

S. 2356. A bill to amend the Richard B. Russell National School Lunch Act to improve management of the child and adult care food program; to the Committee on Agriculture, Nutrition, and Forestry.

CHILD AND ADULT CARE FOOD PROGRAM
MANAGEMENT IMPROVEMENT ACT OF 2000

• Mr. LUGAR. Mr. President, I rise today to introduce a bill to restore confidence in the Child and Adult Care Food Program (CACFP) by attacking fraud and abuse discovered in the operation of the program.

Last year, the Inspector General of the United States Department of Agriculture released an audit of the CACFP, a nutrition program that reimburses the cost of meals at adult day care centers, child care centers and family day care homes. The IG's audit detailed extensive abuse of program funds by sponsor organizations. Sponsors are responsible for substantial monitoring and oversight of providers. In addition to the oversight function, the sponsors verify and forward CACFP claims to the Food and Nutrition Service (FNS) of the USDA and receive and distribute payments to providers. For their efforts, sponsors retain a portion of the reimbursement to large child care centers and are paid a flat administrative fee for each small day care home under their auspices. The Inspector General's findings were critical of both the FNS management of the program as well as the structure of CACFP that gives wide responsibility as well as the control of finances to sponsor organizations.

The results of the audit are staggering. The IG found in "Operation Kiddie Care" that 37 of 49 sponsors investigated were seriously deficient in program administration. Of the 37 sponsors, 16 have ultimately been terminated from the program. These 16 sponsors were receiving about \$35 million annually. Forty-four people have been indicted or named in criminal documents for defrauding CACFP and twenty-eight of these individuals have pled guilty or have been convicted.

The IG concluded that the structure of CACFP is flawed. The program creates pools of money that invite abuse; sponsors of centers are able to retain up to 30 percent of program funds. The program encourages sponsors to ignore provider deficiencies since sponsors' administrative cost reimbursement is based on the number of providers they administer and the providers' reimbursement is based on the number of meals served. In addition, sponsor officials may increase their salaries by reducing funds for day care monitoring activities.

USDA has prepared this legislation to address the IG's concerns and conclusion. This bill will enable state agencies to deny the application of any sponsor that is found to be seriously deficient in any publicly-funded program, unlike current law which looks only at nutrition programs. For example, if the sponsor also runs a Head

Start center and is not meeting Head Start management rules, that finding can disqualify the organization from participation in CACFP. The proposal will require organizations to have tax-exempt status from the Internal Revenue Service and will limit the amount a sponsor can withhold from child care centers. Public agencies (e.g., local health departments and schools) will be encouraged to participate as sponsors through reduced administrative requirements.

State agencies will have the ability to temporarily suspend payments without a hearing for up to 90 days. States will also be allowed to retain one-half of the funds collected through audits and state reviews. The FNS will also receive one-eighth of one percent of program funds to provide oversight which will generate \$3 million annually compared to \$1 million received under current law. Finally, FNS will be required to study the administrative payment structure.

While I am not certain that I will support all the provisions in USDA's bill, I am introducing it today to begin the process of discussing and refining it. I encourage all interested parties to contact the Agriculture Committee with their comments and suggestions.

Mr. President, the Federal government's nutrition programs are vitally important to millions of Americans. We cannot allow fraud and abuse of these programs to waste taxpayer dollars and undermine support for these crucial programs. •

• Mr. HARKIN. Mr. President, I am pleased to have this opportunity to join my colleague, the distinguished Chairman of the Agriculture, Nutrition, and Forestry Committee, Senator LUGAR, to introduce this legislation designed to address the fraud and abuse that has been found to be all too common in the Child and Adult Care Food Program (CACFP). It is intolerable that bad actors have tarnished the image of this important and laudable program of nutrition assistance. We need to move aggressively to pass legislation to make the necessary changes to root out fraud and abuse while maintaining CACFP's effectiveness and restoring its integrity.

