

Mr. Chairman, Mr. Ranking Member, members of the Subcommittee, thank you for the opportunity to testify today. I am Stacy Dean, Deputy Under Secretary of Agriculture for Food, Nutrition and Consumer Services. Prior to joining USDA, I worked for over twenty years on improving the federal nutrition programs at the federal and state level at the Center on Budget and Policy Priorities (CBPP). It is an honor to be able to bring my experience working on legislation, budget, administrative and operational issues to the Biden Administration.

My testimony will focus on the COVID-19 crisis – the disruption it caused and the extraordinary efforts by Congress, USDA, and the heroes across the country to respond, the lessons we learned, and our plans to build back better and strengthen the nutrition safety net.

On top of the tragic loss of life as a result of COVID-19, we have seen devastating economic effects in lost jobs, closed businesses, and falling incomes. While no one was untouched, those with the least capacity to weather the crisis were hit the hardest. And the hunger crisis was one of the pandemic's most insidious effects. At its peak last December, households with as many as 30 million adults and 14 million children reported that they did not have enough to eat, and food insecurity disproportionately impacts communities of color. Black and Latino adults were roughly three times as likely as white adults to report that their household did not get enough to eat. Adults who identify as American Indian, Alaska Native, Native Hawaiian, Pacific Islander, or multiracial, taken together, were more than twice as likely as white adults to report that their household did not get enough to eat. These differences stem from longstanding racial disparities in food security, poverty, employment, health, and other measures of well-being, and must be addressed to ensure an equitable recovery.

USDA's Response to COVID-19

USDA's nutrition assistance programs are far-reaching, powerful tools to ensure that Americans have access to healthy, affordable food. USDA and State and local partners have built

on the strength of these programs to ensure that Americans can access nutritious food safely. I applaud Congress for recognizing the need and acting quickly to bolster nutrition assistance in five legislative packages—providing USDA with authority to adapt programs to serve struggling families safely, as well as new programs and resources to address unmet needs. USDA pivoted to meet the moment, using these resources to ensure children and low-income individuals in need have access to nutritious food. The table below shows obligations in FY 2020 for key nutrition assistance programs, including both base appropriations and resources Congress provided in COVID-relief legislation.

Obligations in Selected FNS Programs (Dollars in Thousands)		
	FY 2019	FY 2020
SNAP Benefits		
Regular Appropriation - Base Benefits	56,013,324	58,835,944
CARES Act - Emergency Allotments	0	15,510,000
Total, SNAP Benefits	56,013,324	74,345,944
TEFAP		
Regular Appropriation	298,454	162,919
FFCRA		220,343
CARES Act		391,013
Section 32 Bonus funding	403,245	716,234
Trade Mitigation	1,059,329	1,129,817
Total, TEFAP	1,761,028	2,620,326
P-EBT Benefits	0	12,647,000
Child Nutrition Meal Reimbursements		
Regular Appropriation	23,582,332	14,736,927
CARES Act		7,038,590
Total, CN Meal Reimbursements	23,582,332	21,775,517
Food Distribution on Indian Reservations	139,915	187,997
Puerto Rico/CNMI/American Samoa Nutrition Assistance	2,045,598	2,258,053
WIC	5,905,901	5,971,238

The Supplemental Nutrition Assistance Program (SNAP): SNAP, the Nation's largest nutrition assistance program, is designed to grow automatically when economic conditions worsen, so it is not surprising that SNAP participation increased by almost 4 million between March and April. The challenge was to meet the sudden increase in demand as public health concerns forced changes in SNAP operations. USDA worked with States to implement administrative flexibilities provided in the Families First Coronavirus Response Act (FFCRA) to reduce physical contact, including waiving in-person interview requirements, verifying identity electronically, extending certification periods, and using simplified approaches for signatures. However, USDA initially approached these flexibilities as month-to-month waivers and denied some State requests in the

summer of 2020. Recognizing the challenge this presented, in October Congress extended and allowed States to use most of these flexibilities for up to six months without needing USDA approval. Most States are continuing to leverage State options created by Congress to meet the needs of participants and minimize public health risks.

Through FFCRA, Congress authorized supplemental emergency SNAP allotments up to the maximum benefit level. In December, Congress increased SNAP benefits by 15 percent for all households and expanded SNAP eligibility to college students qualifying for work-study programs and those who are financing their own education. And we took steps to make it easier for participants to use benefits safely. At the start of the pandemic, USDA redoubled its efforts to expand SNAP online purchasing to allow more recipients to buy groceries online. More than 97 percent of SNAP households across 47 States and Washington, D.C. now have access to online purchasing.

