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THE WHITE HOUSE  
WASHINGTON

June 19, 1970

MEMORANDUM FOR THE PRESIDENT

From: William E. Timmons *BT*

Subject: The School Milk Program

As you weigh a possible veto of H.R. 5554, the School Milk Program, the following Congressional information may be helpful:

HISTORY: On January 30, 1969, Chairman of the House Agriculture Committee, W. R. Poage, introduced H.R. 5554, a bill to expand and make permanent the special milk program. This program, begun in 1954 in the Eisenhower Administration, provides milk free of charge or at reduced prices to school children.

No funds were requested for the special milk program in the fiscal 1970 Budget since it was anticipated that the expansion of child nutrition and special food assistance programs would eliminate the need for a separate milk program appropriation. Contrary to the Administration's request, the Congress appropriated \$84 million and set aside \$20 million in customs receipts (Section 32) for the fiscal 1970 program.

Of this \$104 million, virtually all has been expended for school milk even though your Budget carried zero dollars for special school milk (though \$20 million was requested for the Section 32 program).

In hearings before the House Agriculture Committee on March 11 of last year, Assistant Secretary of Agriculture Lyng testified that the Administration had not had the opportunity to assess H.R. 5554 in relation to overall child nutrition programs, but that it was the objective of the Agriculture Department to make available subsidized milk until such time as schools could provide full lunch facilities. On March 20, the Committee unanimously reported the Poage Bill to amend the Child Nutrition Act and increase the current authorization to \$125 million for fiscal 1970 and each year thereafter.

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## HISTORY (continued)

On March 25, 1969, the Rules Committee delayed final action on the bill until the Administration could formulate recommendations with respect to special milk and related programs. A rule was granted on April 29.

By a record vote of 384 to 2 (Congresswoman Griffiths and Congressman Charles Teague opposed), on May 6, 1969, the House passed H.R. 5554 with an amendment to permit Guam to participate in the program.

The first firm official Nixon Administration opposition to continuation of the School Milk Program did not occur until September 18, 1969, when a letter from Secretary Hardin was sent to the Senate.

On February 26, 1970, the White House transmitted to Congress the Federal Economy Act of 1970 which listed among those programs for elimination, Special School Milk.

On May 6, 1970, the Senate Agriculture and Forestry Committee reported the House bill with an amendment reducing the authorization to \$120 million, and on May 11, the bill was, by unanimous consent, passed by the Senate and sent back to the House. The House accepted by unanimous consent the Senate amendments June 16, thus clearing the bill for your signature.

## CONGRESSIONAL ANALYSIS

1. A veto will be overridden by a substantial margin. The initial override vote on school milk will occur in the House. Although a record vote loss might be discounted for other reasons, our leadership in the House on this and other key votes will be seriously weakened.
2. Agriculture Appropriations (including \$104 million for school milk) have already passed the House and will likely pass the Senate too. You may be faced with the possibility of vetoing the money bill or impounding the funds for school milk.
3. Congressional rejection of the veto will encourage Democrats to challenge the Administration on other bills. A veto would be a clear signal to opponents to "load up" popular measures. You may be faced with budget busting social funds tacked onto measures such as Debt Ceiling, Military Procurement or other essential Administration bills, not to mention the regular FY 1971 appropriations bills.

CONGRESSIONAL ANALYSIS (continued)

4. The President will be publicly criticized as "being against children," and school milk could be a campaign issue in the fall's elections. A large number of Republicans, for political protection, may be forced to join in the criticism.
5. If you feel its necessary to dramatize your fight against inflation, the public works appropriation, which will likely bust your budget too, might be better since the public frequently associates this with "pork barrel."

RECOMMENDATION: Recognizing that a veto will be over-riden and that you may eventually be forced to impound school milk funds, I recommend you let H.R. 5554 become law without your signature.

This strategy would be an indication that you do not plan to spend excessive appropriations. On the other hand, you would not be closing your options on other bills and would eliminate the serious political and congressional problems inherent in a veto.