Finding quality day care is one of the most difficult problems facing working families today. CACFP is a very good program that helps meet that need. The program, which is administered through the Food and Nutrition Service of the U.S. Department of Agriculture, reimburses the costs of meals and snacks at family day care homes, child care centers and adult day care homes. Because of the important role CACFP serves, Congress expanded it modestly in 1998 to help support after-school activities for older children. In fiscal 1999, some 2.6 million children were served on average each day through CACFP, with the total cost of the program amounting to about \$1.6 billion.

It is my understanding that USDA's Food and Nutrition Service recognized

that there were problems in the operation of CACFP and asked USDA's Inspector General to audit the program. Simply put, the results of the audit cry out for action. In an audit covering nearly three years, the IG found 37 sponsors in 23 states have had serious problems in carrying out CACFP. There were at least 30 criminal investigations and more than 40 individuals charged with defrauding CACFP. Notably, the IG found that the Department of Agriculture and the States should have done more to prevent the fraud and abuse that was prevalent in the program. Also the IG found structural problems in CACFP itself that make the program more susceptible to fraud and abuse.

The legislation Senator LUGAR and I are introducing today has been drafted by USDA to respond to the problems and shortcomings in CACFP identified by the IG. There are a number of good provisions and ideas in this legislation. I do not necessarily endorse all of the specific aspects of this bill, but it is a strong and thoughtful starting point for further consideration and for urgently-needed legislative action to address problems in CACFP that cannot be allowed to continue.

I echo the remarks of my colleague, Senator LUGAR, on the importance of the Federal nutrition programs and the need to combat fraud and abuse, so that we can prevent the waste of taxpayer dollars and maintain support for the programs. There is no inconsistency in strongly supporting child nutrition programs, yet vigorously fighting fraud and abuse in those programs. The truth of the matter is that every dollar siphoned off to fraud and abuse is a dollar that could better be spent improving the nutrition of our nation's children. •

ADDITIONAL COSPONSORS

S. 92

At the request of Mr. DOMENICI, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 92, a bill to provide for biennial budget process and a biennial appropriations process and to enhance oversight and the performance of the Federal Government.

S. 285

At the request of Mr. MCCAIN, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 285, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 311

At the request of Mr. MCCAIN, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 311, a bill to authorize the Disabled

Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs, and for other purposes.

S. 660

At the request of Mr. CRAIG, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 660, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the medicare program of medical nutrition therapy services furnished by registered dietitians and nutrition professionals.

S. 717

At the request of Ms. MIKULSKI, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 717, a bill to amend title II of the Social Security Act to provide that the reductions in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds \$1,200, adjusted for inflation.

S. 915

At the request of Mr. GRAMM, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 915, a bill to amend title XVIII of the Social Security Act to expand and make permanent the medicare subvention demonstration project for military retirees and dependents

S. 916

At the request of Mr. GRAMS, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 916, a bill to amend the Agricultural Market Transition Act to repeal the Northeast Interstate Dairy Compact provision.

S. 1020

At the request of Mr. BUNNING, his name was withdrawn as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1074

At the request of Mr. TORRICELLI, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1074, a bill to amend the Social Security Act to waive the 24-month waiting period for medicare coverage of individuals with amyotrophic lateral sclerosis (ALS), and to provide medicare coverage of drugs and biologicals used for the treatment of ALS or for the alleviation of symptoms relating to ALS.

S. 1133

At the request of Mr. GRAMS, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 1133, a bill to amend the Poultry Products Inspection Act to cover birds of the order *Ratitae* that are raised for use as human food.

S. 1272

At the request of Mr. NICKLES, the name of the Senator from Wyoming

(Mr. THOMAS) was added as a cosponsor of S. 1272, a bill to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes.

S. 1361

At the request of Mr. STEVENS, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1361, a bill to amend the Earthquake Hazards Reduction Act of 1977 to provide for an expanded Federal program of hazard mitigation, relief, and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes.

S. 1384

At the request of Mr. ABRAHAM, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1805

At the request of Mr. KENNEDY, the names of the Senator from Michigan (Mr. LEVIN), the Senator from Oregon (Mr. WYDEN), and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. 1805, a bill to restore food stamp benefits for aliens, to provide States with flexibility in administering the food stamp vehicle allowance, to index the excess shelter expense deduction to inflation, to authorize additional appropriations to purchase and make available additional commodities under the emergency food assistance program, and for other purposes.

