

Food, Nutrition, and Consumer Services

Statement of Julie Paradis, Administrator  
Food and Nutrition Service  
Before the Subcommittee on Agriculture, Rural Development,  
Food and Drug Administration and Related Agencies

Thank you, Mr. Chairman, and members of the Subcommittee for this opportunity to present the Administration's fiscal year 2012 budget request for the Food and Nutrition Service (FNS).

This is a bittersweet day for me because, although it has been my privilege to serve as the Administrator to FNS for the past two years, today is my last as a Federal servant. I began my Federal career with USDA in 1979. I have been especially proud to be associated in leadership roles for FNS on two occasions – first as the Deputy Under Secretary for Food, Nutrition and Consumer Services in the late 1990's and then lately as the Administrator – because I truly believe it is the best agency, with the most dedicated employees, in the Federal government.

Therefore, I am proud to have the opportunity on my final day with the agency to come talk to you about the importance of the FNS mission and the FY 2012 President's Budget. As Under Secretary Concannon mentioned in his testimony, we have faced tremendous challenges as a country during and in the aftermath of the Great Recession, with very high unemployment and poverty rates. And yet, we have seen the nutrition assistance programs respond decisively, expanding to meet the needs of families in financial crisis. Program participation has grown dramatically, especially in the Supplemental Nutrition Assistance Program (SNAP), and the

results are clear – despite the terrible economic conditions in 2009 and much of 2010, food insecurity has remained relatively stable. It is still unacceptably high, but without these programs, millions more Americans would struggle just to feed themselves and their families.

How has this been possible? Many deserve a portion of the credit. The legislative architects of these programs designed the largest of them to respond automatically to families and communities in need. Congress – this Subcommittee – and the Administration have worked closely to ensure that these programs are funded at levels that allow them to serve all eligible people who seek benefits. The State agencies that deliver these programs have persevered through the extraordinary squeeze of increasing demand and declining administrative resources. And my colleagues at FNS have worked tirelessly to make sure that the nutrition safety net was managed effectively in the face of unprecedented growth.

This shared success made the difference – at family dinner tables, at child and adult care centers, at schools and summer centers, food banks, food pantries, soup kitchens, and everywhere in America that people were in need of nutritious food. We have risen together to the challenge, and helped to prevent far worse circumstances than we would face without these programs.

But there is much more to be done. In his State of the Union address, President Obama detailed a list of challenges that America faces as we move forward to win the future. Americans cannot be globally competitive if its people are hungry due to food insecurity or ill because their diets are unhealthy. Today, too many children across the country still don't have access to healthy school meals. And a lack of nutritious diets that includes plenty of fruits and vegetables is part of the reason that so many children are overweight with health conditions including high blood pressure, high cholesterol and Type II diabetes. Recent studies reported in the news reveal

that obesity can shorten a person's life span to almost the same degree as smoking due to higher incidence of Type II diabetes. In addition, diabetics are more likely to die of kidney disease, liver disease, pneumonia, and infectious diseases.

FNS programs play an important role in winning the future by providing access to safe, nutritious, and balanced meals for a healthier generation of young people. In this great country, all children should have the basic nutrition they need to learn, grow and pursue their dreams because, in the end, the success of our nation tomorrow depends on the choices we make for our children today.

The President's FY 2012 Budget shows a strong commitment to FNS programs. This budget strengthens these important safety net programs in a time of competing priorities and limited resources, balancing program access, good nutrition, and program integrity to meet our key commitments to serve program clients effectively and with dignity. The budget request of over \$100 billion fully funds FNS' largest nutrition assistance programs including SNAP, WIC and the Child Nutrition Programs.

The budget also supports implementation of the Healthy, Hunger-Free Kids Act of 2010. The Act, a historic investment in improving our child nutrition programs over the next ten years, will eliminate the barriers that keep children from participating in school nutrition programs, improve the quality of school meals and the health of the school environment, and enhance program performance. FNS has let program cooperators know of the provisions and we have met with and listened to our program cooperators in determining the best paths toward implementation. Some of the major provisions include:

- Conducting major pilot projects and research to evaluate strategies for ending childhood hunger;

- Increasing access to school meals through enhancements to directly certify children's eligibility for school meal benefits based on their participation in Medicaid;
- Providing performance bonuses to States that are highly successful or that make improvements in their efforts to directly certify low-income children for school meal benefits.
- Expanding programs that serve at-risk communities, such as the afterschool meal program.
- Establishing improved nutrition standards for school meals based on the Dietary Guidelines for Americans and providing resources to assist school in meeting the improved nutrition standards.
- Creating national standards for all foods sold in schools to ensure that they contribute effectively to a healthy diet.
- Establishing standards to ensure child nutrition professionals have the skills to serve top-quality meals that are both healthful and appealing to their student customers.

