay for the costs*  
22       *of loan guarantees not paid for by the fees.*

23           “(6) *FUNDING.*—*Subject to the availability of*  
24       *appropriations provided in advance in an appropria-*  
25       *tions Act specifically for the purpose of carrying out*

1 *this subsection, there is authorized to be appropriated*  
2 *\$5,000,000 for fiscal year 2017 and each fiscal year*  
3 *thereafter.*

4 *“(c) GRANTS.—*

5 *“(1) AUTHORITY.—Beginning in fiscal year*  
6 *2017 and subject to the availability of appropriations*  
7 *provided in advance in an appropriations Act specifi-*  
8 *cally for the purpose of carrying out this subsection,*  
9 *the Secretary shall make grants, on a competitive*  
10 *basis, to eligible entities for the purchase of durable*  
11 *equipment and infrastructure needed to serve*  
12 *healthier meals and improve food safety.*

13 *“(2) PRIORITY.—In awarding grants under this*  
14 *subsection, the Secretary shall give priority to eligible*  
15 *entities that—*

16 *“(A) are located in States that have enacted*  
17 *comparable statutory grant funding mechanisms*  
18 *or that have otherwise appropriated funds for the*  
19 *purpose described in paragraph (1); and*

20 *“(B) have identified and are reasonably ex-*  
21 *pected to meet an unmet local or community*  
22 *need—*

23 *“(i) through a public-private partner-*  
24 *ship or partnership with a food pantry or*  
25 *other low-income assistance agency; or*

1                   “(ii) *by allowing related community*  
2                   *organizations to use kitchen or cafeteria*  
3                   *space.*

4                   “(3) *FEDERAL SHARE.—*

5                   “(A) *IN GENERAL.—The Federal share of*  
6                   *costs for assistance funded through a grant*  
7                   *awarded under this subsection shall not exceed*  
8                   *80 percent of the total cost of the durable equip-*  
9                   *ment or infrastructure.*

10                  “(B) *MATCHING.—To receive a grant under*  
11                  *this subsection, an eligible entity shall provide*  
12                  *matching support in the form of cash or in-kind*  
13                  *contributions.*

14                  “(C) *WAIVER.—The Secretary may waive*  
15                  *or vary the requirements of subparagraphs (A)*  
16                  *and (B) if the Secretary determines that undue*  
17                  *hardship or effective exclusion from participa-*  
18                  *tion would otherwise result.*

19                  “(4) *AUTHORIZATION OF APPROPRIATIONS.—*

20                  “(A) *IN GENERAL.—There is authorized to*  
21                  *be appropriated \$25,000,000 to carry out this*  
22                  *subsection for fiscal year 2017 through fiscal*  
23                  *year 2019.*

24                  “(B) *LIMIT.—The Secretary may use not*  
25                  *more than 5 percent of the funds made available*

1           under subparagraph (A) to provide technical as-  
2           sistance.

3           “(d) *SALAD BARS*.—Not later than 180 days after the  
4           date of the enactment of the *Improving Child Nutrition and*  
5           *Education Act of 2016*, the Secretary shall review or revise  
6           any guidance in existence on that date of enactment so as  
7           to ensure that school food authorities have flexibility in the  
8           establishment and implementation of salad bars.”.

9           **SEC. 115. PROHIBITIONS.**

10           *The Richard B. Russell National School Lunch Act (42*  
11           *U.S.C. 1751 et seq.) is further amended by adding at the*  
12           *end the following:*

13           **“SEC. 30. PROHIBITIONS.**

14           *“Nothing in this Act, the Child Nutrition Act of 1966*  
15           *(42 U.S.C. 1771 et seq.), the Healthy, Hunger-Free Kids*  
16           *Act of 2010, or the Improving Child Nutrition and Edu-*  
17           *cation Act of 2016 shall—*

18                   *“(1) authorize the Secretary to issue or establish*  
19                   *any regulations or requirements not explicitly author-*  
20                   *ized under any such Act; or*

21                   *“(2) authorize the Secretary to require, as a con-*  
22                   *dition of participation in any program under any*  
23                   *such Act—*

1           “(A) any curriculum or education require-  
2           ments for participating schools or child care pro-  
3           viders; or

4           “(B) the adoption of any specific education  
5           standards for nutrition education.”.

## 6 **TITLE II—CHILD NUTRITION ACT**

### 7 **SEC. 201. SPECIAL MILK PROGRAM AUTHORIZATION.**

8           Section 3(a)(7) of the Child Nutrition Act of 1966 (42  
9 U.S.C. 1772(a)(7)) is amended by striking “on an annual  
10 basis each” and inserting “annually by February 15 for  
11 the upcoming”.

### 12 **SEC. 202. SCHOOL BREAKFAST PROGRAM.**

13           Section 4 of the Child Nutrition Act of 1966 (42 U.S.C.  
14 1773) is amended—

15           (1) in subsection (b)(1), by adding at the end the  
16 following:

17           “(F) INCREASED REIMBURSEMENT.—(i) For  
18 school year 2018–2019, the Secretary shall in-  
19 crease by 2 cents the annually adjusted payment  
20 for each breakfast (free, reduced price, and paid)  
21 described in subparagraph (B).

22           “(ii) For school year 2019–2020, the na-  
23 tional average payment for each breakfast re-  
24 ferred to in clause (i) of this subparagraph shall  
25 equal the result obtained under such clause (i)

1 applicable to such breakfast, as annually ad-  
2 justed for the school year in accordance with sub-  
3 paragraph (B).

4 “(iii) For school year 2020–2021, the na-  
5 tional average payment for each breakfast re-  
6 ferred to in clause (i) of this subparagraph shall  
7 equal the annually adjusted payment for such  
8 breakfast, as determined under clause (ii) of this  
9 subparagraph, plus 1 cent.

10 “(iv) For school year 2021–2022, and each  
11 succeeding school year, the national average pay-  
12 ment for each breakfast referred to in clause (i)  
13 of this subparagraph shall equal the result ob-  
14 tained under clause (iii) of this subparagraph  
15 applicable to such breakfast, as annually ad-  
16 justed for the school year in accordance with sub-  
17 paragraph (B).”.

18 (2) in subsection (e)(1)(B), by striking “, includ-  
19 ing technical” and all that follows through “estab-  
20 lished under this section,”.

21 **SEC. 203. STATE ADMINISTRATIVE EXPENSES.**

22 Section 7 of the Child Nutrition Act of 1966 (42 U.S.C.  
23 1776) is amended—

24 (1) in subsection (a)—



1           (A) in paragraph (3), in the second sen-  
2           tence, by striking “, except as provided in para-  
3           graph (5)”;

4           (B) by striking paragraph (5); and

5           (C) by redesignating paragraphs (6)  
6           through (9) as paragraphs (5) through (8), re-  
7           spectively;

8           (2) in subsection (b)—

9           (A) by striking “expenses, for administra-  
10           tive” and inserting the following: “expenses for—  
11           ”

12           “(1) administrative”; and

13           (B) by striking “for support” and all that  
14           follows through “for staff” and inserting the fol-  
15           lowing:

16           “(2) support services;

17           “(3) office equipment;

18           “(4) State-operated purchasing programs; and

19           “(5) staff”;

20           (3) in subsection (g)(2)(B), by amending clause  
21           (iii) to read as follows:

22                           “(iii) *MINIMIZING DISRUPTIONS.*—The  
23                           Secretary shall encourage school food au-  
24                           thorities to consider—

1           “(I) providing the training re-  
2           quired under this subparagraph to  
3           local food service personnel during  
4           paid, regular hours; and

5           “(II) that to the extent that train-  
6           ing must occur during nonwork hours,  
7           it is minimally disruptive to employ-  
8           ees’ other work obligations if employees  
9           are provided with sufficient notice of  
10          training.”;

11          (4) in subsection (i)—

12           (A) in paragraph (3)—

13           (i) in subparagraph (A), by inserting  
14           before the period at the end the following:  
15           “and for the purposes described in section  
16           749(h) of the Agriculture, Rural Develop-  
17           ment, Food and Drug Administration, and  
18           Related Agencies Appropriations Act, 2010  
19           (Public Law 111–80; 123 Stat. 2133)”;

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

21           “(C) *PRIORITY.*—In awarding funds to  
22           States under this paragraph, the Secretary shall  
23           give priority to States in which local educational  
24           agencies, school food authorities, or schools sub-  
25           mit a plan under subparagraph (B) that in-

1 *cludes the use of technology or information man-*  
2 *agement systems to provide assistance to tribal*  
3 *organizations administering the food distribu-*  
4 *tion program on Indian reservations established*  
5 *under section 4(b) of the Food and Nutrition Act*  
6 *of 2008 (7 U.S.C. 2013(b)) for purposes of im-*  
7 *proving the rate of direct certification of children*  
8 *in households participating in that program.”;*  
9 *and*

10 *(B) in paragraph (4), by striking “2015”*  
11 *and inserting “2021”;*

12 *(5) in subsection (j), by striking “2015” and in-*  
13 *serting “2021”;*

14 *(6) by redesignating subsection (j) as subsection*  
15 *(k); and*

16 *(7) by inserting after subsection (i) the following:*

17 *“(j) CENTRALIZED EXCHANGE NETWORK.—*

18 *“(1) ESTABLISHMENT.—The Secretary shall es-*  
19 *tablish a centralized exchange network to facilitate*  
20 *State exchange of information and best practices, for*  
21 *programs authorized under this Act or the Richard B.*  
22 *Russell National School Lunch Act (42 U.S.C. 1751*  
23 *et seq.).*

24 *“(2) NETWORK TOPICS.—State exchanges of in-*  
25 *formation and best practices described in paragraph*

1       (1) may include, at a minimum, research methods  
2       and data related to—

3               “(A) improved efficiency in the delivery of  
4       benefits;

5               “(B) improved compliance in the programs;  
6       and

7               “(C) reduction of fraud, waste, and abuse in  
8       the programs.

9               “(3) ADMINISTRATIVE FUNDS.—The Secretary  
10      shall not use more than \$450,000 for such network.”.

