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**EDUCATION & LABOR COMMITTEE**

**Congressman George Miller, Chairman**

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Press Office, 202-226-0853

**Chairman Miller Statement at Committee Hearing on “The Rising Cost of Food and Its Impact on Federal Child Nutrition Programs”**

WASHINGTON, D.C. – *Below are the prepared remarks of U.S. Rep. George Miller (D-CA), the chairman of the House Education and Labor Committee, for a committee hearing on “The Rising Cost of Food and Its Impact on Federal Child Nutrition Programs.”*

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Good Morning. Welcome to today's hearing on “The Rising Costs of Food and Its Impact on Federal Child Nutrition Programs.”

Today we will take a look at soaring food costs, and the toll they’re taking on our nation's child nutrition programs.

From news headlines to the aisles at the grocery store, it's impossible to ignore the fact that food costs have escalated dramatically over the past year – making it more and more difficult for American families to pay the grocery bills and put healthier foods on the table.

Given this tough economic climate, our federal child nutrition programs have an increasingly important role to play in providing children with healthy and nutritious foods while at school, childcare, or summer camp programs.

Altogether, nearly fifty million children each year are served by the National School Lunch Program, the School Breakfast Program, the Child and Adult Care Food Program, and summer food service programs, which provide free meals and snacks to children in low-income communities over summer vacation.

But with food prices continuing to rise drastically – with no signs of slowing down anytime soon – it is becoming tremendously hard for these programs to continue providing healthy, low-cost meals that children will want to eat.

As demonstrated by the chart on the wall, the prices of many staple foods are on the rise. The U.S. Department of Agriculture reports that the cost of basic essentials like bread, milk, and cheese rose by a staggering 17 percent in 2007. Yet during this same period the federal reimbursement rate for child nutrition programs increased by only about 3-4 percent. Other than annual indexed adjustments, the reimbursement rate for the National School Lunch Program has remained stagnant for more than two decades.

With the fall fast approaching, these increases are forcing school districts operating under already-tight budgets to make some very tough choices.

Many report having to use frozen vegetables instead of fresh vegetables, processed wheat products instead of whole grains, and prepackaged foods instead of more nutritious entrees that involve additional preparation costs.

In my own district in California, one school nutrition director reported that produce is up nearly 10 percent, frozen and dry foods are up nearly 20 percent, and dairy products are up more than 20 percent.

Other districts report having to scale back the number of meals they provide, and cutting down on staff to reduce labor costs.

For many summer food programs currently struggling to meet these higher costs, increasing food prices has led to serving fewer kids.

In the wake of waning federal support, states and school districts are shouldering more of the cost of school meals.

The School Nutrition Association reports that school lunches cost an average of over \$2.90 to prepare. Even with the recent adjustment announced this month, the federal subsidy for free meals will still only reimburse schools \$2.57 – leaving school districts to cover the difference. Schools have limited options to increase revenue or decrease expenses. As the chart on the wall demonstrates, a recent USDA study showed that the full cost of producing school meals exceeds reported costs by an average of 19 percent.

According to the SNA's estimates, U.S. schools will incur a loss of \$5 million to \$8 million each school day in order to feed 30 million children.

Without sufficient federal resources, many states and school districts often have to rely on the sales of popular but less nutritious foods, like pizza, french fries, and sodas, to help generate the revenue needed to subsidize healthier meal options.

In some cases, higher food prices are forcing some programs to question whether they can continue participating in the federal nutrition program altogether – meaning that fewer kids may have access to healthy meals.

Today we will hear from several witnesses who have firsthand knowledge about the impact of rising food costs on their programs and the challenge of providing healthy meals. We will also hear from officials at the U.S. Department of Agriculture, the agency responsible for running our federal child nutrition programs.

I'd like to thank all of you for joining us today and look forward to hearing your thoughts.

Providing children with access to healthier, nutritious foods while at childcare, school, or summer camp is vital to our efforts to help all children learn, succeed and thrive. And at a time when the U.S. faces staggering rates of childhood obesity, helping young children develop healthy and nutritious eating habits must be a top national priority.

Thank you.

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