

**Statement by
Kevin Concannon
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Thank you, Mr. Chairman, and members of the Committee, for the opportunity to update you on the work of the U.S. Department of Agriculture's (USDA) Food, Nutrition, and Consumer Services (FNCS) mission area, and to highlight our current priorities. I am joined today by Audrey Rowe, Administrator of the Food and Nutrition Service (FNS), and Angie Tagtow, Executive Director of the Center for Nutrition Policy and Promotion (CNPP), the two agencies within our mission area. The programs administered by FNS touch one in four people in this country over the course of a year, improving food security and diet quality for children and low-income people throughout the United States, while CNPP reaches Americans of all income levels with information to help them improve their health and wellbeing.

While FNS' nutrition assistance programs have helped millions of Americans meet their nutritional needs during tough economic times, I'm pleased to join you at a time when the economy is recovering to the benefit of more and more Americans. The official unemployment rate has been below 6 percent since last September. It also appears that the economic improvement has started to yield decreases in participation in the Supplemental Nutrition Assistance Program (SNAP) from the levels we saw as a result of the recession. SNAP continues to respond to changes in the economy precisely as it was designed to do. There are currently about 1.3 million fewer participants in SNAP than there were 2 years ago and the reductions in participation are geographically dispersed. As of May, SNAP participation was lower in more than three-quarters of the States and Territories that operate the program as

compared to one year earlier, and the downward trend in participation is expected to continue, with more than 1.9 million fewer people receiving SNAP in 2016 than in 2013. While the recovery has not yet reached every American, there are encouraging signs.

We are making good progress on the economic front. But despite the many people who have benefited from the recovery, there remain millions of American families in need. The nutrition assistance programs remain vitally important to help these struggling families put food on the table.

We have a great responsibility to continue our bipartisan work to ensure the safety net programs remain an important part of our country's social compact to serve those who need it. President Richard Nixon convened the 1969 White House Conference on Hunger and established the Food and Nutrition Service at USDA. Senators Bob Dole and George McGovern, along with others from both parties, fought for the expansion of the Food Stamp Program and Special Supplemental Nutrition Program for Women, Infants and Children (WIC) in the 1970's.

The commitment to these programs has endured and grown under bipartisan leadership from both ends of Pennsylvania Avenue, as was evident in the passage of the Agricultural Act of 2014 (Farm Bill) thanks to the efforts of former Chairman Lucas and Ranking Member Peterson. I want to thank you, Chairman Conaway and Ranking Member Peterson, as well as the other members of the Committee, for carrying on that legacy of bipartisanship. I am proud of the accomplishments shared by the Administration and Congress related to the nutrition assistance programs.

I have watched with interest the series of hearings that the full Committee and Chairwoman Walorski of the Nutrition Subcommittee have convened to review the operations and impact of SNAP. These have been informative and useful hearings, and have underscored the evidence base underlying SNAP and other nutrition assistance programs. It is also important to pause and examine the accomplishments of the nutrition assistance programs in offering critical support to those in need. Let me review a few key points in this regard. Research on the long-term impacts of the introduction of SNAP (formerly the Food Stamp Program) showed that young children who had access to the program when it was first rolled out county-by-county saw long-term health benefits. They were less likely to suffer from high blood pressure, heart disease, obesity, and diabetes, and the study also found that SNAP participation increased educational attainment, employment, and earnings.

We know that SNAP, in addition to helping millions of low-income Americans put food on the table, more than half of whom are children, the elderly, or individuals with disabilities, also lifts millions of people out of poverty. The Census Bureau indicates that SNAP lifted over 5 million Americans – including nearly 2.2 million children – out of poverty in 2013. The Supplemental Poverty Measure, based on recommendations from the National Academy of Sciences, shows that SNAP reduced child poverty by 3 percentage points in 2012—the largest child poverty impact of any safety net program other than refundable tax credits. We also know that SNAP effectively mitigates the effect of poverty on food insecurity. A recent USDA study found that participating in SNAP for 6 months is associated with a significant decrease in food insecurity. The temporary increase in SNAP benefits provided in the Recovery Act resulted in a sharp decline in the number of households experiencing very low food security (meaning that

one or more household members had to skip meals or otherwise reduce their food as a result of insufficient resources).

We also know that SNAP supports work. Today, half of SNAP households with children have earnings. This includes 42 percent of female-headed, single-parent households, and 70 percent of married-couple households participating in SNAP. This reflects a dramatic transformation over the past 20 years. As you are aware, SNAP requires able-bodied adults to register for work, allows a deduction for earned income to incentivize work, reduces benefits gradually as income increases to avoid a “benefit cliff,” and provides employment and training services to help participants prepare for and get jobs.