11 **SEC. 204. REGULATIONS.**

12       Section 10(b)(1)(C) of the Child Nutrition Act of 1966  
13      (42 U.S.C. 1779(b)(1)(C)) is amended—

14               (1) in clause (i), by striking “and” at the end;

15               (2) by striking the period at the end of clause

16      (ii) and inserting a semicolon; and

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

18                       “(iii) ensure that the nutrition stand-  
19                       ards under this paragraph do not apply to  
20                       fundraisers held by student groups or orga-  
21                       nizations, and that the school and applica-  
22                       ble State agency are not prohibited from de-  
23                       termining which such fundraisers may be  
24                       held; and

1           “(iv) ensure that the nutrition stand-  
2           ards under this paragraph allow any foods  
3           that may be served as part of a reimburs-  
4           able meal served under the school meal pro-  
5           grams to be sold in schools as described in  
6           subparagraph (B).”.

7 **SEC. 205. DEFINITION OF STATE AGENCY.**

8           Section 15 of the Child Nutrition Act of 1966 (42  
9 U.S.C. 1784) is amended by striking paragraph (2) and  
10 inserting the following:

11           “(2) *STATE AGENCY*.—The term ‘State agency’  
12           means—

13           “(A) the chief State school officer (such as  
14           the State superintendent of public instruction,  
15           commissioner of education, or similar officer);

16           “(B) a board of education controlling the  
17           State department of education;

18           “(C) the State Commissioner or individual  
19           who administers agricultural programs in the  
20           State; or

21           “(D) a State official the State legislature  
22           designates to administer the programs under this  
23           Act.”.

1 **SEC. 206. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM**  
2 **FOR WOMEN, INFANTS, AND CHILDREN.**

3 (a) *IN GENERAL.*—Section 17 of the Child Nutrition  
4 Act of 1966 (42 U.S.C. 1786) is amended—

5 (1) in subsection (a), in the second sentence, by  
6 striking “promotion” and inserting “counseling, pro-  
7 motion,”;

8 (2) in subsection (b)(14), by striking the para-  
9 graph designation and all that follows through  
10 “means those foods” and inserting the following:

11 “(14) *SUPPLEMENTAL FOOD.*—The term ‘supple-  
12 mental food’ means any food”;

13 (3) in subsection (d)—

14 (A) in paragraph (2)—

15 (i) in subparagraph (B)—

16 (I) in the matter preceding clause  
17 (i), by striking “may choose to” and  
18 inserting “shall”;

19 (II) in clause (i)(II), by striking  
20 “and” at the end;

21 (III) in clause (ii), by striking the  
22 period at the end and inserting “;  
23 and”;

24 (IV) by adding at the end the fol-  
25 lowing:

1           “(iii) any basic allowance for subsistence pro-  
2           vided under section 402 of title 37, United States  
3           Code, to a member of a uniformed service.”; and

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

5                       “(E) CHILD SUPPORT PAYMENTS.—For the  
6                       purpose of determining income eligibility under  
7                       this section, a State agency shall exclude from  
8                       income any child support payment for an appli-  
9                       cant who is legally obligated to pay child sup-  
10                      port for any noncustodial child.”; and

11                     (B) in paragraph (3), by adding at the end  
12                     the following:

13                     “(G) DATA EXCHANGE STANDARDS FOR IM-  
14                     PROVED INTEROPERABILITY.—

15                     “(i) DESIGNATION.—The Secretary, in  
16                     consultation with an interagency work  
17                     group established by the Office of Manage-  
18                     ment and Budget, and taking into consider-  
19                     ation State government perspectives, shall  
20                     designate data exchange standards to gov-  
21                     ern, under this section—

22                     “(I) necessary categories of infor-  
23                     mation that State agencies operating  
24                     related programs are required under

1 applicable law to electronically ex-  
2 change with another State agency; and

3 “(II) Federal reporting and data  
4 exchange required under applicable  
5 law.

6 “(ii) REQUIREMENTS.—The data ex-  
7 change standards required by clause (i)  
8 shall, to the maximum extent practicable—

9 “(I) incorporate a widely accept-  
10 ed, nonproprietary, searchable, com-  
11 puter-readable format;

12 “(II) contain interoperable stand-  
13 ards developed and maintained by  
14 intergovernmental partnerships, such  
15 as the National Information Exchange  
16 Model;

17 “(III) incorporate interoperable  
18 standards developed and maintained  
19 by Federal entities with authority re-  
20 garding contracting and financial as-  
21 sistance;

22 “(IV) be consistent with, and im-  
23 plement, applicable accounting prin-  
24 ciples;



1                   “(V) *be implemented in a manner*  
2                   *that—*

3                                 “(aa) *is cost effective; and*

4                                 “(bb) *improves program effi-*  
5                                 *ciency and effectiveness;*

6                                 “(VI) *be capable of being up-*  
7                                 *graded as necessary; and*

8                                 “(VII) *protects the privacy of any*  
9                                 *personally identifiable information*  
10                                 *from being accessed by individuals who*  
11                                 *do not need access to such information.*

12                                 “(iii) *EFFECT OF SUBPARAGRAPH.—*  
13                                 *Nothing in this subparagraph requires any*  
14                                 *change to an existing data exchange stand-*  
15                                 *ard for Federal reporting that is determined*  
16                                 *to be effective and efficient.*

17                                 “(iv) *IMPLEMENTATION.—*

18                                 “(I) *IN GENERAL.—Not later than*  
19                                 *2 years after the date of the enactment*  
20                                 *of the Improving Child Nutrition and*  
21                                 *Education Act of 2016, the Secretary*  
22                                 *shall issue a proposed rule to imple-*  
23                                 *ment this subparagraph.*

24                                 “(II) *REQUIREMENTS.—The pro-*  
25                                 *posed rule under this clause shall—*

1                   “(aa) identify all federally  
2                   required data exchanges;

3                   “(bb) include specification  
4                   and timing for the exchanges to be  
5                   standardized;

6                   “(cc) address the factors used  
7                   in determining whether and when  
8                   to standardize data exchanges;

9                   “(dd) specify State imple-  
10                  mentation options; and

11                  “(ee) describe future mile-  
12                  stones.”;

13                  (4) in subsection (e)—

14                   (A) by striking the subsection designation  
15                   and all that follows through “The State agency  
16                   shall” in the first sentence of paragraph (1) and  
17                   inserting the following:

18                  “(e) *NUTRITION AND DRUG ABUSE EDUCATION.*—

19                   “(1) *EDUCATION.*—

20                   “(A) *IN GENERAL.*—A State agency shall”;

21                   (B) in paragraph (1) (as amended by sub-  
22                   paragraph (A)), by adding at the end the fol-  
23                   lowing:

24                   “(B) *DISPOSAL OF CERTAIN INFANT FOR-*  
25                   *MULA.*—

1           “(i) *IN GENERAL.*—*The State agency*  
2           *shall ensure that all pregnant, postpartum,*  
3           *and breastfeeding participants in the pro-*  
4           *gram, and parents or caretakers of infant*  
5           *and child participants in the program, are*  
6           *provided education regarding proper dis-*  
7           *posal of unused or excess infant formula ob-*  
8           *tained with food instruments issued under*  
9           *the program under this section.*

10           “(ii) *INCLUSIONS.*—*The education*  
11           *under this subparagraph shall include in-*  
12           *formation regarding—*

13                   “(I) *the safety hazards of pur-*  
14                   *chasing infant formula from an unau-*  
15                   *thorized vendor; and*

16                   “(II) *the penalties associated with*  
17                   *the gifting, trading, sale, or resale of*  
18                   *infant formula or other supplemental*  
19                   *foods obtained with food instruments*  
20                   *issued under the program under this*  
21                   *section, in accordance with subsection*  
22                   *(o).”;* and

23                   (C) *by striking paragraph (3) and inserting*  
24           *the following:*

25           “(3) *NUTRITION EDUCATION MATERIALS.*—

1           “(A) *IN GENERAL.*—*The Secretary, after*  
 2           *submitting proposed nutrition education mate-*  
 3           *rials to the Secretary of Health and Human*  
 4           *Services for comment, shall issue the materials*  
 5           *for use in the program under this section.*

6           “(B) *SHARING OF MATERIALS WITH CHILD*  
 7           *AND ADULT CARE FOOD PROGRAM.*—*A State*  
 8           *agency may allow the local agencies or clinics*  
 9           *operating under the State agency to share nutri-*  
 10           *tion educational materials with institutions par-*  
 11           *ticipating in the Child and Adult Care Food*  
 12           *Program established under section 17 of the*  
 13           *Richard B. Russell National School Lunch Act*  
 14           *(42 U.S.C. 1766) at no cost to that program, if*  
 15           *a written materials-sharing agreement exists be-*  
 16           *tween the relevant agencies.”;*

17           *(5) in subsection (f)—*

18           *(A) by striking “(f)(1)(A) Each State agen-*  
 19           *cy” and all that follows through “change in the*  
 20           *plan.” and inserting the following:*

21           “(f) *PLAN OF OPERATION AND ADMINISTRATION BY*  
 22           *STATE AGENCY.—*

23           “(1) *REQUIREMENTS.—*

24           “(A) *SUBMISSION.—*

1           “(i) *IN GENERAL.*—Each State agency  
2 shall submit to the Secretary a plan of op-  
3 eration and administration of the program  
4 authorized under this section.

