



2021 Legislative Issue Paper

The American Commodity Distribution Association (ACDA) is a non-profit professional association, whose members include state agencies that distribute USDA Foods; agricultural organizations; recipient agencies, such as schools; industry groups, such as food manufacturers and processors; and allied and agriculture organizations, such as nonprofit anti-hunger groups and growers' associations. In 2020, ACDA members assisted in the distribution of more than 3 billion pounds of domestically produced commodities valued at more than \$3 billion to programs including the National School Lunch and Breakfast Programs, the Emergency Food Assistance Program, the Summer Food Service Program, the Commodity Supplemental Food Program, and the Child and Adult Care Food Program. This volume includes commodities purchased with regular funding, supplemental COVID funding, and trade mitigation efforts.

ACDA looks forward to continuing work in the 117th Congress to maintaining and enhancing flexibility in the operation of Child Nutrition and other commodity distribution programs in response to COVID-19, as well as making responsible improvements in these programs going forward.

ACDA respectfully offers the following recommendations:

Child Nutrition Programs

Maintain flexibility in the operation of school meal programs. School food programs have benefited from the flexibility Congress provided for the past and current school year. These programs continue to face challenges that are likely to extend into the next school year as well. Congress should:

- **Continue authority for the use in School Year 2022-2023 of no less than School Year 2018-2019 as the base period for the determination of commodity entitlement.** ACDA appreciates the grandfathering of commodity entitlement meal counts for the current and upcoming school year. Given the uncertainty of regular school resumption and the time needed to build back meal services this authority may be needed for an additional school year especially since 25% of the IDIQ fruits and vegetables for SY23 need to be ordered by April 1st.
- **Expand the Emergency Reimbursement Program to include months impacted in the current school year.** The reimbursement program provided by the COVID Relief provisions included in PL 116-260 should be expanded to cover all months of the current school year.
- **Increase school lunch and breakfast reimbursement rates to reflect the higher expenses associated with the program.** The higher reimbursement rates provided by the summer food program have enabled school meal providers to deal with higher food and

operating costs. School lunch and school breakfast reimbursement rates should be updated to reflect these higher costs.

- **Maintain and enhance all authorities to provide appropriate flexibility that may be needed.** While we sincerely appreciate all of the flexibilities provided thus far, it is clear that school food authorities need the ability to quickly modify operations subject to unprecedented challenges. We expect flexibilities will be used responsibly, but flexibility is essential in responding to these challenges.

Make School Lunch and Breakfast universal. Providing school meals to all students reduces the administrative burden of applications and verification. ACDA agrees with so many others who have suggested that school meals should be available to all students in the same fashion as all other school programs.

Strengthen the important role of USDA Foods in the school meal programs. USDA Foods have a dual role – supporting the domestic agricultural economy while at the same time providing nutritious food to school children and needy Americans. To strengthen the role of USDA Foods in the school meal programs and to improve the operation of USDA purchasing programs, ACDA continues to believe that Congress should:

- **Publish the per meal commodity rate for the upcoming SY by February 15.**
- **Provide 6¢ entitlement for USDA Foods for every breakfast served** – ACDA supports the *Healthy Breakfasts Help Kids Learn Act*, to provide an additional 6 cents in commodity support for the School Breakfast Program (SBP).
- **Ensure that 12% of school lunch support comes in the form of commodities.**
- **Oppose Block Grants** - ACDA opposes the conversion of the National School Lunch and Breakfast Programs to a block grant.
- **Include distribution of USDA Foods in the State Administrative Formula (SAE), dedicating this resource specifically to support state distribution.**
- **Fruit and Vegetable Snack Program** - ACDA continues to support emphasizing the importance of fruits and vegetables in all forms – fresh, frozen, canned and dried – as noted in the *2020-2025 Dietary Guidelines for Americans*. ACDA believes that the Buy American requirements imposed on school meals should also apply to the Fruit and Vegetable Snack Program.
- **Summer Food Service Program Commodity Rate** - As a matter of policy, USDA provides 1.5 cents in commodities per Summer Food Service meal served. ACDA continues to urge that this rate be reviewed and increased to a more reasonable level reflecting increased meal costs. ACDA also urges that the timing of summer USDA Foods delivery be adjusted to reflect actual date of service.

Household Programs

Maintain flexibility in the operation of household programs. Both the Emergency Food Assistance Program (TEFAP) and the Commodity Supplemental Food Program (CSFP) have had to adjust to changes in available foods this past year. Legislative authority should be provided to ensure that the Secretary has the ability to waive or modify program requirements as may be appropriate given operating conditions.

- **Fully fund TEFAP operating expenses** - ACDA appreciates the \$79,630,000, provided for FY 2021, along with the supplemental funding provided in other measures, and supports maintaining at least this level as part of the FY 2022 Appropriations bill.

- **Additional funding is likely needed for household commodity purchases.** The Farmers to Families Food Box program, as well as both TEFAP and CSFP, have faced higher demand which is likely to continue through this year. Funding levels should be provided for each program to ensure they have the ability to continue to serve those in need, particularly in light of the end of trade mitigation commodities.