Though the results are impressive, we all know there is more to be done to make these programs even more effective. We are working vigorously on a number of fronts, and I look forward to continue to work with you and the Committee toward our mutual goals. Let me briefly review some of our most important priorities throughout all of the programs we administer:

- In SNAP, we continue to work with States to implement evidence-based approaches to nutrition education and prevention of obesity to support and facilitate healthy eating choices among SNAP participants. For example, the Farm Bill provided \$100 million for us to work with retailers, including farmers markets, on incentives to encourage healthier food choices and increase access to fruits and vegetables. We are also developing new standards for retailers to stock a wider array of healthful offerings, as required by the Farm Bill.

- We are expanding SNAP participants' access to farmers markets to improve access to fresh and nutritious food. This is a priority not only of mine, but also of the Secretary. This is a win-win for farmers who experience an increase in customers, and for SNAP clients who have better access to healthy food. In 2008, there were only 753 SNAP-authorized farmers markets and direct-marketing farmers. I am happy to report that as of July 2015, there were more than 6,400 SNAP-authorized farmers markets and farmers. That is over a 750 percent increase.
- The Farm Bill authorized us to provide SNAP Employment and Training Pilot grants to 10 States to demonstrate and evaluate new and innovative ways to help SNAP participants prepare for and get meaningful work, and help them move toward self-sufficiency. The 10 pilots, selected in March 2015, are now underway, and Secretary Vilsack and FNS have made it a priority to assist all States in making more effective use of regular SNAP Employment and Training funding that is available.
- In our food distribution programs, we are enhancing services to participants in a variety of ways. We implemented a Farm Bill-authorized pilot that is allowing schools in 8 States to flexibly use their USDA Foods entitlement to buy unprocessed fruits and vegetables for school meals, and to make those purchases locally if they choose. We are providing ground bison, a healthful traditional food, for the first time in a number of years for use in the Food Distribution Program on Indian Reservations (FDPIR). We transitioned the Commodity Supplemental Food Program (CSFP) to an elderly-only program, as required by the Farm Bill, and expanded it to an additional seven states with funding provided by Congress in the fiscal year 2015 appropriations bill, allowing over 600,000 low-income senior citizens to be served nationwide. And so far this year, we've purchased over \$160 million in additional USDA Foods for bonus distribution through The Emergency Food Assistance Program

(TEFAP), including apples, fruit juice, cranberries, cherries, carrots, chicken, and lamb, which are then distributed to families in need through food banks and local organizations.

- CNPP is working with the Department of Health and Human Services on the next scientific update to the Dietary Guidelines for Americans (DGA), which provide science-based recommendations to help prevent disease and promote health for people aged two years and older. As we develop the 2015 DGA for release at the end of this calendar year, we will examine all recommendations and public comments. The 2015 DGA will be developed within the scope of our statutory mandate to provide “nutrition and dietary information and guidelines... based on the preponderance of the scientific and medical knowledge.”
- CNPP is working on a number of other initiatives. We are beginning to build the framework for gathering evidence to support dietary guidance for birth to 24 months of age and women who are pregnant or breastfeeding. By 2020, we expect to be able to provide dietary guidance for every American. Our SuperTracker online diet and physical activity assessment tool has over 5.6 million registered users. Our other healthy eating tools, such as MyPlate, are used by parents, educators, and all Americans to improve their diets and their health.
- And although it falls under the jurisdiction of your colleagues on the Education and the Workforce Committee, members of this Committee may also be interested to know that FNS continues to make progress working together with States and local school districts to implement the Healthy, Hungry-Free Kids Act (HHFKA), ensuring our Nation’s children receive nutritious meals at school and during the summer months when school is out.

I am pleased with the coordination we have had with you, Mr. Chairman, and members of this Committee in enacting and implementing the Farm Bill, which preserved the fundamental

structure of nutrition assistance while also making needed improvements. As you know, prompt and robust implementation of the Farm Bill is a top Departmental priority. Most provisions of Title IV that impact SNAP eligibility and benefits were implemented in the first few months after enactment. We are working energetically, and as quickly as possible, to codify these provisions in our regulations, some of which we completed just this month, and to implement a number of other Title IV provisions, many of which impact our partners in the retail food industry.