5           “(ii) *DEADLINES.*—Each State agency  
6 shall submit—

7                 “(I) an initial plan not later than  
8 such date as is specified by the Sec-  
9 retary; and

10                “(II) an update to the plan every  
11 3 years thereafter or, if the require-  
12 ments of this section continue to be met  
13 by current plan, an assurance that the  
14 current plan continues to meet such re-  
15 quirements.”;

16           (B) in paragraph (1)(B), by striking “sub-  
17 mitted for” and inserting “submitted covering”;

18           (C) in paragraph (1)(C)—

19                 (i) in clause (x), by striking “and” at  
20 the end;

21                 (ii) by redesignating clause (xi) as  
22 clause (xiii); and

23                 (iii) by inserting after clause (x) the  
24 following:

1           “(xi) a plan to allow, during an emergency or  
2           disaster period, for different foods to be obtained with  
3           program benefits in lieu of, or in addition to, the sup-  
4           plemental foods available to be obtained with such  
5           benefits;

6           “(xii) a plan detailing the methods to be used by  
7           all local agencies to ensure compliance with sub-  
8           section (d)(2); and”;

9           (D) in paragraph (5)—

10           (i) by striking “(5) State and local”

11           and inserting the following:

12           “(5) ACCOUNTS, RECORDS, AND REVIEW.—

13           “(A) IN GENERAL.—State and local”; and

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

15           “(B) REVIEW.—The Secretary shall periodi-  
16           cally review State and local agency compliance  
17           with the approved plan of operation and admin-  
18           istration of the applicable State.”;

19           (E) in paragraph (10)—

20           (i) by striking “(10) The Secretary”

21           and inserting the following:

22           “(10) STANDARDS FOR ADMINISTRATION.—

23           “(A) IN GENERAL.—The Secretary”; and

24           (ii) by adding at the end the following:

1           “(B) NOTIFICATION TO STATE AUTHOR-  
2           ITY.—If, on reviewing the administration by a  
3           State of the program, the Secretary determines  
4           there is a need to temporarily halt the State  
5           from approving new vendors to address defi-  
6           ciencies in proper administration, the Secretary  
7           may issue a moratorium on the authority of the  
8           State to approve new vendors, subject to the con-  
9           dition that the Secretary shall provide the State  
10          with reasoning behind such determination and  
11          shall establish—

12                   “(i) a timeframe under which the mor-  
13                   atorium will be issued, including any re-  
14                   newal or lifting of the moratorium;

15                   “(ii) a process to approve vendors for  
16                   the State in a manner that does not im-  
17                   pede—

18                           “(I) the sale of a business; or

19                           “(II) the establishment of any new  
20                   business; and

21                   “(iii) a review process to be conducted  
22                   by the Secretary to ensure that partici-  
23                   pants, nonparticipants, and vendors are not  
24                   adversely impacted by the implementation  
25                   of the moratorium.”;

1                   (F) in paragraph (11)—

2                   (i) in subparagraph (C)—

3                   (I) in clause (i)—

4                   (aa) by inserting before the  
5                   semicolon at the end the following:

6                   “which, beginning not later than  
7                   60 days after the date of enact-  
8                   ment of the Improving Child Nu-  
9                   trition and Education Act of  
10                  2016, shall include an examina-  
11                 tion of criteria relating to fluid  
12                 milk (in consideration of the most  
13                 recent Dietary Guidelines for  
14                 Americans published under sec-  
15                 tion 301 of the National Nutrition  
16                 Monitoring and Related Research  
17                 Act of 1990 (7 U.S.C. 5341)), and  
18                 an examination of the consump-  
19                 tion and redemption rates of milk  
20                 beginning on May 5, 2014”; and

21                  (bb) by striking “and” at the  
22                  end;

23                  (II) in clause (ii)—

24                  (aa) by striking “and cul-  
25                  tural eating patterns” and insert-



1           ing “cultural eating patterns,  
2           commercial availability, and par-  
3           ticipant demand, except that any  
4           changes made under this clause  
5           shall not limit the overall fruit in-  
6           take of children”; and

7                       (bb) by striking the period at  
8           the end and inserting “; and”;  
9           and

10                      (III) by adding at the end the fol-  
11           lowing:

12                      “(iii) consider accommodations for  
13           medical, including food allergies, or other  
14           special dietary needs of individuals, includ-  
15           ing religious dietary restrictions.”;

16                      (ii) by adding at the end the following:

17                      “(D) *PRODUCT PACKAGE SIZES.*—In pro-  
18           mulgating or revising regulations under this  
19           paragraph, the Secretary shall allow a range of  
20           product package sizes to be selected by partici-  
21           pants.

22                      “(E) *CASH VALUE VOUCHERS.*—In adjust-  
23           ing annually for food cost inflation in the food  
24           package under this paragraph, the Secretary  
25           shall round to the nearest dollar increment.

1           “(F) *PARTICIPANT CHOICE OPTIONS.*—*The*  
2           *Secretary shall maximize opportunities for State*  
3           *agency flexibility to ensure adequate and appro-*  
4           *priate participant choice to meet participant*  
5           *needs and cultural preferences in supplemental*  
6           *foods made available under this section.*”;

7           (6) *in subsection (g), by striking paragraph*  
8           *(1)(A) and inserting the following:*

9           “(A) *AUTHORIZATION.*—*There are author-*  
10           *ized to be appropriated to carry out this section*  
11           *\$6,350,000,000 for each of fiscal years 2017*  
12           *through 2021.*”;

13           (7) *in subsection (h)—*

14           (A) *in paragraph (8)(A)—*

15           (i) *in clause (vi)—*

16           (I) *by striking “Effective begin-*  
17           *ning” and inserting the following:*

18           “(I) *IN GENERAL.*—*Effective be-*  
19           *ginning*”;

20           (II) *by adding at the end the fol-*  
21           *lowing:*

22           “(II) *INFANT FORMULA.*—*Effec-*  
23           *tive beginning on the date of the enact-*  
24           *ment of the Improving Child Nutrition*  
25           *and Education Act of 2016, a State*

1           agency that has fully implemented elec-  
2           tronic benefits transfer systems  
3           throughout the State shall have in ef-  
4           fect a system to ensure that infant for-  
5           mula rebate invoices, under competi-  
6           tive bidding, provide an actual count  
7           of the number of units sold to partici-  
8           pants in the program under this sec-  
9           tion.”; and

10          (ii) by adding at the end the following:

11           “(xi) *CONTRACT DURATION.*—The con-  
12          tracts awarded under clause (iii) shall  
13          specify that—

14           “(I) if the income eligibility limit  
15          under title XIX of the Social Security  
16          Act (42 U.S.C. 1396 et seq.) for preg-  
17          nant women or infants is substantially  
18          increased, the contractor may termi-  
19          nate the existing contract effective on  
20          the later of—

21           “(aa) the date that is 1 year  
22          after the date on which the State  
23          decision to increase the eligibility  
24          limit by amending the State plan  
25          is made by—

1                   “(AA) adopting State  
2                   legislation;

3                   “(BB) issuing a State  
4                   executive order or adminis-  
5                   trative rule; or

6                   “(CC) any other appli-  
7                   cable State process, as deter-  
8                   mined by the Secretary; and

9                   “(bb) the first day of the  
10                  month during which the increase  
11                  takes effect; and

12                  “(II) if a contractor elects to ter-  
13                  minate a contract pursuant to sub-  
14                  clause (I), the contractor shall notify  
15                  the State agency by not later than the  
16                  date that is 1 year before the proposed  
17                  date of termination.”;

18                  (B) in paragraph (9)—

19                   (i) in subparagraph (B)—

20                   (I) in clause (i)—

21                   (aa) in subclause (I), by  
22                   striking “and” at the end; and

23                   (bb) by adding at the end the  
24                   following:

1           “(III) limit the term of any con-  
2 tract (including any extension or re-  
3 newal period) to a maximum of 5  
4 years, subject to the condition that any  
5 such extension or renewal shall be ap-  
6 proved only on mutual consent of the  
7 contractor and the State agency;

8           “(IV) agree to provide, by not  
9 later than 180 days before exercising  
10 any termination for convenience  
11 clause, a written notice to each affected  
12 contractor;

13           “(V) agree—

14           “(aa) to receive an annual  
15 audit of infant formula rebate in-  
16 voices by a contractor; and

17           “(bb) to provide to each con-  
18 tractor accurate monthly redemp-  
19 tion files; and

20           “(VI) agree not to provide any  
21 State preference to any bidder in eval-  
22 uating bids;”;

23           (II) in clause (iii), by striking  
24 “and” at the end;

25           (III) in clause (iv)—

1                   (aa) by striking “30” and  
2                   inserting “45”; and

3                   (bb) by striking the period at  
4                   the end and inserting a semicolon;

5                   (IV) by redesignating clauses (iii)  
6                   and (iv) as clauses (iv) and (v), respec-  
7                   tively;

8                   (V) by inserting after clause (ii)  
9                   the following:

10                   “(iii) for any State agency that has  
11                   fully implemented electronic benefits trans-  
12                   fer systems throughout the State, have a sys-  
13                   tem to ensure that rebate invoices under  
14                   competitive bidding provide an actual count  
15                   of the number of units lawfully sold to par-  
16                   ticipants in the program under this sec-  
17                   tion;”;

18                   (VI) by adding at the end the fol-  
19                   lowing:

20                   “(vi) provide a process to negotiate the  
21                   amount of funds to be returned to the bidder  
22                   by the State agency, and the method of re-  
23                   turn, on determining and verifying that re-  
24                   bates were paid on any food, including in-  
25                   fant formula, sold under fraudulent means;

1           “(vii) open bids and enter into a con-  
2           tract under paragraph (8)(A)(iii) only after  
3           making a reasonable effort to confirm in  
4           writing, via email or other means, that the  
5           manufacturers on the list the State agency  
6           maintains under paragraph (8)(A)(ix) re-  
7           ceived the initial request for proposals or  
8           other bid solicitation document by not later  
9           than the date that is 45 days before the date  
10          on which the bids are due;

11          “(viii) agree to provide to contractors  
12          supporting documentation for monthly in-  
13          voices, subject to the participant and vendor  
14          confidentiality protections under program  
15          rules; and

16          “(ix) not later than the date that is 90  
17          days after the date for opening bids, submit  
18          to the Secretary a copy of the bid solicita-  
19          tion and any other contract documents.”;  
20          and

21          (ii) by adding at the end the following:

22          “(D) CERTAIN FOOD FOR INFANTS.—Before  
23          any State agency solicits bids for a contract for  
24          infant fruits, vegetables, cereal, or meat under a

1           *competitive bidding system, the State agency*  
2           *shall—*

3                   “(i) *consider—*

4                           “(I) *the impact of the contract*  
5                   *on—*

6                                   “(aa) *participation or re-*  
7                                   *demption rates;*

