



COMMODITY NUTRITION ASSISTANCE PROGRAMS

Background

Over many years, the Nation has built an array of nutrition assistance programs designed to help the most vulnerable populations avoid hunger and make healthy food choices. Taken together, the national nutrition safety net serves one in five Americans over the course of a year.

Several components of the national nutrition safety net provide benefits in the form of commodities distributed to program participants. Of the \$50.9 billion in nutrition assistance spending in 2005, \$1.5 billion was for commodities.

The commodity programs authorized or addressed by the Nutrition Title of the farm bill include:

The Food Distribution Program on Indian Reservations (FDPIR)

FDPIR provides a food package as an alternative to food stamps for low-income families on or near reservations; the FDPIR cost \$78 million in 2005 and provided nearly 100,000 individuals with \$41 in food per month.

The Emergency Food Assistance Program (TEFAP)

TEFAP provides purchased and bonus commodities to States for distribution to households and organizations that prepare meals for needy people. The program provided \$140 million for commodity purchases and over \$50 million for administrative expenses in 2005.

The Senior Farmers' Market Nutrition Program (SFMNP)

SFMNP provides low-income seniors access to fresh produce and supports farmers markets, roadside stands, and community-supported agriculture programs. The program provided \$15 million to support fruit and vegetable purchases in 2005.

The Commodity Supplemental Food Program (CSFP)

CSFP provides supplemental foods to low-income women and their children and the elderly. The program cost about \$150 million in 2005 and served over 500,000 participants and provides funds each month per person valued at about \$18 for elderly individuals and \$25 for women and children.

Other components of the national nutrition safety net—including the National School Lunch and Breakfast, Child and Adult Care Food, Summer Food Service, and Special Milk Programs and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)—are authorized outside the farm bill, most recently in 2004.

These programs complement USDA price and market support goals by providing outlets for the distribution of surplus commodities. They operate in partnership with State and local organizations that interact directly with program participants. States voluntarily enter into agreements with the Federal Government to operate programs according to Federal standards in exchange for program funds that cover all benefit costs and a portion of administrative expenses.

General Opinions Expressed

- General support for preserving commodity programs administered by the Food and Nutrition Service (FNS)—TEFAP, the CSFP, the FDPIR, and the SFMNP—without funding cuts; many supported increased funding to address unmet community needs and to improve infrastructure.
- Some commenters recommended a uniform eligibility threshold of 185 percent of poverty for all nutrition programs.
- Many commenters proposed a buy-locally-first approach to provide healthier and fresher commodities and to halt rising costs of warehousing, shipping, and reprocessing charges that are limiting services. New programs and policy tools are needed to link vulnerable food producers with vulnerable consumers, including farmers markets, community food projects, and increased procurement of locally grown food by institutions. Many commenters cited experiences with the Department of Defense Fresh Fruit and Vegetable Program and farm-to-school initiatives as a step in this direction.
- There was general discussion about making improved nutritional status of Americans a national priority. Many expressed the position that the nutrition profile of food packages and the commodities provided by the Government through its nutrition programs should adhere to the 2005 Dietary Guidelines for Americans and include more whole grains and fresh fruits and vegetables.

Food Distribution Program on Indian Reservations (FDPIR)

- Many suggested the need for improvements in the quality of the food package to ensure that it meets dietary guidelines and for improvements in delivery to ensure that food products are distributed before their expiration dates.
- Indian tribal leaders suggested the importance of following appropriate Nation-to-Nation protocols and respecting existing treaty agreements when making changes to FDPIR.
- Many provided comments on current efforts to establish a more equitable methodology for allocating FDPIR administrative funds among the Independent Tribal Organizations (ITO), with many voicing concerns about potential funding cuts and some proposing provisions to protect against funding cuts.
- Many requested a separate allocation, as well as increased funding, for nutrition education to address obesity and diabetes and maintain food preparation skills.
- Many Native Americans expressed the view that tribes should set their own eligibility guidelines.
- Some discussed their preference for a national multi-food ordering and delivery system (similar to the Prime Vendor Pilots) with improved customer service, Internet-based ordering from actual inventory, reduced time between orders and delivery, and pre-set delivery schedules.

