

103^D CONGRESS
1ST SESSION

H. R. 3242

To prohibit for a 5-year period the award of contracts for the procurement of milk products for schools and military bases to companies convicted of violating any of the antitrust laws in connection with a contract with the Department of Defense or with any school or other institution eligible for payments under the Child Nutrition Act of 1966 or the National School Lunch Act.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 7, 1993

Mr. MILLER of California (for himself, Mr. FOGLIETTA, Mr. LIPINSKI, and Mr. WYNN) introduced the following bill; which was referred jointly to the Committees on Education and Labor and Armed Services

A BILL

To prohibit for a 5-year period the award of contracts for the procurement of milk products for schools and military bases to companies convicted of violating any of the antitrust laws in connection with a contract with the Department of Defense or with any school or other institution eligible for payments under the Child Nutrition Act of 1966 or the National School Lunch Act.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. AMENDMENTS TO THE CHILD NUTRITION ACT**
2 **OF 1966 AND THE NATIONAL SCHOOL LUNCH**
3 **ACT.**

4 (a) CHILD NUTRITION ACT OF 1966.—Section 11 of
5 the Child Nutrition Act of 1966 (42 U.S.C. 1780) is
6 amended by adding at the end the following new sub-
7 section:

8 “(c)(1) A school or other institution eligible for pay-
9 ments under this Act may not contract with—

10 “(A) a company that is convicted of violating
11 any of the antitrust laws in connection with a con-
12 tract with any such school or institution for the pro-
13 curement of milk; or

14 “(B) any other company, unless such company
15 agrees not to enter into a subcontract for the per-
16 formance of such contract with any company de-
17 scribed in subparagraph (A).

18 “(2) The prohibition in paragraph (1) shall apply for
19 a period of not less than 5 years after the date of the
20 conviction.

21 “(3) The term ‘antitrust laws’ has the meaning given
22 to such term in subsection (a) of the first section of the
23 Clayton Act (15 U.S.C. 12(a)), except that such term in-
24 cludes—

1 “(A) section 5 of the Federal Trade Commis-
2 sion Act (15 U.S.C. 45) to the extent that such sec-
3 tion 5 applies to unfair methods of competition; and

4 “(B) any State law similar to the antitrust
5 laws.”.

6 (b) NATIONAL SCHOOL LUNCH ACT.—Section 9 of
7 the National School Lunch Act (42 U.S.C. 1758) is
8 amended by adding at the end the following new sub-
9 section:

10 “(f)(1) A school or food service authority participat-
11 ing in a program under this Act may not contract with—

12 “(A) a company that is convicted of violating
13 any of the antitrust laws in connection with a con-
14 tract with any such school or food service authority
15 for the procurement of milk; or

16 “(B) any other company, unless such company
17 agrees not to enter into a subcontract for the per-
18 formance of such contract with any company de-
19 scribed in subparagraph (A).

20 “(2) The prohibition in paragraph (1) shall apply for
21 a period of not less than 5 years after the date of the
22 conviction.

23 “(3) The term ‘antitrust laws’ has the meaning given
24 to such term in subsection (a) of the first section of the

1 Clayton Act (15 U.S.C. 12(a)), except that such term in-
2 cludes—

3 “(A) section 5 of the Federal Trade Commis-
4 sion Act (15 U.S.C. 45) to the extent that such sec-
5 tion 5 applies to unfair methods of competition; and

6 “(B) any State law similar to the antitrust
7 laws.”.

8 **SEC. 2. REQUIREMENT TO DEBAR FROM CONTRACTING**
9 **WITH THE DEPARTMENT OF DEFENSE COM-**
10 **PANIES CONVICTED OF BID RIGGING ON**
11 **MILK CONTRACTS.**

12 (a) **REQUIREMENT TO DEBAR.**—The Secretary of
13 Defense shall debar from contracting or subcontracting
14 with the Department of Defense a company that is con-
15 victed of violating any of the antitrust laws in connection
16 with a contract with the Department of Defense for the
17 procurement of milk.

18 (b) **PERIOD OF DEBARMENT.**—The debarment re-
19 quired by subsection (a) shall apply for a period of not
20 less than five years after the date of the conviction.

21 (c) **DEFINITION OF ANTITRUST LAWS.**—The term
22 “antitrust laws” has the meaning given to such term in
23 subsection (a) of the first section of the Clayton Act (15
24 U.S.C. 12(a)), except that such term includes—

- 1 (1) section 5 of the Federal Trade Commission
- 2 Act (15 U.S.C. 45) to the extent that such section
- 3 5 applies to unfair methods of competition; and
- 4 (2) any State law similar to the antitrust laws.

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