



## 2022 Legislative Issue Paper

The American Commodity Distribution Association (ACDA) is a non-profit professional association, whose members include state agencies that distribute USDA Foods; agricultural organizations; recipient agencies, such as schools; industry groups, such as food manufacturers and processors; and allied and agriculture organizations, such as nonprofit anti-hunger groups and growers' associations. In 2021, ACDA members assisted in the distribution of more than 2.5 billion pounds of domestically produced commodities valued at more than \$3 billion to programs including the National School Lunch and Breakfast Programs, the Emergency Food Assistance Program, the Summer Food Service Program, the Commodity Supplemental Food Program, and the Child and Adult Care Food Program. This volume includes commodities purchased with regular funding and supplemental COVID funding.

ACDA respectfully offers the following recommendations:

### ***Urgent Needs***

All food programs continue to face challenges as a result of continuing COVID concerns, as well as supply chain challenges. Food prices and the costs of operation have increased significantly and our members must deal with these challenges as they persist. ACDA offers the following recommendations:

- **Extend the Secretary's authority to grant waivers through September 30, 2022 as part of upcoming appropriations legislation.** At the moment the Secretary's authority to grant waivers for program requirements expires on June 30, 2022, and is restricted to SY 2021-2022 programs. USDA has [issued and extended 14 nationwide waivers](#) that allowed schools to run more flexible meal programs and serve free meals to all students, including relaxing meal pattern requirements, allowing parent/guardian pick-up of meals, and permitting meal service outside of the typically required group settings and meal times. Waivers need to be extended to allow the Summer Food Service Program to operate as it has during the COVID period. Waivers also need to be extended to allow school food service authorities to receive higher reimbursement rates which are essential in dealing with the higher prices school food authorities face as they currently order foods for SY 2022-2023.
- **Continue the use of no less than school year 2018-2019 as the base period for the determination of commodity entitlement.** School food authorities continue to face significant challenges in their operations and are likely to receive less commodity support in the next school year unless meal counts continue to be grandfathered.

## Child Nutrition Programs

**As Congress undertakes reauthorization of Child Nutrition Programs, maintain flexibility in the operation of these programs.** While we all had hoped this past year would be a transition back to normal operations, this has not been the case. Programs continue to face challenges that are likely to extend into the next school year as well. Congress should:

- **Increase school lunch and breakfast reimbursement rates to reflect the higher expenses associated with the program.** The higher reimbursement rates provided by the summer food program have enabled school meal providers to deal with higher food and operating costs. School lunch and school breakfast reimbursement rates should be updated to reflect these higher costs.
- **Maintain and enhance all authorities to provide appropriate flexibility that may be needed.** The Secretary should be given permanent authority to authorize flexibilities as needed, similar to what can be done with natural disaster authorities. We expect flexibilities will be used responsibly, but flexibility is essential in responding to these challenges.
- **Make School Lunch and Breakfast universal.** Providing school meals to all students reduces the administrative burden of applications and verification. ACDA supports providing school meals to all students in the same fashion as all other school programs.
- **Strengthen the important role of USDA Foods in the school meal programs.** USDA Foods have a dual role – supporting the domestic agricultural economy while at the same time providing nutritious food to school children and needy Americans. To strengthen the role of USDA Foods in the school meal programs and to improve the operation of USDA purchasing programs, ACDA continues to believe that Congress should:
  - **Publish the per meal commodity rate for the upcoming SY by February 15.**
  - **Provide 6¢ entitlement for USDA Foods for every breakfast served** – ACDA continues to support efforts to provide an additional 6 cents in commodity support for the School Breakfast Program (SBP).
  - **Ensure that 12% of school lunch support comes in the form of commodities**
  - **Include distribution of USDA Foods in the State Administrative Formula (SAE), dedicating this resource specifically to support state distribution**
  - **Fruit and Vegetable Snack Program** - ACDA continues to support emphasizing the importance of fruits and vegetables in all forms – fresh, frozen, canned and dried – as noted in the *2020-2025 Dietary Guidelines for Americans*. ACDA believes that the Buy American requirements imposed on school meals should also apply to the Fruit and Vegetable Snack Program.
  - **Summer Food Service Program Commodity Rate** - As a matter of policy, USDA provides 1.5 cents in commodities per Summer Food Service meal served. ACDA continues to urge that this rate be reviewed and increased to a more reasonable level reflecting increased meal costs.

## Household Programs

**Maintain flexibility in the operation of household programs.** Both the Emergency Food Assistance Program (TEFAP) and the Commodity Supplemental Food Program (CSFP) have had to adjust to changes in available foods and distribution limitations this past year. Legislative authority should be provided to ensure that the Secretary has the ability to waive or modify program requirements as may be appropriate given operating conditions.

- **Fully fund TEFAP operating expenses.** ACDA appreciates the funding provided for FY 2021, along with the supplemental funding provided in other measures, and supports maintaining at least this level as part of the FY 2022 and FY 2023 Appropriations bills.
- **Additional funding is likely needed for household commodity purchases.** TEFAP and CSFP, have faced challenges which are likely to continue through this year. Funding levels should be provided for each program to ensure they have the ability to continue to serve those in need.
- **CSFP caseload levels should be protected.** CSFP operators have faced food distribution challenges due to COVID concerns which adversely impact participation levels. Current regulations that put retention of caseload at risk if certain participation levels are not met should be waived.