- Many proposed coverage of Native Americans who live nearby in urban areas because of the shortage of housing on the reservations and who would rather have commodity foods than food stamp benefits.
- Various participants requested additional traditional foods such as Indian corn and bison (accounting for differences among tribes) as permanent items in the food package.

The Emergency Food Assistance Program (TEFAP)

- Many forum participants remarked about the important role TEFAP plays in community food banks.
- Many said that they are seeing increased numbers of clients at food banks and serving them with reduced supplies of USDA commodities.
- Many participants supported an increase in USDA commodity donations to fill local need while others favor augmenting food supplies with purchases from local farmers.
- Many conveyed the concern that higher storage and delivery costs are putting a financial strain on emergency food providers, particularly in Western States that deliver to remote, rural locations. They proposed higher TEFAP administrative funding.
- Some participants made suggestions for improving the nutritional content of commodities: more protein and dairy items, more foods appropriate for those with health-related or religious dietary restrictions. Others would like more culturally relevant food items. Many requested more variety in the food products made available and, therefore, more choices for food banks and for clients.
- Many representatives of food banks spoke about the uncertainty of the content of TEFAP deliveries, leading to the proposal that USDA should share more information with food banks about the availability and distribution of TEFAP foods so that they are able to adequately plan for changes in the TEFAP food supply.

Senior Farmers' Market Nutrition Program (SFMNP)

- Many view SFMNP as a cost-effective means to provide low-income seniors resources to purchase locally grown fruits and vegetables and to strengthen community ties, with farmers helping seniors and seniors helping farmers.
- Several would increase funding to allow participation by additional low-income seniors in current sites, and expand the program to accommodate all States and Indian Tribal Organizations.
- Some requested that USDA set aside or modify proposed rules that establish new requirements for eligibility determination, benefit maximums, notifications, data collection, and reporting on the grounds that such requirements are burdensome compared to the program's modest benefits.
- Many are concerned about the lack of administrative funding for the program. Some want a separate administrative fund; others would like the proposed limit for administrative costs raised from 8 percent to anywhere from 12 to 20 percent.
- Some suggested adding products such as honey, nuts, eggs, and apple cider to the list of eligible products to improve the market basket and make participation more appealing.

Commodity Supplemental Food Program (CSFP)

- Many favored making CSFP a national entitlement, expanding the program to all States or to States with approved State plans (Arkansas, Delaware, New Jersey, Oklahoma, and Utah). Some support was expressed for making the CSFP an elderly-only program.
- Many spoke generally of increased funding for caseload and program administration.
- Many participants supported increased access to program benefits by low-income elderly persons, setting them as a priority group and aligning elderly eligibility criteria with CSFP for women and children.
- Many supported evaluation of CSFP to provide participant profiles and determine outcomes.
- A few noted the disproportionate effect of grant reductions and increased administrative requirements on rural service levels and States that are not automated (e.g., New Hampshire).

Miscellaneous

- Many participants requested increased funding for the Fresh Fruit and Vegetable Snack Program authorized under the Child Nutrition and WIC Reauthorization Act of 2004 and the Department of Defense Fresh Fruit and Vegetable Program. Some suggested doubling the funding, but the most common suggestion was to expand it to all 50 States and all Indian Tribal Organizations.
- Some encouraged USDA to develop a greater role in nutrition research. Specific suggestions included: exploring the relationship between diet and health, examining the impacts of nutrition program participation on diet quality and health, improving the nutritional content of nutrition assistance benefits, understanding consumer behavior regarding the consumption and benefits of fruits and vegetables, creating a database of food safety and the nutrient composition of the food supply.

