

TESTIMONY OF  
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DEPUTY UNDER SECRETARY  
FOOD, NUTRITION, AND CONSUMER SERVICES  
U.S. DEPARTMENT OF AGRICULTURE  
BEFORE THE  
HOUSE COMMITTEE ON EDUCATION AND LABOR  
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Good afternoon, Mr. Chairman and members of the Committee. I am Kate Houston, Deputy Under Secretary for Food, Nutrition and Consumer Services (FNCS) at the U.S. Department of Agriculture (USDA). Thank you for inviting me to appear before you today as part of the hearing, *Challenges and Opportunities for Improving School Nutrition*.

The mission of the Food and Nutrition Service (FNS) is to increase food security and reduce hunger in partnership with cooperating organizations by providing children and low-income people access to food, a more healthful diet, and nutrition education in a manner that supports American agriculture and inspires public confidence.

USDA's 15 federal nutrition assistance programs collectively touch the lives of one in five Americans in the course of a year. And as this Committee knows, the school meals programs – two of the largest nutrition assistance programs – represent an especially important opportunity to improve the health and well-being of the Nation's school children. With over 101,000 schools and institutions participating in the National School Lunch Program and nearly 84,000 participating in the School Breakfast

Program, USDA is proud that schools across the country are providing safe, wholesome, and nutritious meals to over 31 million school children each school day.

I have been invited here today to provide the Committee important information on a critical issue facing the Department, consumers, and schools—the Hallmark/Westland Meat Packing Company (Hallmark/Westland) beef recall. As Agriculture Secretary Ed Schafer has assured the public, I want to assure you—the food supply is safe. This includes USDA commodities available to schools and other outlets participating in our nutrition assistance programs.

On January 30, 2008, the Humane Society of the United States brought to public attention an alarming and disturbing video showing the gross mistreatment of cattle. Secretary Schafer has described the footage depicted in the video as “shameful and irresponsible.” The Department has pledged to find out what went wrong at the Hallmark/Westland and to hold anyone involved in violations fully accountable for their actions.

As has been reported, Hallmark/Westland was one of the contractors of commodity ground beef and beef products for the National School Lunch Program. In total, USDA’s Agricultural Marketing Service (AMS) purchased about 20 percent of USDA commodity ground beef and beef products from Hallmark/Westland. About 94 percent of this beef—just over 50 million pounds—was directed to the National School

Lunch Program. In addition, some schools may have purchased beef from Hallmark/Westland commercially.

The same day the video was released, USDA immediately put the administrative and regulatory tools at our disposal to work. We launched investigations by our Office of the Inspector General and by our Food Safety and Inspection Service (FSIS) and AMS. Those investigations are ongoing. We also put an immediate administrative hold on the use of Hallmark/Westland products dating back to October 1, 2006 received by the school lunch program and our other nutrition assistance programs.

Over the past five weeks, as information has become available, USDA has taken further actions with regard to Hallmark/Westland. Based on evidence from the ongoing investigation, FSIS recommended to Hallmark/Westland that it undertake a recall of all products produced at the plant since February 1, 2006, and Hallmark/Westland initiated a voluntary recall of 143 million pounds of fresh and frozen beef products.

USDA recommended that this action be taken because of a serious violation of FSIS' animal slaughter rules. For that reason, USDA recommended this be a Class 2 recall. While it is extremely unlikely that these animals posed a risk to human health, recall action was deemed necessary because the establishment did not comply with FSIS regulations. USDA is requiring that any unconsumed products affected by the recall be destroyed or rendered inedible.

Immediately following the recall, Food, Nutrition and Consumer Services' Under Secretary, Nancy Montanez Johner, pledged that the Food and Nutrition Service (FNS), along with our Department partners, would do everything possible to assist State Agencies and schools in responding to the recall. She also made clear that parents and their children should continue to have confidence in the safety of the food supply as a whole, including meals served as part of the National School Lunch Program.

We at the Department of Agriculture take this recall very seriously. It is the largest beef recall in U.S. history and its impact is wide-reaching. It has affected nutrition assistance programs in 45 States and the District of Columbia. We do not yet know the total number of affected schools. While managing a recall of such proportion has many challenges, FNS, together with our Department partners, has taken a series of actions to maintain clear lines of communication with States and local programs, and to minimize disruption to school meal service operations.

Ongoing communication is critical to effectively carry out a recall of this magnitude. From the time of USDA's decision to suspend Hallmark/Westland contracts, FNS has utilized all available channels to provide ongoing communication with State agencies, school officials, and other key stakeholders.

