

**Statement of Diane Kriviski, Deputy Administrator, Supplemental Nutrition and Safety Programs (SNAS), for the Food and Nutrition Service
Before the House Subcommittee on Nutrition
March 21, 2017**

Thank you, Chairman Thompson and Ranking Member McGovern for this opportunity to appear before you today. I am pleased to share information regarding USDA's Food, Nutrition, and Consumer Services' (FNCS) commodity distribution programs, which are part of the safety net of nutrition assistance programs administered by the Food and Nutrition Service (FNS). As the FNS Deputy Administrator for the Supplemental Nutrition and Safety Programs, I am the career Senior Executive leading the commodity distribution programs. I have served FNS for over 30 years at all levels of the organization.

Let me begin by expressing my appreciation to you, Chairman Thompson and Ranking Member McGovern, along with other members of this Subcommittee, for your ongoing support for Federal nutrition programs. I appreciate you taking the time today to highlight these programs that support American agriculture and meet the supplemental nutrition needs of low-income people.

Our programs, which operate as partnerships with State, Tribal, and local service providers across the country, work to prevent hunger and improve nutrition, while also supporting American farmers. We commonly call the commodity distribution programs the "USDA Foods Programs" to emphasize the fact that these programs provide 100 percent domestically-produced, high quality, and nutritious foods purchased by USDA. USDA Foods are distributed through a variety of organizations and nutrition assistance programs. USDA helps families stretch their food budgets and puts healthy foods within reach by distributing USDA Foods to schools, food banks,

disaster feeding organizations, Indian Tribal Organizations, charitable institutions and other feeding organizations. In fiscal year (FY) 2016, over \$2 billion in USDA Foods were purchased from food producers in almost every state and distributed to program operators across the country. These purchases for our programs not only support our agricultural producers and farm economy; they ensure that the most vulnerable Americans have access to nutritious food. USDA Foods are 100 percent American Grown, meeting the highest safety and nutrition standards. They include high quality fruits, vegetables, dairy products, whole grains, lean meats, poultry, and fish that can contribute to a healthy diet.

Today, I will focus my statement on a critical portion of USDA Foods that are distributed through three Farm Bill authorized programs: the Emergency Food Assistance Program or TEFAP; the Food Distribution Program on Indian Reservations, known as FDPIR; and the Commodity Supplemental Food Program, known as CSFP. USDA Foods are also purchased and provided for use in the FNS' child nutrition programs, such as the National School Lunch Program and the Child and Adult Care Food Program.

TEFAP

The Emergency Food Assistance Program, or TEFAP, helps supplement the diets of low-income people by providing them with food assistance at no cost. Through TEFAP, USDA offers a variety of food to State Distributing Agencies. States order the food from FNS and provide it to local agencies selected by the State Agencies, usually food banks, which in turn distribute the food to local organizations, such as soup kitchens and food pantries that directly serve the public. States may also provide the food to other types of local organizations, such as community agencies, which distribute the foods directly to low-income households. Recipients of TEFAP commodity assistance must meet income-based program eligibility criteria set by the State.

USDA offers States a variety of healthy, domestically grown foods for TEFAP including fresh fruits and vegetables, fruit canned in extra-light syrup, dried fruits, low sodium and no salt added canned vegetables, dried and low sodium canned beans, canned and frozen meats, cereal, rice, pasta, peanut butter, oats, shelf stable milk, and eggs. State and local agencies count on the stability of the TEFAP food offerings. They fill a gap in the variable array of donated foods, supplementing both the quantity and quality of private food donations, which vary greatly throughout the year. TEFAP foods are important to these operations, though USDA Foods only make up approximately 20 percent of foods provided to food banks and other local organizations.

USDA Foods distributed through TEFAP are purchased by USDA using funds appropriated specifically for TEFAP food benefits. In addition, FNS also directs foods from USDA's marketing programs to TEFAP; these are known as bonus foods. USDA purchases these domestically grown bonus foods with funds authorized by Section 32 of the Agriculture Act of 1935. Each purchase is analyzed by USDA and approved by the Secretary to ensure they support American agriculture. These products are then provided to FNS and directed to the TEFAP program, helping to provide larger food inventories for distribution. In FY 2016 USDA Foods donated through TEFAP include chicken, catfish, salmon, eggs, shelf stable milk, cheese, pinto and great northern beans, walnuts, dates, blueberries, cherries, cranberries, grapes, grapefruit, oranges, and potatoes.

In total, FNS provided USDA Foods valued at \$623.5 million for distribution through TEFAP in FY 2016. Of that, USDA was appropriated \$318 million by Congress and purchased approximately \$305.5 million in bonus foods.

During the same period, FY 2016, \$54.4 million was appropriated for TEFAP administrative funds, a slight increase from previous year funding levels. TEFAP administrative funds are provided to States to support the storage and distribution of USDA Foods which in turn are provided to local providers, supplementing their operating budget. It is worth noting that many local TEFAP agencies are faith-based organizations and most depend significantly on volunteers to operate their local programs.