8                                   “(bb) *costs to the State agen-*  
9                                   *cy for infant fruits, vegetables, ce-*  
10                                   *real, or meat, including product,*  
11                                   *administrative, and procurement*  
12                                   *costs; and*

13                                   “(cc) *the ability of the State*  
14                                   *agency—*

15   “(AA) *to achieve the*  
16   *purpose described in sub-*  
17   *section (a);*

18   “(BB) *to provide in-*  
19   *fantants with a variety of devel-*  
20   *opmentally appropriate in-*  
21   *fant fruits, vegetables, cereal,*  
22   *or meat; and*

23   “(CC) *to serve the nutri-*  
24   *tional needs of program par-*  
25   *ticipants; and*



1                   “(dd) consumers who are not  
2 participants, including the avail-  
3 ability of alternate brands and  
4 potential effects on retail pricing  
5 of infant fruits, vegetables, cereal,  
6 or meat; and

7                   “(II) whether the contract is com-  
8 patible with—

9                   “(aa) the management infor-  
10 mation and food instrument sys-  
11 tem of the State agency;

12                   “(bb) eligible vendors; and

13                   “(cc) the capacity of the  
14 manufacturer to meet technical  
15 specifications; and

16                   “(ii) provide to the Secretary—

17                   “(I) a written explanation of how  
18 the considerations described in clause  
19 (i) affected the decision of the State  
20 agency to solicit bids for a contract;  
21 and

22                   “(II) not later than 15 months  
23 after the start of such contract, a re-  
24 port that shall include—

1                   “(aa) the net savings to date  
2                   from the contract;

3                   “(bb) an assessment of the  
4                   impact on eligible stores, non-par-  
5                   ticipants, and retail prices for in-  
6                   fant fruits, vegetables, cereal, and  
7                   meat; and

8                   “(cc) an analysis of the costs  
9                   and benefits of the contract, in-  
10                  cluding an examination of retail  
11                  prices of infant fruits, vegetables,  
12                  cereal, and meat.”;

13                  (C) in paragraph (11)(E)—

14                  (i) by striking “If a State” and insert-  
15                  ing the following:

16                  “(i) *IN GENERAL.*—If a State”; and

17                  (ii) by adding at the end the following:

18                  “(ii) *REQUIREMENT.*—Effective not  
19                  later than 120 days after the date of the en-  
20                  actment the Improving Child Nutrition and  
21                  Education Act of 2016, in calculating aver-  
22                  age payments per voucher under clause (i),  
23                  a State agency shall exclude food instru-  
24                  ments not fully redeemed, based on an ac-  
25                  tual count or a reasonable estimate.”;

1           (D) in paragraph (12)—

2                 (i) in subparagraph (A)(i), by striking  
3                 “food delivery system that provides” and  
4                 inserting “method to deliver”; and

5                 (ii) by adding at the end the following:

6                 “(H) REGULATIONS.—As State agencies  
7                 transition to electronic benefit transfer for the  
8                 program, the Secretary shall update regulations  
9                 to account for the fact that State agencies—

10                 “(i) are receiving transaction pricing  
11                 more frequently than twice a year from ven-  
12                 dors; and

13                 “(ii) should adjust vendor reimburse-  
14                 ment levels more frequently to reflect pro-  
15                 gram food price changes in the marketplace.

16                 “(I) AUTHORIZATION OF APPROPRIA-  
17                 TIONS.—

18                 “(i) IN GENERAL.—There is authorized  
19                 to be appropriated to carry out this para-  
20                 graph \$25,000,000 for each of fiscal years  
21                 2017 through 2019.

22                 “(ii) USE.—The Secretary shall allo-  
23                 cate the funds made available under this  
24                 subparagraph to States for purposes of en-

1            *hancing and accelerating the implementa-*  
2            *tion of electronic benefit transfer systems.*

3            *“(J) PENALTY FOR NONCOMPLIANCE.—For*  
4            *any State agency that fails to comply with sub-*  
5            *paragraph (B), including a State agency receiv-*  
6            *ing an exemption under subparagraph (C), the*  
7            *Secretary shall—*

8                    *“(i) withhold such amounts otherwise*  
9                    *required to be allocated to the State agency*  
10                   *for nutrition services and administration as*  
11                   *the Secretary determines to be appropriate;*  
12                   *and*

13                   *“(ii) direct the amounts withheld for*  
14                   *use by the State agency solely for achieving*  
15                   *compliance with subparagraph (B).”;* and

16                   *(E) in paragraph (13), by adding at the*  
17                   *end the following:*

18                   *“(C) ACCESS.—The Secretary shall make*  
19                   *available upon request the national universal*  
20                   *product code database to vendors approved for*  
21                   *participation in the special supplemental food*  
22                   *program established under this section.”;*

23                   *(8) by striking subsection (k);*

24                   *(9) by redesignating subsections (l) through (q)*  
25                   *as subsections (k) through (p), respectively;*

1           (10) *in subsection (o) (as so redesignated)—*  
2                 *(A) in paragraphs (1) and (2)(B), by strik-*  
3           *ing “subsection (o)(1)(A)” each place it appears*  
4           *and inserting “subsection (n)(1)(A)”;*  
5                 *(B) in paragraph (5)—*  
6                 *(i) in subparagraph (C), by striking*  
7           *“and” at the end;*  
8                 *(ii) in subparagraph (D), by striking*  
9           *the period at the end and inserting “; and”;*  
10            *and*  
11                 *(iii) by adding at the end the fol-*  
12            *lowing:*  
13                 *“(E) fifth, to reimburse any WIC infant*  
14            *formula manufacturer for any rebate provided to*  
15            *the State agency on WIC infant formula unlaw-*  
16            *fully trafficked under a provision of law de-*  
17            *scribed in paragraph (2).”;* and  
18                 *(C) by adding at the end the following:*  
19            *“(6) NOTICE OF INVESTIGATION.—*  
20                 *“(A) IN GENERAL.—For any investigation*  
21            *into the trafficking of WIC infant formula pur-*  
22            *suant to this subsection, the Secretary shall pro-*  
23            *vide notice of resolution of the disposition of an*  
24            *unlawful action resulting from the investigation*

1           to all contracted manufacturers of the trafficked  
2           infant formula.

3           “(B) *ESTIMATES*.—Not later than 60 days  
4           after the date on which notice is provided under  
5           subparagraph (A), the State shall submit to the  
6           contracted manufacturer an estimate of—

7                   “(i) the number of units, if any, for  
8                   which rebates may have been issued as a re-  
9                   sult of the violation; and

10                   “(ii) the total dollar amount of the re-  
11                   bates.”; and

12           (11) by adding at the end the following:

13           “(q) *FRAUD AND SAFETY REVIEW*.—

14                   “(1) *IN GENERAL*.—Not later than 180 days  
15                   after the date of the enactment of the Improving Child  
16                   Nutrition and Education Act of 2016, the Secretary  
17                   shall review current guidance, regulations, and prac-  
18                   tices regarding fraud and safety for purposes of this  
19                   section.

20                   “(2) *INCLUSIONS*.—The review under paragraph  
21                   (1) shall include a review of issues relating to—

22                           “(A) excess and unused infant formula;

23                           “(B) invoices pertaining to products subject  
24                   to rebate;

1           “(C) the sale of infant formula by unau-  
2           thorized entities; and

3           “(D) the purchase of infant formula from  
4           unauthorized entities.

5           “(3) *UPDATES.*—Based on the findings of the re-  
6           view under paragraph (1), the Secretary shall update  
7           current regulations and guidance and issue addi-  
8           tional regulations and guidance, as necessary—

9           “(A) to minimize fraud; and

10           “(B) to ensure the safety of participants.

11           “(r) *COOPERATION WITH LAW ENFORCEMENT AGEN-*  
12           *CIES.*—Notwithstanding any other provision of law, State  
13           agencies and law enforcement agencies shall share WIC ven-  
14           dor information relating to investigations or prosecutions  
15           under the program under this section, as determined by the  
16           Secretary.

17           “(s) *PILOT PROJECTS.*—

18           “(1) *IN GENERAL.*—Subject to paragraph (2), the  
19           Secretary may conduct pilot projects to test alter-  
20           native certification and food delivery procedures  
21           under this section.

22           “(2) *PROHIBITION.*—In conducting pilot projects  
23           under paragraph (1), the Secretary may not waive or  
24           modify the application of program eligibility, supple-  
25           mental foods, or cost containment requirements.

1           “(3) *EVALUATION.*—*The Secretary shall evaluate*  
2           *each pilot project carried out under this subsection*  
3           *after the pilot project has been in operation for 3*  
4           *years.*”.

5           **(b) WIC FARMER’S MARKET.**—*Section 17(l)(9)(A) of*  
6           *the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(9)(A)),*  
7           *as redesignated by section 206(a)(9), is amended to read*  
8           *as follows:*

9                       “(A) *AUTHORIZATION OF APPROPRIA-*  
10                      *TIONS.*—*There are authorized to be appropriated*  
11                      *to carry out this subsection \$18,548,000 for each*  
12                      *of fiscal years 2017 through 2021.*”.