Detailed Suggestions Expressed

Food Distribution Program on Indian Reservations (FDPIR)

- There have been beneficial improvements in FDPIR that should continue: addition of frozen items, fresh fruits and vegetables, tailgate deliveries, and nutrition education.
- Allow the carryover of unobligated administrative funds from one year to the next.
- Some programs have difficulty meeting the 25 percent match requirement. Although warehouses cannot be used for in-kind match, the value of the land beneath warehouses or their salvage value should be considered.
- Provide funding for bar coding and scanning systems in grocery centers.
- Inform tribes that they are eligible to receive both FDPIR commodities and TEFAP commodities.
- Provide more guidance to tribes about the tradeoffs between the food stamp program and FDPIR.
- Provide technical assistance to tribes that want to develop a community garden.
- Provide more food with commercial labels.
- Teachers on reservations should be eligible for food packages in summer months.
- Vary size of food package by income. Offer a complete package (not supplemental) for those without income.
- Reform certification requirements that are a participation barrier for many tribal members.

- More Native Americans are applying for food stamp program (FSP) benefits so that they can buy ready-to-eat foods; nutrition education is needed to teach them how to prepare foods.
- Develop culturally sensitive nutrition education.
- Funds are needed for tribal members to attend meetings and conferences.
- Better ways are needed to verify income of applicants (particularly reports of zero income) to comply with program requirements.
- Specific considerations proposed for the revision of the FDPIR administrative fund allocation formula are:
 - (a) Funding reductions and reallocations can force some programs to change to tailgate services, increasing distances for participants to receive packages.
 - (b) Allow more representation of other tribes in the group working on this issue.
 - (c) Need to take into consideration the unique needs of various tribes such as geography, need for tailgating, and services needed.
 - (d) Provide for waivers in using the new methodology.
 - (e) Include cost-of-living adjustments in the formula.

The Emergency Food Assistance Program (TEFAP)

- USDA should increase the mandatory commodity purchase level to \$500 million.
- Administrative reimbursements should be based on the amount of food that food banks receive and distribute (based on a simple \$6 per case, for example).
- Use Section 32 funds for increased administrative costs, to support costs associated with handling bonus commodities, and to help move commodities from farms to food banks. Allocate all Section 32 funds for increased TEFAP funding.
- Alter the 60/40 allocation formula (based on unemployment and poverty) to better account for the number of people living in areas with chronic unemployment and other factors.
- Some rural areas would prefer cash in lieu of commodities (allowing them to directly purchase commodities from vendors) because administrative costs often equal or exceed the cost of commodities.
- Streamline and improve the current expense reimbursement process to reduce burden and more adequately cover expenses of nonprofit organizations.
- Establish reimbursement limits that address the needs of some food banks for capital improvements, such as the purchase of an additional forklift.
- Make USDA programs more accessible to small community and faith-based organizations.
- Increase FNS control over food banks with contracts and establish an impartial board to review complaints.
- Consider national uniform rules or identify model practices to improve quality and consistency of commodity distribution contracts.
- Reduce overly burdensome paperwork requirements. Clients should not need to certify eligibility each time that they receive food. Allow the food distribution organization to monitor clients' eligibility status.
- Instruct local providers that FDPIR participants are categorically eligible for TEFAP.
- Integrate nutrition education with TEFAP so that nutrition education can occur at food pantries.
- Use of commercially labeled commodities should be limited because they make it difficult to track allegations of fraud, sale, or misuse of TEFAP products.

- Surplus commodities (bonus buys) should be distributed through the TEFAP network to improve the overall supply of commodities to the program.
- Decisions on bonus buys should be based on the nutritional value of food instead of its availability as surplus.
- USDA should purchase kosher foods and more protein-rich options for kosher clients, and display the kosher label.
- Give programs more choice over commodities they distribute to their clients.
- Reinstate the TEFAP cheese waiver in Wisconsin.
- Grant waiver authority to allow food banks to turn excess unwanted commodities into useful products that clients will eat and appreciate.

Senior Farmers' Market Nutrition Program (SFMNP)

- Adequately fund SFMNP to prevent reductions in the number of seniors served.
- Reexamine the distribution of funds to the States.
- Expand the program by reallocating program funds that are returned annually by States to FNS for use in subsequent years.
- Make the program available year-round.
- Provide larger benefits so that elderly can use the farmers markets more often.
- Hawaii opposes the proposed rule to limit SFMNP benefits to \$50 per person and prefers a rule that allows them to continue their 2004 benefit levels.
- Eliminate barriers that prevent people from accessing the benefits.
- Allow self-declaration of income eligibility in SFMNP.
- Simplify rules and paperwork requirements so that diverse organizations can help make the program more accessible to participants.
- Simplify the application procedures to establish a SFMNP.
- Distribution of funds should focus on enhancing access for older adults to food from local farmers.
- Use Web-based training and conference calls instead of face-to-face training for farmers.
- Allow State farmers market associations to apply for food stamp authorization for members.

