UNITED STATES DEPARTMENT OF AGRICULTURE Food, Nutrition and Consumer Service

Testimony of Nancy Montanez Johner, Under Secretary Food, Nutrition and Consumer Services

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Thank you, Mr. Chairman. I am Nancy Montanez Johner, Under Secretary, Food, Nutrition, and Consumer Services (FNCS), U.S. Department of Agriculture (USDA).

I am pleased to be at today's hearing to discuss the Food Stamp Program (FSP) and its impact on children's nutrition and health. The FSP is the Nation's primary nutrition assistance program, increasing food purchasing power for households with little income and few resources by providing benefits that are redeemed at retail grocery stores across the country. Over 26 million low-income people make use of the program to help put food on the table.

This program provides substantial benefits to low-income families with children, helping them to stretch their buying power. About half of all food stamp recipients are children, nearly 80 percent of food stamp benefits go to households with children, and over 80 percent of all children who are eligible for benefits receive them. On average, households with children receive about \$300 in food stamp benefits each month, with the amount varying based on the size and income level of the household. Food stamp households also benefit from nutrition education that is part of the program in every State – helping to promote thrifty shopping and healthy eating among food stamp clients.

The evidence is clear that the FSP makes an important difference in the lives of low-income children and families, and the others that it serves. With its nationwide standards for eligibility and benefits, it represents a national nutrition safety net for low-income families and individuals wherever they live. It is designed to expand automatically to respond to increased need when the economy is in recession and contracts when the economy is growing, making sure that food gets to people who need it, when they need it.

Perhaps most importantly for today's hearing, the FSP makes more food available to households that participate. Food stamp families are able to spend more on food than they would be able to without the program, and providing benefits that can be spent only on food increases total food expenditures more than providing an equal amount of cash would. In addition, there is evidence that program participation can increase the availability of nutritious food in the home. \(^1\)

To sum up, Mr. Chairman – the Food Stamp Program works, and it works for children. That's why we're committed to ensuring effective program operations for all eligible people who wish to participate.

To meet that commitment, we have implemented outreach activities such as the national media campaign. The number one reason that people do not apply for food stamp benefits is because they do not realize that they are eligible. The national media campaign seeks to raise awareness of the nutrition benefits of food stamps and encourage low income people to seek out more information about their eligibility for this important benefit. National media campaign activities primarily consist of radio advertising in areas of low participation.

The Food and Nutrition Service (FNS) also provides outreach materials for the Food Stamp Program including posters and flyers, as well as radio and television public service announcements, that State and local food stamp agencies and community and faith-based outreach providers can use in their local outreach efforts.

For the last four years, FNS has also awarded grants to community and faith-based organizations to implement and study promising outreach strategies. All of these outreach strategies are geared towards the working poor, including families with children, seniors, and legal immigrants, including citizen children of undocumented parents.

Mr. Chairman, I know the focus of this hearing is how the FSP affects children's health, but I would be remiss if I did not mention the other major programs that I oversee which directly bear on this subject. The 15 domestic nutrition assistance programs administered by FNS work together to improve food security, fight hunger, and support healthy eating for low-income people across the Nation. The President's budget for Fiscal Year 2008 demonstrates the Administration's unwavering commitment to this mission by requesting a record level of \$59 billion dollars for these vital programs, which serve one in five Americans over the course of a year. While these programs are designed to meet the needs of people of all ages who need assistance, they focus most strongly on the needs of children. In addition to food stamps, the major nutrition assistance programs include:

 The Child Nutrition Programs (CNP), including the school meals (lunch and breakfast) program, and the Child and Adult Care Food Program (CACFP), which support nutritious meals and snacks served to over 30 million children in schools, child care institutions, and after-school care programs. In addition, the Summer Food Service (SFSP) Program and parts of the National School Lunch Program provide

¹ Research evidence summarized by Fraker (1990) and Fox, Hamilton, and Lin (2004) indicates that an additional dollar of food stamp benefits raises food expenditures by 17 to 47 cents; an additional dollar of cash, in contrast, raises food expenditures by 5 to 10 cents. Both summaries also report evidence that the FSP increases household availability of food energy and protein. Devaney and Moffitt (1991) report that FSP participation significantly increased household availability of a broad array of vitamins and minerals: vitamins A, B₆, C, riboflavin, thiamin, calcium, iron, magnesium, and phosphorus.

nutritious food to children in summer camps and other settings in the summer months, when school is not in session.

• And for the youngest children and infants, we operate the Special Supplemental Nutrition Program for Women, Infants, and Children, or WIC. WIC addresses the special needs of at-risk, low-income pregnant, breastfeeding, and postpartum women, infants, and children up to five years of age. It provides 8 million participants monthly with supplemental food packages targeted to their dietary needs, nutrition education, and referrals to a range of health and social services; benefits that promote a healthy pregnancy for mothers and a healthy start for their children

Overweight and obesity are critical issues for every part of our population, and addressing those problems is most important early in life, when eating and other health-related behaviors are developed. The policies that shape the programs are aligned with the *Dietary Guidelines for Americans*, which are revised every five years to ensure that policy is based on current scientific and medical knowledge. And each major program promotes healthy eating and active lifestyles through nutrition education and promotion.

Nutrition education and services are provided to WIC participants in conjunction with other parts of the WIC benefit to improve birth outcomes and promote childhood immunization, and breastfeeding. Team Nutrition, a comprehensive, integrated plan to promote good nutrition through the Child Nutrition Programs, includes nutrition education materials for use in schools and technical assistance for food service providers. We also promote nutrition education across programs through the Eat Smart. Play Hard.™ Campaign, and by working with State agencies that operate the programs on State Nutrition Action Plans, to foster integrated cross-program strategies.