13           **(c) REVIEW OF ADJUNCTIVE ELIGIBILITY FOR WIC.**—

14                      **(1) DEFINITIONS.**—*In this subsection:*

15                              **(A) ADJUNCTIVELY ELIGIBLE.**—*The term*  
16                              *“adjunctively eligible” with respect to an indi-*  
17                              *vidual, means an individual who is eligible for*  
18                              *WIC under section 17(d)(2)(A)(iii) of the Child*  
19                              *Nutrition Act of 1966 (42 U.S.C.*  
20                              *1786(d)(2)(A)(iii)).*

21                              **(B) COMPTROLLER GENERAL.**—*The term*  
22                              *“Comptroller General” means the Comptroller*  
23                              *General of the United States.*



1           (C) *MEDICAID.*—*The term “Medicaid”*  
2           *means the Medicaid program under title XIX of*  
3           *the Social Security Act (42 U.S.C. 1396 et seq.).*

4           (D) *POVERTY LINE.*—*The term “poverty*  
5           *line” means the most recent annual Federal Pov-*  
6           *erty Income Guidelines published by the Depart-*  
7           *ment of Health and Human Services.*

8           (E) *WIC.*—*The term “WIC” means the spe-*  
9           *cial supplemental nutrition program for women,*  
10          *infants, and children established by section 17 of*  
11          *the Child Nutrition Act of 1966 (42 U.S.C.*  
12          *1786).*

13          (2) *STUDY.*—*The Comptroller General shall con-*  
14          *duct a study to examine the impact of adjunctive eli-*  
15          *gibility on WIC participation, including the adminis-*  
16          *trative burden, number of participants in WIC, and*  
17          *other impacts on the participants.*

18          (3) *ADJUNCTIVE ELIGIBILITY AND INCOME OF*  
19          *WIC PARTICIPANTS.*—

20                 (A) *IN GENERAL.*—*In conducting the study*  
21                 *described in paragraph (2), the Comptroller Gen-*  
22                 *eral shall examine the extent to which individ-*  
23                 *uals certified as adjunctively eligible to receive*  
24                 *supplemental foods and services through WIC*

1           *have income above 185 percent of the poverty*  
2           *line.*

3           *(B) DATA.—*

4                   *(i) DATA COLLECTION.—The Comptroller General shall collect data to deter-*  
5                   *mine—*  
6                   *mine—*

7                           *(I) the total number of pregnant*  
8                           *women,           postpartum           women,*  
9                           *breastfeeding women, infants, and chil-*  
10                           *dren participating in WIC;*

11                           *(II) an estimate of the share of in-*  
12                           *dividuals described in subclause (I)*  
13                           *who are certified as adjunctively eligi-*  
14                           *ble under section 17(d)(2)(A)(iii) of the*  
15                           *Child Nutrition Act of 1966 (42 U.S.C.*  
16                           *1786(d)(2)(A)(iii)); and*

17                           *(III) an estimate of the share of*  
18                           *individuals described in subclause (II)*  
19                           *for whom income (for purposes of Med-*  
20                           *icaid eligibility) is above 185 percent*  
21                           *of the poverty line, above 250 percent*  
22                           *of the poverty line, above 300 percent*  
23                           *of the poverty line, and above any*  
24                           *other demarcation thresholds as deter-*  
25                           *mined by the Comptroller General.*

1           (ii) *SOURCES.*—*The Comptroller Gen-*  
2           *eral shall collect the information described*  
3           *in clause (i) from—*

4                   (I) *WIC program data for sub-*  
5                   *clauses (I) and (II) of that clause; and*

6                   (II) *a review of the income of a*  
7                   *representative sample of WIC partici-*  
8                   *pants (for purposes of Medicaid eligi-*  
9                   *bility) at the time of WIC certification*  
10                  *(for subclause (III) of that clause).*

11           (iii) *OTHER.*—*The estimate developed*  
12           *under clause (i)(III) shall be based on data*  
13           *collected in selected States in which the in-*  
14           *come eligibility limit for infants under 1*  
15           *year of age for Medicaid is at or above 185*  
16           *percent of the poverty line.*

17           (4) *USE OF INCOME DATA TO INFORM MEDICAID*  
18           *ADJUNCTIVE ELIGIBILITY DETERMINATIONS.*—

19                   (A) *IN GENERAL.*—*Following collection of*  
20                   *the data described in paragraph (3), the Comp-*  
21                   *troller General shall assess the feasibility, bene-*  
22                   *fits, and costs of requiring that WIC use an*  
23                   *automated process to document that only appli-*  
24                   *cants with income below a specified threshold*

1           *may be certified as adjunctively eligible based*  
2           *solely on Medicaid receipt.*

3           *(B) SCOPE.—The assessment described in*  
4           *subparagraph (A) shall include an evaluation of*  
5           *the capacity of the management information sys-*  
6           *tems for both WIC and Medicaid, including the*  
7           *ability of the systems to exchange data.*

8           *(C) WIC MANAGEMENT INFORMATION SYS-*  
9           *TEMS.—The Comptroller General shall assess—*

10           *(i) which State agencies and tribal or-*  
11           *ganizations operating WIC use management*  
12           *information systems with the capacity, via*  
13           *an automated process, for local WIC clinics*  
14           *to document—*

15           *(I) income as a share of the pov-*  
16           *erty level for purposes of Medicaid eli-*  
17           *gibility; or*

18           *(II) Medicaid enrollment and in-*  
19           *come below a specified level;*

20           *(ii) the steps necessary to prepare all*  
21           *local WIC clinics to obtain and to access*  
22           *that income information as a part of the*  
23           *WIC application process as well as part of*  
24           *the associated costs of modifying WIC auto-*  
25           *mated systems and training staff; and*

1           *(iii) other information determined rel-*  
2           *evant by the Comptroller General, such as*  
3           *the impact of the identified steps on admin-*  
4           *istrative costs, clinical services, and waiting*  
5           *times for appointments.*

6           *(D) MEDICAID MANAGEMENT INFORMATION*  
7           *SYSTEMS.—The Comptroller General shall as-*  
8           *sess—*

9           *(i) whether State’s mechanized claims*  
10           *processing and information retrieval sys-*  
11           *tems under section 1903(a)(3)(A)(i) of the*  
12           *Social Security Act (42 U.S.C.*  
13           *1396b(a)(3)(A)(i)) have the capacity to pro-*  
14           *vide, at the time of WIC certification and*  
15           *via an automated process, data to an agen-*  
16           *cy or tribal organization operating WIC re-*  
17           *garding—*

18           *(I) income as a share of the pov-*  
19           *erty level for purposes of Medicaid eli-*  
20           *gibility; or*

21           *(II) whether a Medicaid recipient*  
22           *has income below a specified level;*

23           *(ii) the steps necessary to ensure that*  
24           *mechanized claims processing and informa-*  
25           *tion retrieval systems in States for which*

1           *the income eligibility limit for infants*  
2           *under 1 year of age under Medicaid is*  
3           *above 185 percent of the poverty line have*  
4           *the capacity to provide the information de-*  
5           *scribed in clause (i) to local WIC clinics for*  
6           *the purpose of documenting adjunctive eligi-*  
7           *bility under an option that would limit*  
8           *that eligibility to individuals with income*  
9           *below a specific threshold; and*

10                   *(iii) other information determined rel-*  
11                   *evant by the Comptroller General and the*  
12                   *Secretary of Health and Human Services,*  
13                   *including the impact of the identified steps*  
14                   *on administrative costs.*

15           (5) *REPORT.*—*Not later than 18 months after the*  
16           *date of the enactment of this Act, the Comptroller*  
17           *General shall submit to the Committee on Education*  
18           *and the Workforce of the House of Representatives*  
19           *and the Committee on Agriculture, Nutrition, and*  
20           *Forestry of the Senate a report describing—*

21                   *(A) the data collected under paragraph (3);*

22                   *(B) the assessments made under paragraph*  
23           *(4); and*

24                   *(C) the feasibility, costs, and benefits of a*  
25           *new requirement that would only permit adjunc-*

1           *tive eligibility for individuals with household in-*  
2           *come below a specified level.*

3 **SEC. 207. TEAM NUTRITION NETWORK.**

4           *Section 19 of the Child Nutrition Act of 1966 (42*  
5 *U.S.C. 1788) is amended—*

6           (1) *in subsection (a)—*

7           (A) *in paragraph (1)—*

8           (i) *by inserting “evidence-based” before*  
9           *“team nutrition messages”; and*

10           (ii) *by striking “developed by the Sec-*  
11           *retary”;*

12           (B) *in paragraph (2), by inserting “under*  
13 *this Act and the Richard B. Russell National*  
14 *School Lunch Act (42 U.S.C. 1751 et seq.)” be-*  
15 *fore the semicolon at the end;*

16           (C) *in paragraph (4), by striking “pur-*  
17 *poses; and” and inserting the following: “pur-*  
18 *poses, including if appropriate—*

19           “(A) *State and local nutrition education*  
20 *programs, health and wellness policies, nutrition*  
21 *and health education resources, and other State*  
22 *resources; and*

23           “(B) *Federal nutrition education efforts, in-*  
24 *cluding those programs under this Act and the*

1 *Richard B. Russell National School Lunch Act*  
2 *(42 U.S.C. 1751 et seq.);”*; and

3 *(D) in paragraph (5)—*

4 *(i) by striking “helping children to*  
5 *maintain a healthy weight by”*; and

6 *(ii) by inserting “in and out of school”*  
7 *before the period at the end;*

8 *(2) in subsection (b), by striking “(b)” and all*  
9 *that follows through “In this section, the term” and*  
10 *inserting the following:*

11 *“(b) DEFINITIONS.—In this section:*

12 *“(1) NUTRITION EDUCATION.—The term ‘nutri-*  
13 *tion education’ means the provision of individual or*  
14 *group learning opportunities and materials for chil-*  
15 *dren and families that—*

16 *“(A) emphasize the relationship between nu-*  
17 *trition, physical activity, and health with a goal*  
18 *of improving long-term dietary and physical*  
19 *health and increasing food security; and*

20 *“(B) include learning about food prepara-*  
21 *tion.*

22 *“(2) TEAM NUTRITION NETWORK.—The term”*;

23 *(3) in subsection (c)—*

24 *(A) by striking the subsection heading and*  
25 *inserting “STATE NETWORK GRANTS.—”*; and



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

2                   “(4) ALLOCATION.—Subject to the availability of  
3 funds for use in carrying out this subsection, the total  
4 amount of funds made available for a fiscal year for  
5 grants under this subsection shall equal not more  
6 than the sum of—

7                   “(A) the product obtained by multiplying  
8  $\frac{1}{2}$  cent by the number of lunches reimbursed  
9 through food service programs under the Richard  
10 B. Russell National School Lunch Act (42 U.S.C.  
11 1751 et seq.) during the second preceding fiscal  
12 year in schools, institutions, and service institu-  
13 tions that participate in the food service pro-  
14 grams; and

15                   “(B) the total value of funds received by the  
16 Secretary in support of this subsection from non-  
17 governmental sources.