USDA utilizes a Rapid Alert System (RAS), an automated, web-based tool to communicate emergency information to USDA commodity recipients. It allows State agency cooperators to immediately receive information by several means, including cell

phone, email, or fax. The system uses the communication tools sequentially until the recipient acknowledges receipt of the message, which confirms to USDA that all affected parties received notification.

FNS immediately activated the RAS following the January 30, 2008, administrative hold, and provided the necessary information for States and Indian Tribal Organizations (ITO) to track the product and suspend use until further notice. A follow-up notice was sent to all States and ITOs about the product hold.

When FSIS announced the recall on February 17, 2008, the same procedures were followed. Issuances through RAS and e-mail went out on February 17, February 19 and February 26 to announce additional products as the trace-forward and trace-backward investigations continued.

FNS also partnered with the U.S. Department of Education to disseminate the recall information to school officials in every school district across the country. FNS has developed and disseminated information for specialized audiences, including State Agencies, school officials, and parents. State distributing agencies provided schools with State-specific, detailed instructions for the appropriate destruction of product in accordance with local health agency requirements. Talking points were developed and provided to schools for use in communicating recall information to concerned parents.

FNS stakeholder organizations have also been invaluable to disseminate critical information regarding the recall. Over the past weeks, FNS reached out to numerous organizations, including the School Nutrition Association, the American Commodity Distribution Association, the National Association of Elementary and Secondary School Principals, and the National School Boards Association. All agreed to provide assistance, and we are grateful for their help.

To further ensure school food service professionals are fully informed, FNS posted recall information on FNS' food safety website and utilized the Meal Talk list serve to advise them of its availability. Specialized staff in FNS' seven regional offices is on call to provide ongoing technical assistance to States and schools.

USDA has been working aggressively with both States and local program operators to locate affected product as expeditiously as possible. I can report today that significant progress has been made. Within hours of USDA's decision to suspend Hallmark/Westland contracts on January 30, FNS identified which State agencies ordered commodity beef products from Hallmark/Westland and in what amounts. These products were immediately placed on hold and since that time, have not been available for use in schools and other nutrition assistance programs.

FNS is actively collecting information from States to determine the status of affected beef that has been consumed or is being destroyed. States have been responsive and almost 90 percent of affected beef has been tracked. States continue to report daily as they receive additional information from their local school food

authorities. The States' responsiveness reflects the effectiveness of the RAS and the positive relationships we have nurtured with State officials and stakeholder organizations. As of February 29, thirteen States have completed their reporting on the status of affected product, and reporting is in progress and nearing completion in the 32 additional States affected and the District of Columbia. We continue to work with States to complete a full accounting of all affected products dating back to February 1, 2006.

There are some challenges in identifying all affected product involved in the nutrition assistance programs, and these challenges can slow down the completion of this process. For example, USDA must rely on States to provide information on where the affected meat was distributed following USDA delivery to our State customers, and in most cases, States rely on schools to provide information back to the State. Local schools have yet to finalize their reports to States regarding the status of affected product covered by the recall dating back to February 1, 2006.

Furthermore, the commodity distribution system is complex. About 60 percent of the Westland product purchased for schools went to further processors to convert the ground beef into value added products, like meatballs or hamburger patties. That meat is often commingled with other product. While the identity of the product is not lost, it adds a layer of complexity to the tracing and reporting process.

Finally, when a product reaches a distributor or State warehouse, product is not segregated by manufacturer, but by product type, such as beef taco meat. There can be

several of the same type of product by different manufacturers all stored in the same warehouse location. Accordingly, in a recall, the distributors and warehouses must contact every school that received a specific type of product, and provide identifying information, including lot numbers on the recalled product for the schools to use when locating the product in their systems. As I'm sure you can appreciate, all of these activities take time to complete.

While the process of tracing all affected product continues, FNS and AMS are working as quickly as possible to provide replacement product to schools with the goal of minimizing disruption to local school food service operations. We are working with States and further processors to prioritize shipments to destinations with the greatest need, and we are working with schools to determine their needs for product replacement for the remainder of the school year. Because the end of the school year is fast approaching, USDA is offering schools a choice of replacement product or credit to their commodity entitlement accounts that will be available for the next school year.

Mr. Chairman, this is the most up-to-date information I can provide today on the recall. USDA staff has held several staff-level briefings for House staff over the past weeks, and as our efforts continue, I would be pleased to provide updates to the Committee as new information is available.