Implementing some of these provisions will be more challenging than others but we are committed, our staff is hard at work and our program cooperators are at our side in implementing the provisions as quickly as possible. Our budget request acknowledges the challenges we face and provides the resources needed to implement these critical changes rapidly.

Let me turn now to a few highlights of the FNS budget request:

### **Child Nutrition Programs**

The budget requests \$18.8 billion for the Child Nutrition Programs, to assist State and local governments in serving nutritious meals to children in public and private schools, child care centers and family day care homes as well as summer recreation programs. This level of funding will support an expected increase in average daily lunch participation from 32.1 million children in FY 2011 to 32.5 million children in FY 2012. In addition, breakfast participation is expected to grow from 12.4 million to 12.9 million children per day. One of the larger drivers of

increased program costs is the percentage of meals served free or reduced price to children from low-income families. Unfortunately, due largely to continued forecasts of relatively high unemployment into the first part of FY 2012, this percentage continues to grow.

The budget request also includes \$10 million to provide competitive grants to local education agencies to establish, maintain or expand the school breakfast program. Currently, fewer than half of low-income school lunch participants receive school breakfast on an average day. In addition, the President's Budget requests \$25 million to provide competitive grants to Governors to carry out comprehensive and innovative strategies to end childhood hunger in their States. Finally, the budget requests \$2 million for Farm to School Teams to support local and regional food systems by facilitating linkages between schools and their local food producers.

## **WIC**

The President's Budget includes \$7.4 billion for the Special Supplemental Nutrition Program for Women, Infants and Children, or WIC, to ensure that all eligible persons seeking to participate can be served. This year's request will allow local communities to provide food, nutrition education and a link to health care to a monthly average of 9.6 million women, infants and children. The budget request also includes \$60 million to continue the work with State agencies, food retail vendors and the payments industry to implement WIC EBT nationwide by 2020. There are currently over 40 State agencies in various stages of WIC EBT implementation. The scientific information on the benefits of breastfeeding for both the mother and the infant continues to grow, so as an investment toward increasing breastfeeding and helping children get the most healthful start in life, the budget increases the amount available for breastfeeding peer counseling to \$83 million and the amount for breastfeeding performance bonuses to \$10 million.

## **Supplemental Nutrition Assistance Program (SNAP)**

The President's budget requests \$73.3 billion for SNAP, enough to serve an average of 45 million people each month in fiscal year 2012. The budget includes a one-year suspension of benefit time limits for Able-Bodied Adults without Dependents (ABAWDs). The suspension would provide approximately 65,000 low-income people access to nutritious food by temporarily lifting the limits on how long they can receive SNAP benefits during this difficult economic period.

The budget requests indefinite funding authority which would ensure the availability of benefits for eligible households even in the most challenging financial times.

The budget request includes a number of requests designed to improve service and ensure timely access to benefits. For example, \$9 million is included for improvements in business processes and timeliness of processing applications. This may be accomplished through direct Federal assistance, technical assistance or grants to States. The budget also includes \$4 million to expand the availability of point of sale terminals in Farmers' Markets. Finally, the budget includes a \$1.8 million increase to improve the quality and efficacy of nutrition education and program outreach to underserved populations.

## **Nutrition Programs Administration**

We are seeking \$170.5 million to support the work of the Agency, including \$12.9 million for the Center for Nutrition and Policy Promotion (CNPP). The budget includes an additional \$9 million for CNPP for nutrition education curriculum development; implementation of scientific evidence-based approaches to nutrition education; and promotion of the 2010 *Dietary Guidelines for Americans*. The request also includes an increase of \$3.5 million to

upgrade the outdated program financial management system which is nearing the end of its useful life. FNS relies heavily on this system to control \$100 billion in appropriations and to maintain the integrity of the financial accounts. Also for information technology, the budget includes a request for \$2 million to provide a dedicated source of funding to FNS' internal computer infrastructure. These funds will enable the Agency to protect itself against cyber attacks, faulty data, and disruptions in service. Finally, the budget request includes an additional \$5.2 million to sustain the program management and support activities of our employees nationwide.

At a time of continued dramatic growth in FNS programs, there has been a serious erosion of FNS staffing levels – from a level of 2,500 staff years in 1980 to 1,600 staff years in 2000, to fewer than 1,400 staff years today. At the same time, the programs have become more complex with increasing requirements to improve quality, timeliness, access and outreach. Robust Federal oversight, monitoring and technical assistance are essential to the identification, prevention and resolution of problems – but this is becoming more difficult as staffing levels are continuously eroded. As I noted previously, the team at FNS – of which I have been so proud to be a member – have risen to the extraordinary challenges of today's economic dislocation and ensured, in cooperation with our State partners, that the programs have responded. The small additional investment we have requested in Federal administrative resources will greatly strengthen our ability to continue to improve these programs, and ensure that their nutrition mission is accomplished as efficiently and effectively as possible.

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to present this budget request to you. I would be happy to address any questions you may have.