18                   “(5) REQUIREMENTS FOR STATE PARTICIPA-  
19 TION.—To be eligible to receive a grant under this  
20 subsection, a State agency shall submit to the Sec-  
21 retary a plan, at such time and in such manner as  
22 the Secretary may require, including—

23                   “(A) a description of the goals and proposed  
24 State plan for addressing the nutrition of chil-  
25 dren;

1           “(B) a description of the means by which  
2           the State agency will use and disseminate the  
3           team nutrition messages and material to chil-  
4           dren and, if appropriate, families of such chil-  
5           dren;

6           “(C) an explanation of the ways in which  
7           the State agency will use the funds from the  
8           grant to work toward the goals required under  
9           clause (i), and to promote healthy eating in  
10          schools throughout the State;

11          “(D) a description of the ways in which the  
12          State team nutrition network messages and ac-  
13          tivities will be coordinated at the State and local  
14          level with other community health promotion  
15          and education activities;

16          “(E) an annual summary of the team nu-  
17          trition network activities and their effectiveness;

18          “(F) a description of the ways in which  
19          school environments might support healthy eat-  
20          ing and physical activity; and

21          “(G) a description of how all communica-  
22          tions to parents and legal guardians of students  
23          who are members of a household receiving infor-  
24          mation under the program shall be in an under-  
25          standable and uniform format and, to the max-

1            *imum extent practicable, in a language that par-*  
2            *ents and legal guardians can understand.*

3            “(6) *STATE COORDINATOR.*—*Each State that re-*  
4            *ceives a grant under this subsection may appoint a*  
5            *team nutrition network coordinator. Such coordinator*  
6            *shall implement comprehensive, coordinated nutrition*  
7            *education programming through the team nutrition*  
8            *network, including to assist schools, school food au-*  
9            *thorities, and other child nutrition program providers*  
10           *in the State to administer and coordinate the team*  
11           *nutrition network activities.*

12           “(7) *AUTHORIZED ACTIVITIES.*—*A State agency*  
13           *that receives a grant under this section may use funds*  
14           *from the grant to—*

15                  “(A) *identify the programs and services*  
16                  *available to meet the health and nutritional*  
17                  *needs of children and families in the State;*

18                  “(B) *disseminate team nutrition network*  
19                  *messages and material that provide comprehen-*  
20                  *sive, coordinated nutrition and physical fitness*  
21                  *awareness and obesity prevention education;*

22                  “(C) *implement demonstration projects in*  
23                  *schools to promote physical activity and to en-*  
24                  *hance the nutrition education provided to stu-*  
25                  *dents;*

1           “(D) improve access to local foods through  
2           coordinating with farm-to-school grant activities  
3           that include the provision of nutrition education;

4           “(E) encourage schools to develop healthy  
5           eating and lifestyle policies;

6           “(F) provide training and technical assist-  
7           ance to teachers and school food service profes-  
8           sionals consistent with the purposes of this sub-  
9           section; and

10           “(G) collaborate with public and private  
11           and faith-based organizations, including commu-  
12           nity-based organizations, State medical associa-  
13           tions, and public health groups, to provide nutri-  
14           tion and physical education targeting lower in-  
15           come children, ethnic minorities, and youth at a  
16           greater risk for obesity or malnourishment.”;

17           (4) by striking subsections (d) through (g) and  
18           (k);

19           (5) by redesignating subsections (h) through (j)  
20           as subsections (d) through (f), respectively;

21           (6) by redesignating subsection (l) as subsection  
22           (g);

23           (7) in subsection (d) (as so redesignated)—

24           (A) in the subsection heading, by inserting  
25           “EDUCATION” after “NUTRITION”;

- 1                    (B) in paragraph (5)—
- 2                    (i) in subparagraph (A)—
- 3                    (I) in clause (i), by striking
- 4                    “and” at the end; and
- 5                    (II) by adding at the end the fol-
- 6                    lowing:
- 7                    “(iii) incorporate nutrition education
- 8                    into physical and health education, and, if
- 9                    appropriate, afterschool programs, includ-
- 10                   ing athletics; and”; and
- 11                   (ii) in subparagraph (B)—
- 12                    (I) by striking clause (iv);
- 13                    (II) in clause (vii), by striking “a
- 14                    variety of healthy foods” and all that
- 15                    follows through “fruit bars” and in-
- 16                    serting “a variety of healthy foods, in-
- 17                    cluding through initiatives to cre-
- 18                    atively market such foods”;
- 19                    (III) in clause (viii), by striking
- 20                    “low-fat and nutrient dense” and in-
- 21                    serting “healthy”; and
- 22                    (IV) by redesignating clauses (v)
- 23                    through (ix) as clauses (iv) through
- 24                    (viii), respectively;

1           (8) *in subsection (e) (as so redesignated), by*  
 2 *striking “may provide for technical assistance and*  
 3 *grants” and inserting “shall provide for technical as-*  
 4 *istance”;* and

5           (9) *in subsection (g) (as so redesignated) by*  
 6 *striking “such sums” and all that follows through the*  
 7 *period at the end and inserting “to carry out this sec-*  
 8 *tion \$17,000,000 for each fiscal year.”.*

### 9           **TITLE III—MISCELLANEOUS**

#### 10       **SEC. 301. REVIEWS.**

11       (a) *TRIBAL FOODS.—*

12           (1) *IN GENERAL.—Not later than 1 year after*  
 13 *the date of the enactment of this Act, the Secretary*  
 14 *shall review—*

15           (A) *the barriers to including tribally pro-*  
 16 *duced, traditional, and culturally appropriate*  
 17 *foods in child nutrition programs (as defined in*  
 18 *section 25(b) of the Richard B. Russell National*  
 19 *School Lunch Act (42 U.S.C. 1769f (b)) within*  
 20 *tribal schools; and*

21           (B) *the means of encouraging and assisting*  
 22 *enhanced inclusion of foods described in subpara-*  
 23 *graph (A) in child nutrition programs.*

24           (2) *SCOPE.—In carrying out the review de-*  
 25 *scribed in paragraph (1), the Secretary shall—*

1           (A) survey and compile resources of the De-  
2           partment of Agriculture on the issue described in  
3           paragraph (1)(A);

4           (B) if necessary, clarify relevant Federal  
5           regulations governing schools and tribal pro-  
6           ducers, including regulations relating to procure-  
7           ment, reimbursement, and food safety;

8           (C) involve all relevant agencies, including  
9           the Food and Nutrition Service and Office of  
10          Tribal Relations of the Department of Agri-  
11          culture; and

12          (D) submit to Congress a report describing  
13          the results of the review.

14       (b) *USE OF PROGRAM DATA.*—

15           (1) *IN GENERAL.*—The Secretary, jointly with  
16          the Secretary of Education, shall—

17           (A) review information regarding available  
18           alternative data sets for use in programs that  
19           are using free and reduced price meals data; and

20           (B) determine the appropriateness of using  
21           such alternative data sets in place of free and re-  
22           duced price meal program data by other pro-  
23           grams to reduce the burden on local school food  
24           authorities.

1           (2) *REPORT TO CONGRESS.*—Not later than 1  
2           year after the date of the enactment of this Act, the  
3           Secretaries shall submit to the Committee on Edu-  
4           cation and the Workforce of the House of Representa-  
5           tives and the Committee on Agriculture, Nutrition,  
6           and Forestry of the Senate a report that describes the  
7           results of the review and any recommendations of the  
8           Secretaries.

9           (c) *CREDITING AND LABELING PROGRAM.*—

10           (1) *IN GENERAL.*—The Secretary shall review  
11           and update the system of crediting and the voluntary  
12           child nutrition labeling program used in admin-  
13           istering—

14                   (A) the school lunch program established  
15                   under the Richard B. Russell National School  
16                   Lunch Act (42 U.S.C. 1751 et seq.); and

17                   (B) the school breakfast program established  
18                   by section 4 of the Child Nutrition Act of 1966  
19                   (42 U.S.C. 1773).

20           (2) *SCOPE.*—The review described in paragraph  
21           (1) shall include, at a minimum—

22                   (A) the treatment of food products within  
23                   previously established food categories and new  
24                   products that have entered the commercial mar-  
25                   ketplace since the system of crediting and the



1           *voluntary child nutrition labeling program were*  
2           *developed; and*

3                     *(B) the timeliness in which applications for*  
4           *labels under the voluntary child nutrition label-*  
5           *ing program are reviewed and are granted or de-*  
6           *nied.*

7           *(3) REPORT TO CONGRESS.—Not later than 1*  
8           *year after the date of the enactment of this Act, the*  
9           *Secretary shall submit to the Committee on Edu-*  
10          *cation and the Workforce of the House of Representa-*  
11          *tives and the Committee on Agriculture, Nutrition,*  
12          *and Forestry of the Senate a report that describes the*  
13          *results of the review and any recommendations of the*  
14          *Secretary.*

15          *(d) NUTRITIONAL ANALYSIS.—The Secretary shall—*

16                     *(1) review the practicability and feasibility of—*

17                             *(A) conducting a nutritional analysis,*  
18                     *using publicly and commercially available nutri-*  
19                     *tional information, of food products that are vol-*  
20                     *untarily submitted for use in child nutrition*  
21                     *programs, outside of the reimbursable school*  
22                     *meal; and*

23                             *(B) aggregating and making the informa-*  
24                     *tion obtained through that nutritional analysis*  
25                     *publicly available for use by school food authori-*

1            *ties, food manufacturers, and other interested*  
2            *parties; and*

3            *(2) if found practicable and feasible, proceed*  
4            *with the analysis, aggregation, and public avail-*  
5            *ability.*

6            *(e) OTHER.—*

7            *(1) IN GENERAL.—The Secretary shall review—*

8            *(A) the cost differences between—*

9            *(i) providing meals and supplements*  
10           *under the Richard B. Russell National*  
11           *School Act (42 U.S.C. 1751 et seq.) and sec-*  
12           *tion 4 of the Child Nutrition Act of 1966*  
13           *(42 U.S.C. 1773) in Palau, Guam, Amer-*  
14           *ican Samoa, the Commonwealth of Puerto*  
15           *Rico, the United States Virgin Islands, and*  
16           *the Commonwealth of the Northern Mariana*  
17           *Islands, respectively; and*

