

10. *Economic classification of program expenditures.* (See table 2.)

Program: Commodity distribution program.

Department or agency, and office or bureau: Department of Agriculture; Consumer and Marketing Service.

TABLE 2.—*Economic classification of program expenditures for fiscal year 1965*

[In millions of dollars]

Federal Government:	
Aid to State and local governments.....	¹ 529.0
Total, Federal.....	529.0
Non-Federal expenditures.....	(²)

¹ Value of surplus commodities distributed to domestic outlets. (Includes purchases for school lunch program.)

² Figures not available.

NOTE.—In the national income accounts this expenditure would be classified as a purchase of goods and services.

SPECIAL MILK PROGRAM

PART I. DESCRIPTION OF THE PROGRAM

1. Objectives

To improve nutrition and encourage consumption of fluid whole milk by children in public and nonprofit private schools of high school grade and under, nonprofit nursery schools, child-care centers, settlement houses, summer camps and similar nonprofit institutions that provide for the care and training of children.

2. Operation

Under agreement with the State educational agency, the U.S. Department of Agriculture reimburses part of the cost of fresh, fluid whole milk served to children in eligible outlets. There are no matching provisions, but the cost of milk in excess of the Federal reimbursement must be borne by the child or less frequently by State or local sources. In some States the State educational agency administers the program in nonprofit private schools and child-care institutions as well as in public schools. In other States, another State agency may administer the program or an agreement may be taken directly with the U.S. Department of Agriculture.

3. History

The Agricultural Act of 1954 provided that Commodity Credit Corporation funds could be spent, in the amount of \$50 million, to finance a program of increasing fluid milk consumption by children in schools of high school grade or under. The CCC was not, however, authorized to purchase fluid milk and sell it to schools or to donate milk for such use. In 1956, the definition of eligible outlets was expanded to include nonprofit nursery schools, child-care centers, settlement houses, summer camps and similar nonprofit institutions. In 1961, the program was authorized to continue until July 1, 1967.

4. Level of operations. (See table 1.)

5. Estimated magnitude of program in 1970. (See table 1.)

Program: Special milk program.

Department or agency, and office or bureau: Department of Agriculture; Consumer and Marketing Service.