S. 1810

At the request of Mrs. MURRAY, the names of the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 1810, a bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures.

S. 1874

At the request of Mr. GRAHAM, the names of the Senator from Maryland (Mr. SARBANES), and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 1874, a bill to improve academic and social outcomes for youth and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive activities conducted by law enforcement personnel during non-school hours.

S. 1900

At the request of Mr. LAUTENBERG, the names of the Senator from Louisiana (Mr. BREAUX), the Senator from Louisiana (Ms. LANDRIEU), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 1900, a bill to amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by Amtrak, and for other purposes.

S. 1902

At the request of Mrs. FEINSTEIN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1902, a bill to require disclosure under the Freedom of Information Act regarding certain persons and records of the Japanese Imperial Army in a manner that does not impair any investigation or prosecution conducted by the Department of Justice or certain intelligence matters, and for other purposes.

S. 1915

At the request of Mr. JEFFORDS, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 1915, a bill to enhance the services provided by the Environmental Protection Agency to small communities that are attempting to comply with national, State, and local environmental regulations.

S. 2003

At the request of Mr. JOHNSON, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 2003, a bill to restore health care coverage to retired members of the uniformed services.

S. 2005

At the request of Mr. BURNS, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Illinois (Mr. FITZGERALD), and the Senator from Kentucky (Mr. BUNNING) were added as cosponsors of S. 2005, a bill to repeal the modification of the installment method.

S. 2018

At the request of Mrs. HUTCHISON, the names of the Senator from Indiana (Mr. LUGAR), and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 2018, a bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the medicare program.

S. 2037

At the request of Ms. SNOWE, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 2037, a bill to amend title XVIII of the Social Security Act to extend the option to use rebased target amounts to all sole community hospitals.

S. 2056

At the request of Mr. CRAIG, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2056, a bill to amend the Richard B. Russell National School Lunch Act to ensure an adequate level of commodity purchases under the school lunch program.

S. 2060

At the request of Mrs. FEINSTEIN, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 2060, a bill to authorize the President to award a gold medal on behalf of the Congress to Charles M. Schulz in recognition of his lasting artistic contributions to the Nation and the world, and for other purposes.

S. 2093

At the request of Mr. DOMENICI, the names of the Senator from South Dakota (Mr. JOHNSON) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 2093, a bill to amend the Transportation Equity Act for the 21st Century to ensure that full obligation authority is provided for the Indian reservation roads program.

S. 2218

At the request of Mr. CLELAND, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2218, a bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees and annuitants and members of the uniformed services, and for other purposes.

S. 2277

At the request of Mr. ROTH, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Indiana (Mr. LUGAR), the Senator from Oregon (Mr. SMITH), the Senator from Nebraska (Mr. KERREY), the Senator from Texas (Mr. GRAMM), and the Senator from Nevada (Mr. BRYAN) were added as cosponsors of S. 2277, a bill to terminate the application of title IV of the Trade Act of 1974 with respect to the People's Republic of China.

S. 2280

At the request of Mr. MCCONNELL, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 2280, a bill to provide for the effective punishment of online child molesters.

S. 2287

At the request of Mr. L. CHAFEE, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 2287, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 2321

At the request of Mr. ROCKEFELLER, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2321, a bill to amend the Internal Revenue Code of 1986 to allow a tax credit for development costs of telecommunications facilities in rural areas.

S. 2322

At the request of Mr. MCCAIN, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 2322, a bill to amend title 37, United States Code, to establish a special subsistence allowance for certain members of the uniformed services who are eligible to receive food stamp assistance, and for other purposes.

S. 2324

At the request of Mr. KOHL, the name of the Senator from South Dakota (Mr.

DASCHLE) was added as a cosponsor of S. 2324, a bill to amend chapter 44 of title 18, United States Code, to require ballistics testing of all firearms manufactured and all firearms in custody of Federal agencies, and to add ballistics testing to existing firearms enforcement strategies.

S. 2337

At the request of Mr. SANTORUM, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 2337, a bill to amend the Internal Revenue Code of 1986 to allow individuals a refundable credit against income tax for the purchase of private health insurance, and to establish State health insurance safety-net programs.