18           *(ii) the average cost of providing meals*  
19           *and supplements under those provisions of*  
20           *law in the 50 States and the District of Co-*  
21           *lumbia; and*

22           *(B) the relation of the cost differences deter-*  
23           *mined under subparagraph (A) to the national*  
24           *average payment rates for meals and supple-*  
25           *ments prescribed under sections 4, 11, 13, and*

1           *17 of the Richard B. Russell National School*  
2           *Lunch Act (42 U.S.C. 1753, 1759a, 1761, 1766)*  
3           *and section 4(b) of the Child Nutrition Act of*  
4           *1966 (42 U.S.C. 1773(b)).*

5           (2) *REPORT TO CONGRESS.*—*Not later than 1*  
6           *year after the date of the enactment of this Act, the*  
7           *Secretary shall submit to the Committee on Edu-*  
8           *cation and the Workforce of the House of Representa-*  
9           *tives and the Committee on Agriculture, Nutrition,*  
10          *and Forestry of the Senate a report that describes the*  
11          *results of the review and any recommendations of the*  
12          *Secretary.*

13          (f) *UNLAWFUL ACTIVITY.*—

14               (1) *IN GENERAL.*—*Not later than 1 year after*  
15          *the date of the enactment of this Act, the Secretary*  
16          *shall review—*

17                       (A) *the number of instances and types of*  
18                       *unlawful activity that occurred in the preceding*  
19                       *3 years, including, at a minimum, instances of*  
20                       *fraud, bid-rigging, and any other anticompeti-*  
21                       *tive activities carried out in connection with*  
22                       *supplying, providing, or selling goods or services*  
23                       *for a program under the Richard B. Russell Na-*  
24                       *tional School Lunch Act (42 U.S.C. 1751 et seq.)*

1           or the Child Nutrition Act of 1966 (42 U.S.C.  
2           1771 *et seq.*); and

3                   (B) the practices and procedures currently  
4           used by the Department of Agriculture to prevent  
5           unlawful activity described in subparagraph (A).

6           (2) *SECRETARIAL RESPONSE.*—Following com-  
7           pletion of the review described in paragraph (1), the  
8           Secretary shall respond, if appropriate, by taking ac-  
9           tion to reduce such unlawful activity, including, at a  
10          minimum—

11                   (A) revising any relevant guidance and reg-  
12          ulations;

13                   (B) issuing fines authorized under sub-  
14          section (g) of section 25 of the Richard B. Rus-  
15          sell National School Lunch Act (42 U.S.C.  
16          1769f) (as amended by section 115); and

17                   (C) submitting to the appropriate commit-  
18          tees of Congress recommendations for any legisla-  
19          tive changes needed to enhance program over-  
20          sight.

21          (3) *SCOPE.*—The actions described in paragraph  
22          (2) shall be designed to reduce—

23                   (A) anticompetitive activities, including  
24          bid-rigging, price-fixing, the allocation of cus-

1            *tomers between competitors, or other violation of*  
2            *Federal or State antitrust laws;*

3                    *(B) fraud, bribery, theft, forgery, or embez-*  
4                    *zlement;*

5                    *(C) knowingly receiving stolen property;*

6                    *(D) making a false claim or statement; or*

7                    *(E) any other obstruction of justice.*

8            *(g) INFANT FORMULA.—Not later than 180 days after*  
9            *the date of enactment of this Act, the Secretary shall—*

10                    *(1) review the current regulations regarding ca-*  
11                    *loric density standards for infant formula made*  
12                    *available in the special supplemental nutrition pro-*  
13                    *gram for women, infants, and children established by*  
14                    *section 17 of the Child Nutrition Act of 1966 (42*  
15                    *U.S.C. 1786); and*

16                    *(2) as appropriate, update the regulations based*  
17                    *on the most recent scientific knowledge available.*

18    **SEC. 302. PROGRAM DELIVERY.**

19            *(a) STREAMLINING.—The Secretary shall work with*  
20            *States participating in programs authorized under the*  
21            *Richard B. Russell National School Lunch Act (42 U.S.C.*  
22            *1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C.*  
23            *1771 et seq.) to encourage—*

1           (1) *streamlining of program administration, in-*  
2           *cluding data collection and reporting requirements, at*  
3           *the State level;*

4           (2) *communication among State agencies admin-*  
5           *istering the programs;*

6           (3) *coordination of administration of Federal*  
7           *benefits at the State level to ensure efficiency of pro-*  
8           *gram delivery and improved access to participants,*  
9           *including efficiencies for operation between the special*  
10          *supplemental nutrition program for women, infants,*  
11          *and children under section 17 of the Child Nutrition*  
12          *Act of 1966 (42 U.S.C. 1786) and the program under*  
13          *subsection (m) of such section (42 U.S.C. 1786); and*

14          (4) *consolidation and elimination of duplicative*  
15          *or unnecessary Federal and State reporting require-*  
16          *ments.*

17          (b) *STUDY.*—*The Secretary, through an independent*  
18          *researcher with expertise in economics or government effi-*  
19          *ciency, shall conduct a study on the school meal programs*  
20          *under the Richard B. Russell National School Lunch (42*  
21          *U.S.C. 1751 et seq.) and section 4 of the Child Nutrition*  
22          *Act of 1966 (42 U.S.C. 1773) to examine alternative fund-*  
23          *ing mechanisms and delivery to improve program effective-*  
24          *ness and efficiency while reducing program costs, by—*

1           (1) *analyzing how businesses currently partner*  
2 *with schools or institutions to operate the school meal*  
3 *programs, and examining better ways to work with*  
4 *private sector businesses in the programs;*

5           (2) *providing analysis and recommendations on*  
6 *improvements to the programs by lowering adminis-*  
7 *trative and program costs to schools, local educational*  
8 *agencies, States, and the Federal government, includ-*  
9 *ing analysis and recommendations with respect to—*

10           (A) *financial impacts, including estimating*  
11 *potential cost-savings of business participation*  
12 *for families, schools, local educational agencies,*  
13 *States, and the Federal government;*

14           (B) *regulatory and other barriers pre-*  
15 *venting business participation, and how to re-*  
16 *move such barriers to encourage such business*  
17 *participation; and*

18           (C) *regulatory and other barriers to better*  
19 *utilize donations, including donations of food*  
20 *products, while still complying with food safety*  
21 *requirements; and*

22           (3) *considering the factors the Secretary is work-*  
23 *ing on with States under subsection (a), while car-*  
24 *rying out the analysis under paragraphs (1) and (2)*  
25 *of this subsection.*

1       (c) *FURTHER ACTIONS.*—Not later than 1 year after  
2 the date of enactment of this Act, the Secretary shall—

3           (1) make the regulatory and guidance changes  
4 recommended under subsections (a) and (b); and

5           (2) submit to the Committee on Education and  
6 the Workforce of the House of Representatives and the  
7 Committee on Agriculture, Nutrition, and Forestry of  
8 the Senate—

9           (A) the findings of the study conducted  
10 under subsection (b);

11           (B) a plan for legislative and regulatory ac-  
12 tion, including—

13           (i) a timetable of action for regulatory  
14 relief; and

15           (ii) recommendations for legislative ac-  
16 tion required to improve program efficiency  
17 and lower administrative costs for the  
18 school meal programs.

19       (d) *SPENDING LIMITATION.*—Not more than a total of  
20 \$475,000 shall be used to carry out subsections (b) and (c).

21 **SEC. 303. PRODUCT AVAILABILITY.**

22       (a) *IN GENERAL.*—The Secretary shall, to the extent  
23 practicable, make available lactose-free milk with an ex-  
24 tended shelf life for use in the commodity distribution pro-



1 gram authorized under section 14 of the Richard B. Russell  
2 National School Lunch Act (42 U.S.C. 1762a).

3 (b) *SIZE AND FORM.*—The milk described in subsection  
4 (a) shall, to the extent practicable, be made available in  
5 a size and form acceptable for and conducive to consump-  
6 tion by school-aged children.

7 **SEC. 304. PROCUREMENT.**

8 In administering the summer food service program for  
9 children established under section 13 of the Richard B. Rus-  
10 sell National School Lunch Act (42 U.S.C. 1761) and the  
11 child and adult care food program established under section  
12 17 of such Act (42 U.S.C. 1766), the Secretary shall ensure  
13 that—

14 (1) service institutions participating in the pro-  
15 grams have flexibility in determining the frequency of  
16 procurement and food items included in each solicita-  
17 tion; and

18 (2) any procurement procedure implemented by  
19 a State agency is cost effective and efficient in meet-  
20 ing the relevant meal pattern requirements.

21 **SEC. 305. SCHOOL NUTRITION ADVISORY COMMITTEE.**

22 (a) *ESTABLISHMENT.*—Not later than 120 days after  
23 the date of the enactment of this Act, the Secretary shall  
24 establish a School Nutrition Advisory Committee (referred  
25 to in this section as the “Committee”) to provide input in

1 *the administration of the school lunch program authorized*  
2 *under the Richard B. Russell National School Lunch Act*  
3 *(42 U.S.C. 1751 et seq.) and the school breakfast program*  
4 *established by section 4 of the Child Nutrition Act of 1966*  
5 *(42 U.S.C. 1773) (referred to in this section as “child nutri-*  
6 *tion programs”).*

7 *(b) MEMBERSHIP.—*

8 *(1) COMPOSITION.—Members of the Committee*  
9 *shall be appointed by the Secretary from rec-*  
10 *ommendations made by the chair and ranking mem-*  
11 *ber of the Committee on Education and the Workforce*  
12 *of the House of Representatives and the Committee on*  
13 *Agriculture, Nutrition, and Forestry of the Senate.*  
14 *Membership on the Committee shall represent the fol-*  
15 *lowing stakeholders:*

16 *(A) An organization that conducts research*  
17 *and advocates on issues relating to child nutri-*  
18 *tion.*

19 *(B) An organization that advocates for car-*  
20 *diac health.*

21 *(C) A professional organization rep-*  
22 *resenting dietitians.*

23 *(D) A trade association representing fruit*  
24 *and vegetable growers.*

1           (E) *A coalition of large urban school food*  
2 *authorities.*

3           (F) *2 representatives from State agencies*  
4 *that administer the child nutrition programs.*

5           (G) *A professional organization rep-*  
6 *resenting school food employees.*

7           (H) *A professional organization rep-*  
8 *resenting school board members.*

9           (I) *A council representing large school dis-*  
10 *tricts.*

11          (J) *A professional association representing*  
12 *school administrators.*

13          (K) *An entity that processes and manufac-*  
14 *tures meat products.*

15          (L) *An entity that processes and manufac-*  
16 *tures dairy products.*

17          (M) *An entity that processes and manufac-*  
18 *tures grain products.*

19          (N) *An entity that assists suppliers and*  
20 *school food authorities in selling and obtaining*  
21 *food products.*

22          (O) *A school food authority located in each*  
23 *of the 7 regions established for activities of the*  
24 *Food and Nutrition Service, including—*

1                   (i) 3 representatives from districts lo-  
2                   cated in rural areas;

3                   (ii) 2 representatives from districts lo-  
4                   cated in urban areas; and

5                   (iii) 2 representatives from districts lo-  
6                   cated in urban cluster areas as defined by  
7                   census tract data.

