



Chris Facha, President  
American Commodity Distribution Association  
Before the  
Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration and Related Agencies  
Senate Committee on Appropriations  
March 30, 2018

On behalf of the American Commodity Distribution Association (ACDA), I respectfully submit this statement regarding the FY 2019 budget request of the Food and Nutrition Service for inclusion in the Subcommittee's official record. ACDA members appreciate the Subcommittee's support for these vital programs.

ACDA urges the subcommittee to provide sufficient funds for the purchase of commodities to be distributed by the Emergency Food Assistance Program (TEFAP) recognizing that these foods have also been used in disaster relief efforts and may need to be replenished, to fully fund administrative expense funding for TEFAP at \$100 million; to provide \$250,000,000 for the Commodity Supplemental Food Program (CSFP) to maintain the current caseload and to allow for the expansion to additional state and tribal organizations subject to USDA state plan approval; and to maintain funding for the school meals equipment grant program.

ACDA is a non-profit professional trade association, dedicated since 1974 to the growth and improvement of USDA's Commodity Food Distribution Program. ACDA members include: state agencies that distribute USDA-purchased commodity foods; agricultural organizations; industry; associate members; recipient agencies, such as schools and soup kitchens; and allied organizations, such as anti-hunger groups. ACDA members distribute over 2.2 billion pounds of domestically produced commodities annually 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.

### **Funding for TEFAP Commodities**

ACDA strongly urges the Committee to provide sufficient funds for the purchase of commodities for TEFAP, recognizing that foods used in disaster relief efforts may need to be replenished and that this may mean more than \$294 million requested in the President's budget may be needed. TEFAP operators continue to find a significant need for TEFAP foods, and that

food banks are receiving fewer donations from food retailers and wholesales as they are reducing inventories to be more in line with actual customer demand.

### **Fully Fund TEFAP Administrative Funds at \$100 million**

We continue to urge the subcommittee to fully fund TEFAP Administrative Funds at \$100 million. TEFAP providers face significant needs for food handling and storage, and have experienced increased costs in recent years. We appreciate that the Committee has provided \$64,401,000 for FY 2018, and are concerned that the proposed reduction to \$54,401,000 will make it even more difficult for food banks to maintain their needed operations.

As we have told the Committee in the past, food banks, Community Action Agencies, and other TEFAP operators continue to find that they have had little choice but to convert food dollars to administrative expense funds in order to maintain their operations. Using food dollars for operating expenses is too often necessary, and reduces the ability of these operators to provide food assistance to more individuals and families who continue to face difficult times. We urge the Committee to not force this choice between food and expense funds upon operators that are experiencing reduced private donations in addition to increased demands.

### **Funding for the Commodity Supplemental Food Program**

ACDA supports providing \$250,000,000 for the Commodity Supplemental Food Program (CSFP). This is our best estimate of what would be needed to maintain current services and provide for planned improvements in the program. Earlier this year Wyoming, Puerto Rico, and the Seminole Nation in Oklahoma were awarded caseload. We understand that Alabama, the only state not currently operating CSFP, intends to submit a state plan later this year, bringing the program to all fifty states. FNS has also been reviewing the CSFP food package to upgrade and improve the food items offered to the more than 700,000 senior citizens receiving this monthly food package. This food package is vital to many recipients who would not have a meaningful alternative available to them should CSFP be discontinued as proposed in the budget.

### **School Meals Equipment Grants**

ACDA supports at least maintaining School Food Equipment Grants at \$30 million. All school food authorities are working diligently to provide healthier and desirable meals to millions of students each and every day. Their ability to provide these meals depends upon the equipment available to them, and this grant program has made a positive difference for those fortunate enough to receive these grants.

### **Other Food Procurement Concerns**

ACDA continues to support emphasizing the importance of fruits and vegetables in all forms – fresh, frozen, canned and dried – as noted in the *2015-2020 Dietary Guidelines for Americans*. Increasing flexibility to program sponsors in planning menus that meet high nutrition standards but still are within cost targets is of critical importance and will help reduce waste.

It is also important that FNS take action to enforce the Buy American requirements for foods included in school meal programs. We have seen the increasing presence of foreign-sourced product in many states that violates these requirements, erodes domestic producer and processor viability, and may risk food safety concerns. ACDA has formed a Buy American Task Force to identify what steps can be taken to better assist both school food authorities and food vendors in complying with these requirements, and will keep the committee advised of further developments.

### **Interagency Panel for Evaluation and Improvement of the USDA Foods Program**

As a result of Section 4205 of the Agricultural Act of 2014, a multiagency task force has been established at USDA for continuous evaluation and improvement of the USDA Foods purchased for multiple food assistance programs. ACDA continues to be committed to working with both AMS and FNS on the Business Management Improvement project. The broad goals include improving transportation contracting and management, distribution center contracting and management, and developing more robust supplier management. We believe that there is a need to undertake both direct delivery projects as well as processing for now, and urge the Committee to support these efforts. We believe this effort will improve the efficiency of our joint operations, providing quality USDA Foods at responsible prices.

We look forward to continuing to partner with you and USDA in the delivery of these important food assistance programs.