Nutrition education efforts are not limited to the Child Nutrition Programs but are also provided by States to food stamp recipients. The program represents a prime opportunity to reach low-income children and families and encourage healthy practices that can last a lifetime.

The FSP clearly has been a major benefit to low-income households with children over the years. Children in the FSP have also benefited from the increased commitment to nutrition education as a component part of the Program. Considered an optional benefit on the part of States, spending in the area of nutrition education has increased over the last fifteen years. For example, in FY 1992, FNS approved \$661,000 for Food Stamp Nutrition Education (FSNE) efforts conducted by seven State agencies. This year, FNS approved \$275 million in federal funds for fifty-two State agencies to provide FSNE. It is important to note that FSNE plays a valuable role in helping to communicate the Dietary Guidelines for Americans to low-income audiences. This includes promotion of MyPyramid and its various iterations such as MyPyramid for Children and MiPiramide.

To that end, FNS has also developed a series of nutrition education and promotional materials targeting women with children entitled *Loving Your Family, Feeding Their Future: Nutrition Education through the Food Stamp Program.* These materials are

designed for Food Stamp mothers who may possess low-literate skills and who may be Spanish speakers. These materials can be used in any setting with similar target audiences, such as the WIC Program. The anticipated release date of these materials is May 2007.

The Food Stamp Nutrition Connection is a website designed to provide training and information resources to FSP nutrition educators, and it provides more than 150 nutrition education resources for children.

For a preview of our excellent children resource materials please visit our web sites at:

http://foodstamp.nal.usda.gov http://www.fns.usda.gov/eatsmartplayhardkids/Library/actsheets.htm (For children in Spanish and English)

I would like to take a moment to outline several of our Farm Bill Proposals, especially those that would benefit households with children.

We are using the 2007 Farm Bill process to further improve program access and facilitate future self-sufficiency. The Administration's reform-minded and fiscally responsible proposals build on the success of the 2002 Farm Bill – raising food stamp participation rates among eligible populations, restoring eligibility for many legal immigrants, and providing new flexibility for States to tailor services to better serve their clients – with improvements in access, strong integrity, and careful stewardship of the taxpayer dollars. Let me outline some of the proposals that have particularly important impacts on families with children:

First, we want to strengthen efforts to integrate nutrition education into the Food Stamp Program by recognizing in the Food Stamp Act of 1977 that nutrition education is a component of the program and investing \$100 million to establish a five-year competitive grants demonstration program targeted at developing and testing solutions to the rising rates of obesity. These grants will allow us to evaluate creative and innovative solutions in this complex area, such as point-of-sale incentives to purchase fruits and vegetables, increased access among food stamp recipients to farmers markets, and integrated initiatives that use multiple communication channels to reinforce key messages. These initiatives would include rigorous evaluations to identify effective strategies. This is important, as the Committee knows, because of the serious health threats of obesity and overweight threaten American citizens, but is even more critical when we consider the impact it has on our nation's children.

Second, our proposals to increase program access that would affect families with children include:

• Eliminating the cap on the dependent care deduction – Current policy supports work or participation in work services by providing for limited deductions from the family's gross income associated with the cost of dependent care when determining food stamp eligibility and benefit amount: a cap of \$200 per month

for children under 2 and \$175 for other dependent children is the current policy. The cap was set back in 1993. It is time to eliminate the cap, which would simplify State administration and help working families with children.

- Excluding the value of college savings plans from the resource limit This proposal would expand the plans eligible for exclusion from the resource limit when determining food stamp eligibility and would simplify administration for the States. Most significantly, it supports working poor, encourages focused savings for children's futures, and recognizes that households should not have to deplete college savings plans in order to get nutrition assistance. This proposal will exclude from the resource calculation the value of certain college savings plans that the IRS recognizes for tax purposes, including 529 plans operated by most States
- Excluding combat-related military pay Enhanced pay from military deployment can sometimes cause families receiving food stamps to no longer be eligible for this assistance. This policy change would ensure that military families are not penalized for doing their patriotic duty. It supports the families of servicemen and servicewomen fighting overseas by ensuring that their families back home do not lose food stamps as a result of the additional deployment income. This proposal has been a part of the President's budget for several years and was first enacted in the 2005 Appropriations Act; this farm bill proposal would make this annual policy fix permanent.

Encouraging savings for retirement —This proposal simplifies food stamp resource policy and makes it more equitable because under current law some retirement accounts are excluded and some are included. This proposal supports the President's Ownership Society Initiative, by increasing the ability of low-income people to save for retirement. It is expected, when fully implemented, to add approximately 100,000 persons to the program and to increase benefits by \$592 million over 5 years. The majority of the new participants will be workers and their families, most with children, but also improves access for elderly.

Third, beyond the \$100 million in obesity-prevention grants, we also propose to improve nutrition for children by:

- Adding new mandatory funding for the purchase of additional fruits and vegetables for use in the National School Lunch and Breakfast Programs. This \$500 million of funding over 10 years represents a net increase in the total purchase of fruits and vegetables for school meals over levels available under any other authorities.
- Increasing Section 32 spending on fruits and vegetables by \$2.75 billion over 10 years. This proposal will increase the availability of fruits and vegetables to low-income individuals and school children participating in nutrition assistance

programs, and the consumption of these healthful foods can contribute to the improved health of program participants.

Mr. Chairman, Food Stamps and the other USDA programs help us lead the fight against hunger, and the level of commitment to this task remains high. But we still know that there is more to do. We are continuing to improve program operations, get benefits to those who are already eligible, but do not participate, and keep our eye on program integrity in the process.

FNS programs enable other programs to operate better by making sure that young children have access to proper nutrition and are ready to learn.

This concludes my prepared remarks. I would be happy to answer any questions you might have at this time.

References

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