8                   (P) A council that represents public officials  
9                   who head departments of elementary and sec-  
10                  ondary education.

11                  (Q) A professional organization rep-  
12                  resenting pediatricians.

13                  (2) *TERMS.*—The members will serve on the  
14                  Committee for a 3-year term. The chairmen of each  
15                  congressional committee, under paragraph (1) shall  
16                  alternate in appointing a chair and vice chair of the  
17                  committee.

18                  (c) *FUNCTION.*—The Committee shall—

19                         (1) provide a venue for communication between  
20                         stakeholders and the Department of Agriculture re-  
21                         garding child nutrition programs;

22                         (2) give insight into child nutrition program im-  
23                         plementation;

1           (3) review and make recommendations to the  
2           Secretary on policy development involving child nu-  
3           trition programs; and

4           (4) evaluate methods for programmatic and ad-  
5           ministrative improvement of child nutrition pro-  
6           grams.

7           (d) *MEETINGS.*—The Committee shall meet quarterly.

8           (e) *STAFFING.*—The Secretary shall provide such staff  
9           personnel as may be required to assist the Committee in  
10          carrying out the duties of the Committee, but such staff  
11          shall not interfere in the discussions or conclusions reached  
12          by the Committee.

13          (f) *TERMINATION.*—The authority of the Committee  
14          shall terminate on September 30, 2025.

15          **SEC. 306. PAPERWORK REDUCTION.**

16          (a) *IN GENERAL.*—For any program authorized under  
17          the Richard B. Russell National School Lunch Act (42  
18          U.S.C. 1751 et seq.) or the Child Nutrition Act of 1966 (42  
19          U.S.C. 1771 et seq.), the Secretary shall—

20                 (1) periodically review regulations, guidance,  
21                 and other requirements to evaluate the volume of in-  
22                 formation required to be reported to the Department  
23                 of Agriculture by program participants; and

24                 (2) if appropriate, streamline or otherwise re-  
25                 duce any unnecessary or duplicative paperwork, re-

1        *porting requirements, and other administrative bur-*  
2        *dens while maintaining program integrity.*

3        *(b) REPORT.—Not later than 2 years after the date*  
4        *of the enactment of this Act and every 3 years thereafter,*  
5        *and upon any publishing of guidance or updated Federal*  
6        *requirements the Secretary shall submit to the Committee*  
7        *on Education and the Workforce of the House of Representa-*  
8        *tives and the Committee on Agriculture, Nutrition, and*  
9        *Forestry of the Senate a report that describes any action*  
10       *the Secretary has taken under subsection (a) during the pre-*  
11       *ceding 3 calendar years, or in the case of a report submitted*  
12       *based on publishing updated guidance or requirements, a*  
13       *report on such action, including a determination of appro-*  
14       *priateness under subsection (a)(2).*

15       **SEC. 307. TECHNOLOGY.**

16       *(a) USE OF TECHNOLOGY.—Not later than 180 days*  
17       *after the date of the enactment of this Act, the Secretary*  
18       *shall—*

19                *(1) review the current use of technology in the*  
20        *school lunch program established under the Richard*  
21        *B. Russell National School Lunch Act (42 U.S.C.*  
22        *1751 et seq.) and the school breakfast program estab-*  
23        *lished by section 4 of the Child Nutrition Act of 1966*  
24        *(42 U.S.C. 1773);*

1           (2) *identify opportunities in which enhanced use*  
2 *of technology would reduce the rate of errors in ad-*  
3 *ministration of the programs by State agencies and*  
4 *local educational agencies; and*

5           (3) *encourage State agencies and local edu-*  
6 *cational agencies to use technology in the areas iden-*  
7 *tified under paragraph (2).*

8           (b) *IDENTIFICATION.*—*Not later than 180 days after*  
9 *the date of the enactment of this Act, the Secretary shall—*

10           (1) *review the feasibility and evaluate the bene-*  
11 *fits of using a unique student identifier in the school*  
12 *lunch program established under the Richard B. Rus-*  
13 *sell National School Lunch Act (42 U.S.C. 1751 et*  
14 *seq.) and the school breakfast program established by*  
15 *section 4 of the Child Nutrition Act of 1966 (42*  
16 *U.S.C. 1773);*

17           (2) *submit to the Committee on Education and*  
18 *the Workforce of the House of Representatives and the*  
19 *Committee on Agriculture, Nutrition, and Forestry of*  
20 *the Senate a report describing the results of the review*  
21 *under paragraph (1); and*

22           (3) *initiate implementation of a system for using*  
23 *a unique student identifier, unless implementation is*  
24 *not in the best interest of the programs described in*





1        *enhancing levels of health, safety, and program integ-*  
2        *riety.*

3        **SEC. 309. TECHNICAL CORRECTIONS.**

4        *(a) RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH*  
5        *ACT.—*

6                *(1) The Richard B. Russell National School*  
7        *Lunch Act is amended in each of sections 4, 9, 9A,*  
8        *12, 19, 23, and 25 (42 U.S.C. 1753, 1758, 1758b,*  
9        *1760, 1796a, 1769d, and 1769f) by striking “Com-*  
10        *mittee on Education and Labor” each place it ap-*  
11        *pears and inserting “Committee on Education and*  
12        *the Workforce”.*

13                *(2) Section 9 of the Richard B. Russell National*  
14        *School Lunch Act (42 U.S.C. 1758) is amended—*

15                        *(A) by striking “foster child” each place it*  
16        *appears and inserting “foster youth”; and*

17                        *(B) in subsection (b)(5)(B), by striking “(42*  
18        *U.S.C. 11434a(2))” and inserting “(42 U.S.C.*  
19        *11434a(2))”.*

20                *(3) Section 12 of the Richard B. Russell Na-*  
21        *tional School Lunch Act (42 U.S.C. 1760) is amended*  
22        *in subsection (d)(3), by striking “U.S.C” and insert-*  
23        *ing “U.S.C.”.*

1           (4) *Section 14(c) of the Richard B. Russell Na-*  
2           *tional School Lunch Act (42 U.S.C. 1762a(c)) is*  
3           *amended—*

4                   (A) *by striking “section 311(a)(4) of the*  
5                   *Older Americans Act of 1965 (42 U.S.C.*  
6                   *3030(a)(4))” and inserting “section 311(c)(4) of*  
7                   *the Older Americans Act of 1965 (42 U.S.C.*  
8                   *3030a(c)(4))”;* and

9                   (B) *by striking “(42 U.S.C. 3030(b)(1))”*  
10                  *and inserting “(42 U.S.C. 3030a(b)(1))”.*

11           (b) *CHILD NUTRITION ACT OF 1966.—*

12                  (1) *The Child Nutrition Act of 1966 is amended*  
13                  *in each of sections 10 and 17 (42 U.S.C. 1779, 1786)*  
14                  *by striking “Committee on Education and Labor”*  
15                  *each place it appears and inserting “Committee on*  
16                  *Education and the Workforce”.*

17                  (2) *Section 7(a)(2)(B)(i) of the Child Nutrition*  
18                  *Act of 1966 (42 U.S.C. 1776(a)(2)(B)(i)) is amended*  
19                  *by striking “clause (ii)” and inserting “clause (ii)”.*

20                  (3) *Section 17 of the Child Nutrition Act of 1966*  
21                  *(42 U.S.C. 1786) is amended—*

22                           (A) *in subsection (h)(4)—*

23                                   (i) *in subparagraph (A)(vi), by strik-*  
24                                   *ing “and” at the end; and*

1                   (ii) in subparagraph (C)(iv), by strik-  
2                   ing “; and” at the end and inserting a pe-  
3                   riod;

4                   (B) in subsection (l)(6)(C)(iv), as redesign-  
5                   ated by section 206(a)(9) of this Act, by strik-  
6                   ing “(G)(i)” each place it appears and inserting  
7                   “(F)(i)”.

8   **SEC. 310. BUDGETARY EFFECTS.**

9           *The budgetary effects of this Act, for the purpose of*  
10 *complying with the Statutory Pay-As-You-Go Act of 2010,*  
11 *shall be determined by reference to the latest statement titled*  
12 *“Budgetary Effects of PAYGO Legislation” for this Act,*  
13 *submitted for printing in the Congressional Record by the*  
14 *chair of the Committee on the Budget of the House of Rep-*  
15 *resentatives, provided that such statement has been sub-*  
16 *mitted prior to the vote on passage.*

17 **SEC. 311. EFFECTIVE DATE.**

18           *Except as otherwise specifically provided in this Act*  
19 *or any of the amendments made by this Act, this Act and*  
20 *the amendments made by this Act take effect on October*  
21 *1, 2016.*

Union Calendar No. 665

114<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 5003**

[Report No. 114-852, Part I]

---

---

## **A BILL**

To reauthorize child nutrition programs, and for  
other purposes.

---

---

DECEMBER 8, 2016

Reported from the Committee on Education and the  
Workforce with an amendment

DECEMBER 8, 2016

The Committee on the Budget discharged; committed to  
the Committee of the Whole House on the State of the  
Union and ordered to be printed