S. 2340

At the request of Mr. MCCAIN, the name of the Senator from Vermont (Mr. LEAHY) was withdrawn as a cosponsor of S. 2340, a bill to direct the National Institute of Standards and Technology to establish a program to support research and training in methods of detecting the use of performance-enhancing substances by athletes, and for other purposes.

S. CON. RES. 69

At the request of Ms. SNOWE, the names of the Senator from Maine (Ms. COLLINS), the Senator from Washington (Mr. GORTON), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Con. Res. 69, a concurrent resolution requesting that the United States Postal Service issue a commemorative postal stamp honoring the 200th anniversary of the naval shipyard system.

S. CON. RES. 84

At the request of Mr. WARNER, the names of the Senator from Alabama (Mr. SESSIONS), the Senator from Maine (Ms. SNOWE), the Senator from South Carolina (Mr. THURMOND), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Nevada (Mr. REID) were added as cosponsors of S. Con. Res. 84, a concurrent resolution expressing the sense of Congress regarding the naming of aircraft carrier CVN-77, the last vessel of the historic "Nimitz" class of aircraft carriers, as the U.S.S. *Lexington*.

S. CON. RES. 87

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. Con. Res. 87, a concurrent resolution commending the Holy See for making significant contributions to international peace and human rights, and objecting to efforts to expel the Holy See from the United Nations by removing the Holy See's Permanent Observer status in the United Nations, and for other purposes.

SENATE CONCURRENT RESOLUTION 102—TO COMMEND THE BRAVERY AND HONOR OF THE CITIZENS OF REMY, FRANCE, FOR THEIR ACTIONS WITH RESPECT TO LIEUTENANT HOUSTON BRALY AND TO RECOGNIZE THE EFFORTS OF THE 364TH FIGHTER GROUP TO RAISE FUNDS TO RESTORE THE STAINED GLASS WINDOWS OF A CHURCH IN REMY

Mrs. FEINSTEIN submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 102

Whereas on August 2, 1944, a squadron of P-51s from the United States 364th Fighter Group strafed a German munitions train in Remy, France;

Whereas the resulting explosion killed Lieutenant Houston Braly, one of the attacking pilots, and destroyed much of the village of Remy, including 7 stained glass windows in the 13th century church;

Whereas despite threats of reprisals from the occupying German authorities, the citizens of Remy recovered Lieutenant Braly's body from the wreckage, buried his body with dignity and honor in the church's cemetery, and decorated the grave site daily with fresh flowers;

Whereas on Armistice Day, 1995, the village of Remy renamed the crossroads near the site of Lieutenant Braly's death in his honor;

Whereas the surviving members of the 364th Fighter Group desire to express their gratitude to the brave citizens of Remy; and

Whereas to express their gratitude, the surviving members of the 364th Fighter Group have organized a nonprofit corporation to raise funds through its project "Windows for Remy" to restore the church's stained glass windows: Now, therefore, be it Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) commends the bravery and honor of the citizens of Remy, France, for their actions with respect to the American fighter pilot Lieutenant Houston Braly, during and after August 1944; and

(2) recognizes the efforts of the surviving members of the United States 364th Fighter Group to raise funds to restore the stained glass windows of Remy's 13th century church.

Mrs. FEINSTEIN. Mr. President, I rise today to submit a resolution. I tried to submit it during the first session of the 106th Congress, but due to a clerical error, it was never printed. This resolution commends and remembers events that transpired in Remy, France as its citizens honored the fallen World War II Army Air Corps pilot, Lieutenant Houston Braly. This inspiring story happened over fifty years ago, but its example of compassion and brotherhood remains in our hearts and minds.

On August 2, 1944, Lt. Braly's squadron of P-51 fighters on patrol in northern France encountered a German munitions train. After three unsuccessful attacks at the camouflaged train, Lt. Braly's fire hit a car carrying explosives, causing a tremendous explosion.

Airplanes circling 13,000 feet over the battle were hit by shrapnel from the train, haystacks in fields some distance away burned, and nearly all