



## 2008 ISSUE PAPER

The American Commodity Distribution Association (ACDA) is a non-profit professional association devoted to the improvement of the U.S. Department of Agriculture's (USDA) commodity distribution program. ACDA members include state agencies that distribute USDA commodities; agricultural organizations; recipient agencies, such as schools; industry groups, such as food manufacturers and processors; and allied organizations, such as nonprofit anti-hunger groups. ACDA members distribute over 1.5 billion pounds of domestically produced commodities annually to programs such as the National School Lunch Program, The Emergency Food Assistance Program, the Summer Food Service Program, the Commodity Supplemental Food Program, and the Child and Adult Care Food Program.

ACDA urges Congress to:

**Strengthen and Expand The Emergency Food Assistance Program (TEFAP) and the Commodity Supplemental Food Program (CSFP).** According to USDA, in 2006, 35.5 million people lived in households considered to be food insecure. Of these 35.5 million, 22.9 million are adults (10.4 percent of all adults) and 12.6 million are children (17.2 percent of all children). In addition, these food insecure households are expanding – the average number of members in the worst-off households increased to 11.1 in 2006, up from 10.8 in 2005. Demand for emergency food assistance continues to increase, and the budgets of local community action agencies and food banks are extremely limited. Increasing food prices and a significant drop in bonus commodity amounts have hurt TEFAP recipients and recipient agencies.

For CSFP, Congress should continue to reject any attempts to eliminate this program, and provide adequate funding so that existing state programs are not compromised.

In addition, Congress should consider amending TEFAP's statutory authority so that states can roll over a portion of unspent food funds into the next fiscal year. At times, USDA unexpectedly cancels commodity deliveries. When this happens at the end of a fiscal year it can make it difficult for states to allocate their entire commodity budget, and any funds unspent at the end of the fiscal year are forfeited. Allowing states to roll over a portion of funds in these situations would help ensure that money is fully utilized as intended by Congress. To enhance the delivery

mechanism, achieve consistency, and bring TEFAP in line with other nutrition assistance programs such as Food Stamps and CSFP, Congress should make TEFAP state plans permanent.

**Strengthen the important role of commodity assistance in the school meal programs.**

Commodities have always had a dual role – supporting the domestic agricultural economy while at the same time providing nutritious food to needy Americans. To strengthen the role of commodities in the school meal programs, Congress should:

- **Provide \$0.10 commodity assistance for the School Breakfast Program.** Unlike the School Lunch Program, there is no commodity reimbursement for school breakfasts. A commodity reimbursement for the breakfast program would provide an excellent avenue to assist agricultural producers, and would encourage the expansion of the breakfast program. **To fight obesity we must feed more children breakfast!**
- **Increase support for the Department of Defense (DOD) Fresh Program.** The DOD Fresh program has been a tremendous success since it was authorized as a pilot in 1995. It has since opened up to all states, and currently has 47 states and several territories participating. States and schools are extremely pleased with the quality of the produce, as well as with the variety, cost, and reliability of delivery. However, the funding for the Program has not increased in the past three years, despite increased transportation, fuel, and other costs. ACDA urges Congress to support the DoD Fresh Program through an increase in funding.
- **Provide Adequate Funding for School Meals.** The cost of providing a school meal is increasing due to the rapidly rising cost of food, the need to update the school meal patterns, and the need to improve the content of school meals to address the obesity epidemic. Congress should increase the school meal reimbursement rates to address these issues.
- **Support the 12 Percent Solution which will go a long way towards restoring the lost minimum level of commodity assistance for the School Lunch Program.** The NSLA requires that at least 12 percent of federal assistance be in the form of commodities, but “bonus” commodities are now being counted toward this requirement. This has resulted in a decrease of at least \$55 million per year – over 80 million pounds of food. ACDA urges Congress to reverse this budget cut and amend the statute to fix the underlying cause of the 12 percent gap.