I also want to take this opportunity to share a broader view of FNS' activities to ensure school food safety, and to briefly mention the wide array of other important



activities ongoing within the Agency to improve meal quality, participation, and program integrity.

There are many controls in place that allow us to have day-to-day confidence in the safety of meals served in schools, and school meals have a demonstrated safety record. Congressional and USDA action has been crucial in developing a strong school food safety system, which was further enhanced by the passage of the Child Nutrition and WIC Reauthorization Act of 2004. The mechanisms and resources Congress provides have allowed us to develop a robust and successful school food safety record.

To implement the food safety provisions of the Act, USDA issued “Guidance for School Food Authorities: Developing a School Food Safety Program Based on the Process Approach to HACCP Principles,” which was distributed to all school food authorities in the summer of 2005. The process approach to HACCP (Hazard Analysis and Critical Control Point) is a food safety management system that focuses on the control of biological, chemical, and physical hazards in food by scrutinizing every step of the food preparation process.

Through a HACCP-based food safety program, schools can identify potential food hazards, identify critical points where hazards can be controlled or minimized, and develop monitoring procedures to determine whether the hazards identified are effectively controlled.

The HACCP Guidance was developed with input from a variety of stakeholders, including representatives from FSIS, the Food and Drug Administration, the National Food Service Management Institute, the Centers for Disease Control and Prevention, the School Nutrition Association, the National Environmental Health Association, State and local public health Agencies, and State and local education agencies, including school food service directors.

The Child Nutrition and WIC Reauthorization Act of 2004 also increased the existing food safety inspection requirement from one to two per year. These health inspections must be conducted by the State or local governmental agencies responsible for food safety inspections. The Department provides school districts with ongoing food safety education and outreach to program stakeholders by conducting presentations throughout the country to inform State and local health and school officials about food safety inspection requirements.

In addition to our ongoing work to ensure the safety of school meals, FNS is engaged in a variety of activities that support, encourage, and promote efforts to improve the quality of school meals, and the nutrition environment more generally, in ways that are both consistent with the latest nutrition science, and meet the specific needs and circumstances of each community.

To conform meal standards to the most recent Dietary Guidelines for Americans (DGA), FNS has contracted with the National Academy of Sciences' Institute of

Medicine (IOM) to recommend updated meal patterns and nutrition requirements for both the National School Lunch Program and the School Breakfast Program. When the IOM recommendations are final, FNS will then engage in the formal rulemaking process to promulgate a proposed rule that incorporates the IOM recommendations to the fullest extent practicable.

While IOM is working to develop recommendations, FNS is encouraging State Agencies to provide technical assistance to school food authorities so that they can begin implementing the applicable recommendations of the 2005 DGAs within the current meal pattern requirements and nutrition standards. This spring, FNS will issue updated school meal pattern guidance and a series of nutrition fact sheets to assist foodservice professionals and menu planners in implementing the 2005 DGAs.

In addition, FNS has launched an aggressive initiative to improve the nutritional quality of its commodity program. Schools participating in the NSLP today have access to the widest choice of healthy commodity foods in history. Over the past two decades, we have worked to reduce the levels of fat, sodium, and sugar. We now offer schools more than 180 choices of quality products, including whole grains and low fat foods. FNS also continues to promote the *HealthierUS School Challenge* and support implementation of local wellness policies as part of its broad strategy to reduce obesity and improve the nutritional health and well-being of children. To ensure a strong future for the National School Lunch and Breakfast Programs, FNS is working hard to improve program participation among children from all income levels, and we are working with

schools to strengthen program integrity by assisting schools in improving the accuracy of meal counting and claiming. In particular, FNS is focusing efforts on improving participation in the School Breakfast Program, where a significant disparity exists between the average daily participation in the School Breakfast Program and the National School Lunch Program.

While we all recognize that providing nutritious meals in a healthy school nutrition environment is important, school children represent a particularly vulnerable population, and first and foremost, USDA, along with our partners at the Federal, State and local levels, has a responsibility to ensure school meals are safe.

We are proud of our many efforts to ensure the safety and improve the quality of school meals, and many of these efforts could not have been possible without the School Nutrition Association and the many school food service professionals who give their very best to provide nutritious meals in our schools each day.

As we celebrate National School Breakfast Week, I would like to conclude by thanking Congress and the school food service community for your daily commitment to the National School Lunch and School Breakfast Programs.

Thank you for the opportunity to share the work of USDA with you today.

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