Commodity Supplemental Food Program (CSFP)

- Rather than increase CSFP, increase the minimum food stamp benefit to \$50 for elderly and disabled persons.
- Give each State the authority to set its own priorities in CSFP based on its knowledge of demographics, local needs, services, and food supply.
- New requirements for race and ethnic reporting in CSFP are too burdensome.
- Develop culturally sensitive nutrition education.
- Allow food banks to inventory products by the unpacked case, as in TEFAP.
- Designate senior citizens as the first priority when receiving CSFP services and allow States to provide benefits to women and children if extra funds are available.

Miscellaneous

- Support faith-based organizations because they are on the front lines of the fight against hunger.

- All aspects of the farm bill, not just those deemed nutrition, should be evaluated in terms of the impact on the health and safety of vulnerable communities.
- Enact a national fast food surcharge to generate revenues to fund TEFAP, CSFP, and SFMNP expansion.
- Allow tribes to administer WIC, FSP, SFMNP, and CSFP as sovereign nations, rather than as a State-sponsored organization. (Note: Tribes already directly administer WIC, SFMNP, and CSFP.)
- Increase the Defense Supply Purchasing Network.
- Amend laws to provide for in-State or local preference, particularly regarding Department of Defense's farm-to-school purchases.
- Increase the fruit and vegetable snack allowance per child to \$60.
- Fund the Farm-to-Cafeteria project.
- Pilot a farmers market voucher for low-income families to purchase fruits and vegetables in the summer, particularly in areas where there is no summer meal program.
- Allow flexible program regulations in WIC, TEFAP, and CSFP to enable situation-variable responses during events like disasters (e.g., getting chilled baby-formula to infants in disaster areas).
- Allow WIC participants in federally declared disaster areas to use their benefits in any State.
- Increase funding for WIC.
- Provide funding to expand EBT to WIC.
- Make WIC available to seniors age 55 and older.
- Increase spending for the WIC Farmers Market Program.
- Improve WIC participants' access to farmers market produce.
- Make nutrition education a part of the WIC Farmers Market Program.
- Designate Expanded Food and Nutrition Education Program (EFNEP) as the nutrition educators for WIC offices.
- Support the Expanded Food and Nutrition Education Program.
- Change public perception of the Food Stamp Program, WIC program, and School Lunch Program as being "free handout programs" by continuing nutrition education.
- Support Cent\$ible Nutrition Program.
- Support continued investment in public education on the importance of nutrition for health, learning, and productivity.
- Use listening sessions to inform potential stakeholders of the benefits of USDA programs (i.e., provide informational materials and/or a display of some sort).
- Provide additional tax incentives to encourage charitable food donations to food banks and pantries.
- Support food banks that purchase local food.
- Federal tax law should provide additional incentives to encourage charitable food donations to food banks and pantries.
- Increase support for community food projects through the competitive grants program.
- Increase technical support to organize community food projects and support food retailers in minority neighborhoods.
- Support the development of local and regional infrastructure, such as public wholesale terminals, local distribution systems, and local food reserves that would be available in times of crises and disasters.

- Create food-related enterprise zones that build local food systems--from producing to processing to distribution to retail.
- Study the concerns of grandparents and other relatives who are caretakers raising children and identify ways to help them.
- Concern was expressed about importation of Milk Protein Concentrate and other potentially “unsafe” imports that affect the U.S. food supply, including those provided to FNS program participants.
- Perform research to evaluate health claims for food crops.
- USDA agencies working on food and nutrition should be brought together.
- Make broader use of the American Dietetic Association’s evidence grading system to evaluate nutrition guidelines, claims, and education.