The allocation of both TEFAP food and administrative grants to States is based on a statutory formula that considers the States' unemployment levels and the number of persons with income below the poverty level. Each State is responsible for selecting organizations to participate in the program, allocating foods and administrative funds among such organizations, and establishing eligibility criteria for recipients.

I know TEFAP meets a critical and unique need in the nation's food safety net. In 2013, FNS published a white paper that described the impact of TEFAP and found that it fills nutrition assistance gaps for those extremely vulnerable households and individuals who do not typically participate in other USDA nutrition assistance programs. Research found that more than one-third of TEFAP participants who used soup kitchens and about one-fifth who used food pantries to obtain emergency food assistance did not report participating in other FNS nutrition assistance programs. Additionally, a report published in 2003 by USDA's Economic Research Service found that households where TEFAP was their only source of food assistance were more likely to face homelessness, have very low food security, and suffer greater hardships relative to other households.

FDPIR

The Food Distribution Program on Indian Reservations, or FDPIR, provides a monthly package of USDA Foods to low-income households living on Indian reservations, and to low-income Indian households residing in approved service areas near reservations or in Oklahoma. FDPIR serves a very food insecure population, primarily living on Tribal lands; many households participate in FDPIR as an alternative to SNAP because they do not have easy access to SNAP offices or authorized food stores. A report published in December 2014 by USDA's Economic Research Service, *Measuring Access to Healthful, Affordable Food in American Indian and Alaska Native Tribal Areas*, found that American Indian and Alaska Native (AIAN) populations have about twice the rate of nutrition-related health conditions, including cardiovascular disease, diabetes, and obesity, as non-Hispanic White Americans. The authors also found likely sources of healthful, affordable food to be limited in many tribal areas, a factor that may influence diet and food choices. A USDA study of the characteristics of FDPIR participants completed by the Urban Institute in 2016 found that the percent of FDPIR households with low food security was more than four times U.S. households as a whole (34 percent compared to 8 percent). The percent of FDPIR households with very low food security was also much higher, 22 percent compared to 6 percent.

FDPIR is administered locally by either Indian Tribal Organizations (ITOs) or an agency of a State government. Currently, approximately 276 of the 567 federally recognized American Indian and Alaska Native tribes and villages receive benefits under FDPIR through 102 ITOs and 3 State agencies. The ITOs and State agencies that administer FDPIR have to work under unique and often difficult circumstances to provide food and nutrition education to FDPIR participants. Program directors and managers tailor warehouse hours, distribution options, and product selection to the circumstances and preferences of participants. Due to the remote nature of much

of the Tribal lands in the United States, program sites often use large trucks to drive food out to central distribution sites and/or provide home delivery for their participants. This allows FDPIR to reach more households in need and effectively deliver FDPIR services to eligible participants that otherwise face transportation challenges. In smaller or less remote locations, some FDPIR programs set up their distribution sites like grocery stores, allowing participants the opportunity to select a variety of nutritious food.

Each month, households participating in FDPIR receive a food package to help them maintain a nutritionally balanced diet. The FDPIR food package allows participants to select from more than 100 domestically grown, nutritious foods in a variety of categories including meat, poultry, fish, dairy, grains, fruits, and vegetables. FDPIR participants also select from about 40 different types of fresh produce through an agreement between USDA and the Department of Defense (DoD), which maximizes efficiencies as DoD produce vendors are already delivering to defense installations in rural or remote areas. In many FDPIR locations, a variety of quality and affordable fresh produce would not otherwise be readily accessible.

The food package also consists of a selection of traditional foods including bison, blue cornmeal, wild sockeye salmon, and traditionally-harvested wild rice. The 2008 Farm Bill first introduced the FDPIR Traditional and Locally-Grown Food Fund. This provision, subject to appropriations, authorized \$5 million for use in purchasing traditional foods for FDPIR for FY 2015 and FY 2016. Using the funds appropriated, along with additional FDPIR food funds, USDA purchased over \$17 million in healthy, traditional foods for FDPIR participants, much of it from Native American-owned businesses. For example, the Leech Lake Band of Ojibwe and White Earth Nation received awards to provide traditionally harvested wild rice to FDPIR participants. Both ITOs currently administer FDPIR on their reservations. Tribal partners were

instrumental in developing first-of-their-kind product specifications that facilitated the purchase of traditional foods for FDPIR as well as sharing information on the USDA Vendor approval process for new Tribally-owned businesses to provide traditional foods to FDPIR. Traditional foods are important to maintaining the appeal of this nutritious food package as well as supporting Native American economies. USDA and FNS leadership meet regularly with elected Tribal leaders as well as FDPIR program directors to review the individual food items in the FDPIR food package.