I remain committed to integrate science and evidence-based improvements into all of the programs for which I am responsible. Like many of you, I am not a scientist. That is why we work with organizations like the National Academy of Medicine (formerly the Institute of Medicine) and our colleges and universities, who provide us the evidence and analysis we need to make sound policy.

I am further committed to making continued improvements in the integrity of these programs – one of my, and the Department’s, most important responsibilities, and one I know we share. As I have testified previously, Americans expect and deserve a government that ensures that the significant public investment in nutrition assistance is managed wisely. We must continue to earn and maintain the public’s trust through the proper administration of these programs— for a lack of public confidence could threaten the programs’ very survival. We must also debunk the myths about SNAP and other nutrition assistance programs-- that they are rife with fraud, or that benefits are going to people who are not eligible. These mischaracterizations of the programs also undermine public trust.

Maintaining payment accuracy is a nationwide commitment between USDA and our State partners and supports President Obama's Executive Order to reduce improper payments. The Department uses a rigorous quality control process to find payment errors in SNAP – which can result from administrative mistakes or intentional violations – and require States to recover over issued benefits and provide under issued benefits. The SNAP national payment accuracy rate for fiscal year 2014 was 96.34 percent. Achieving high rates of payment accuracy is the result of years of aggressive work and a nationwide commitment to reduce improper payments and improve administration of SNAP. Since 2000, we have reduced the rate of improper payments by more than half, and the SNAP error rate is among the lowest in the Federal government. That said, we are constantly working to do even better. That is the kind of government the American taxpayer deserves.

With regard to trafficking – the sale of SNAP benefits for cash – we are actively investigating and punishing this illegal activity. We use data analytics to track retailers and participants who are potentially defrauding the program. The penalties for trafficking are severe, ranging from permanent program disqualification and monetary fines, to criminal prosecution. Over the last 15 years, FNS has implemented measures to reduce retailer trafficking dramatically, from an estimated 4 percent down to about 1.3 percent currently. Rules now being finalized at USDA will stiffen penalties so that fines are truly reflective of the harm done – strengthening the disincentive for retailers who may be thinking about trying to make a quick buck off the program. This year, we are on track to increase penalties by 29 percent for violations.

We are also working closely with our State partners to fight SNAP participant fraud. Participants who commit fraud are subject to disqualification and repayment of benefits. In fiscal year 2012, States conducted nearly 730,000 investigations, disqualified over 42,000 individuals, and collected over \$72 million in fraud claims from households. And since 1992, the Federal government has collected more than \$1.3 billion in delinquent SNAP participant claims. But there is still more to do. Those seeking to commit crimes are always seeking new opportunities, so we must continually adapt to these new challenges in order to make sure that public investments are protected. This year, our joint SNAP initiative with Inspector General Fong's team is drawing on our respective offices and the strengths and responsibilities of Federal, State, and local law enforcement partners to identify and prosecute SNAP fraud, and also to prevent it in the first place.

The President's budget builds on existing efforts and provides strategic increases, including funds to strengthen Federal training, oversight, and monitoring of State quality control processes and data, to ensure that States are meeting the highest standards in program administration and payment accuracy. We will continue to confront error and abuse head-on to make sure that benefits go to those who truly need them.

While I have focused my remarks on SNAP and the other nutrition assistance programs authorized under the Farm Bill, such as TEFAP, FDPIR, and CSFP, a number of our other major programs are authorized under other laws, under the jurisdiction of the Education and the Workforce Committee. I would like to mention them briefly here, since they make up such a large part of the work we do in FNCS. The Child Nutrition Programs, including school meals, child care and afterschool meals and snacks, and summer meals, give children the nutrition they

need to develop and grow and become future leaders of this country. In school, students across the country are experiencing a healthier school environment with balanced meals that reflect nutrition recommendations by pediatricians and other child nutrition experts. The latest data shows that today, over 95 percent of school districts have been certified as meeting the new standards. And the average number of students eating a school breakfast each day has increased by almost 28 percent since 2008, meaning more children are ready each day to learn.

WIC is one of the Nation's premier public health nutrition programs. WIC leads to better pregnancy outcomes—fewer infant deaths, fewer premature births, and increased birth weights—and saves money. Every dollar spent on prenatal WIC participation for low-income women on Medicaid saves as much as three times that in health care costs within the first sixty days after birth. And a study by the Centers for Disease Control and Prevention found that rates of obesity among low-income U.S. preschool children have stabilized or improved in a number of States, suggesting that recent changes to the WIC food packages may have contributed to this positive trend.

Thank you again for the opportunity to appear before you today. I look forward to answering any questions you may have.