In FY 2016 FDPIR received a total of \$145.2 million to support the program's projected participation levels and food costs and support the acquisition of traditional foods for participants. Since FY 2013, FDPIR has seen an increase of 23 percent in program participation (from 75,600 individuals in 2013 to 93,038 in FY 2016). Participation increases may be attributed, at least in part, to relatively recent policy changes in both FDPIR and SNAP. In FY 2013, USDA published a final rule which expanded the medical deduction for FDPIR and permitted a new income deduction for shelter or utility expenses. Both changes more closely aligned FDPIR to SNAP eligibility requirements. In FY 2014, a temporary increase in SNAP benefits received from the American Recovery and Reinvestment Act of 2009 expired which may have also caused some SNAP participants to switch to FDPIR. High program participation continues into FY 2017 with the program serving approximately 93,250 individuals in an average month as of November 2016.

USDA provides FDPIR State agencies with administrative funding to support program administrative costs such as eligibility determination, food warehousing and transportation, and nutrition education activities such as individual nutrition counseling, group cooking demonstrations and distribution of recipes for preparing USDA Foods. FNS also annually awards approximately \$1 million in Food Distribution Program Nutrition Education (FDPNE) grants in order to enhance the nutrition knowledge of FDPIR participants. Since FY 2008, ITOs that

received funding have conducted programs designed to increase fruit and vegetable consumption and physical activity.

CSFP

The next program I would like to talk about serves primarily the elderly. The Commodity Supplemental Food Program, or CSFP, works to improve the health of low-income persons ages 60 and over by providing a nutritious monthly food package that supplements their diets. The 2014 Farm Bill amended the eligibility requirements for CSFP, phasing out women, infants, and children and transitioning it to a program focused on providing service to the elderly. The elderly population faces unique health, social, and nutrition challenges, which can include decreased mobility, limited shopping and cooking ability, and health challenges related to food insecurity. In a 2008 USDA report, the Urban Institute found that CSFP can be a significant source of nutritional assistance for low-income seniors and provide a substantial portion of the food they need each month.

Seniors represent a particularly vulnerable demographic to food insecurity, and the number of food insecure seniors has increased in recent years. While some seniors may be eligible for SNAP, many are not participating or are receiving very minimal SNAP benefits. In FY 2015, approximately 4.8 million seniors (age 60 and older) participated in SNAP, which represents about 42 percent of seniors eligible to participate in the program.

Through CSFP, USDA distributes both food and administrative funds to participating States and ITOs. CSFP food packages are supplemental and the foods provided are good sources of the nutrients typically lacking in the diets of the elderly population. Food packages include a variety of foods, such as nonfat dry and shelf-stable fluid milk, juice, farina, oats, ready-to-eat

cereal, rice, pasta, peanut butter, dry beans, canned meat, poultry, or fish, and canned fruits and vegetables. State agencies that administer CSFP are typically departments of health, social services, education, or agriculture. State agencies store CSFP food and distribute it to public and nonprofit private local agencies. Local agencies determine the eligibility of applicants, distribute and may store the foods, and provide nutrition education. Local agencies also provide referrals to other programs, such as SNAP, Medicaid, and Medicare.

With the funding provided by Congress over the last three years, FNS has added nine additional States to CSFP. CSFP now operates in 48 States, the District of Columbia, and on two Indian reservations. Two States, Alabama and Wyoming, do not participate in CSFP and have not submitted a request to do so. If these states choose to participate, additional funds would be required to support such a request without reducing available funding and caseload to other states. CSFP Regulations require FNS to prioritize the caseload needs of currently participating States over requests from new States to begin operating the program. Based on the level of funding currently available in FY 2017, CSFP provides for a participation level of 697,865 nationally.

Conclusion

The impact of these programs is vast. They serve some of the most vulnerable people in our country and directly support American farmers across the country. Without access to these critical programs, many recipients would face higher levels of food insecurity and farmers would have fewer outlets for their products.

The economic impact of these programs is also large. In FY 2016, USDA purchased USDA Foods from 43 individual states contributing \$2.2 billion to these States' economies and 2.5 billion pounds of food to families in need across the United States.

While my testimony has focused on the important Federal/State relationships of these programs, I want to recognize and highlight the critical role of volunteers at the local level that make these programs operate effectively. Local organizations, including faith-based organizations, play a key role as local-level providers for many of the programs. Many State and local organizations, as well as ITOs, also provide financial and in-kind support to help maximize the resources available.

In closing, I am proud of the dual mission of the Food and Nutrition Service and the USDA Foods programs -- supporting domestic agriculture and meeting the supplemental nutrition needs of low-income people. These programs play an important role in keeping local agriculture strong, stimulating the agricultural economy and ensuring the most vulnerable populations have access to high-quality, safe and nutritious food.

Thank you for the opportunity to join you today and I look forward to your questions.