Food Banks and Food Distribution: Food distribution programs, always essential, became even more critical as other programs were disrupted by the pandemic. Early in the pandemic, USDA approved 56 State and Tribal Disaster Household Distributions to get food to over 15 million people in 2020. Congress provided a total of \$1.3 billion in additional resources for The Emergency Food Assistance Program (TEFAP) to help meet the increase in demand on food banks and pantries, and we purchased more than \$2 billion in the face of procurement challenges due to high demand in the retail market. USDA also operated the Food Purchase and Distribution Program to assist American farmers and ranchers negatively impacted by certain trade policies. Over \$2.2 billion in food was purchased by AMS, most of which went to States for distribution to TEFAP food banks and food pantries. USDA's Farmers to Families Food Box Program delivered food in partnership with distributors to those significantly impacted by the pandemic. USDA distributed over \$4.2 billion in American-produced fresh produce, dairy and meat products in family-sized food boxes through this temporary program. Finally, Congress provided an additional \$100 million in the Coronavirus Aid, Relief, and Economic Security (CARES) Act for Tribal members through the Food Distribution Program on Indian Reservations (FDPIR). This supported infrastructure grants, additional food distribution, and administrative support – critical resources to ensure that benefits reach those who need them.

Child Nutrition Programs: When schools closed in March 2020, school nutrition professionals across the country worked tirelessly to make sure children had access to meals despite unprecedented challenges. USDA provided wide-ranging flexibilities to help schools and communities feed kids during the pandemic—with the authority and funding provided by Congress, USDA issued over 80 nationwide waivers and extensions to support social distancing, streamline access, and allow for flexible meal service options. USDA allowed schools to serve free meals to all students, waived requirements to serve meals in group settings at traditional mealtimes, allowed meal pattern flexibilities as needed, and allowed parents and guardians to pick up multiple meals at a time. Schools used these flexibilities to rapidly and creatively adapt meal service to meet local needs. However, they were only extended for limited periods at a time, and often very close to the expiration of the approved period, making planning very difficult for schools and state agencies.

Schools also received higher reimbursements to support "grab and go" approaches, and in December, Congress authorized additional administrative funds to provide financial relief to schools and program operators facing higher costs. Schools and program operators found ways to feed children in new ways—delivering meals along school bus routes, allowing parents to pick up a week's worth of meals, and using a public private partnership to deliver food in rural areas. Recognizing the need for program operators to plan ahead, in March USDA extended Child Nutrition Program flexibilities through summer 2021.

WIC: The evidence is clear WIC participation drives better pregnancy outcomes and reduces health care costs, so ensuring access and continuity of benefits is particularly important. In March of 2020, USDA began approving State requests to waive certain operational requirements so that certifications and benefits could continue as social distancing began, enabling enrollment without in-person clinic visits, and allowing streamlined participant interactions. To minimize inperson interactions, for example, USDA allowed WIC agencies to postpone certain medical tests, extend some certification periods, and permit remote benefit issuance. Most flexibilities have been extended through the public health emergency. While national WIC participation remained stable in fiscal year 2020, a number of States saw substantial declines in caseloads—especially concerning because food insecurity during early childhood can have negative impacts on children for the rest of their lives.

Pandemic EBT (P-EBT): Congress demonstrated great foresight when it created P-EBT, which provides food dollars to families whose children lose access to free or reduced-price meals when schools are closed. USDA worked with States to stand up this entirely new program in just a few months, and every State rose to the challenge. While it took longer than anyone wanted, agencies in all 50 States, the District of Columbia, and the U.S. Virgin Islands administered P-EBT programs that distributed over \$9 billion in food aid to nearly 30 million children who missed out on school meals in the spring. In subsequent legislation, Congress also expanded P-EBT to include children under six, a key step to address food insecurity during these formative years, and to include Puerto Rico, American Samoa, and the Northern Mariana Islands. But gaps were revealed as some schools opened and children returned to school part-time, and Congress acted on a bipartisan basis to address these gaps in December. With these new flexibilities, States can now use average benefit amounts and the best available data to provide P-EBT to families and lessen administrative burden for families, schools, and States.

P-EBT has been a highly effective tool, with some evidence that the program reduces food hardship faced by low-income children. I commend Congress for extending the program through the duration of the COVID public health emergency as part of the American Rescue Plan Act. We still have challenges to tackle—for example, USDA is working with States to streamline data collection needed to target benefits. And we are learning how to operate better. Most States have designed this year's plans to issue benefits directly to households with children eligible for free or reduced-price meals. This is an important shift, since States that directly issued benefits last spring reached more eligible children than those that required applications.

Lessons Learned

The nutrition assistance response to COVID-19 has been a collective effort, between USDA, Congress, and program partners in every community. That said, success had its own fits-and-starts. We have learned lessons from the prior Administration's approach to implementation that will inform our near-term plans to re-open strong, as well as longer-term efforts to strengthen our ability to respond to crises.

• <u>Communication—early and often—is essential</u>. Our partners were experiencing and reacting to the pandemic in real time, just as USDA was. The time it took USDA to finalize and

communicate policies often presented major challenges to those on the front lines. For example, the USDA changed course on policies for School Year 2020/2021 after school had begun in some locations. While the changes provided more flexibility and were clearly necessary, the delay in informing schools and other program operators about their options for the school year caused significant disruption to planning and operations. Secretary Vilsack is committed to providing as much notice as possible to align with operational timelines. We look forward to working with Congress to make sure that all those that rely on both the core programs and temporary benefits understand how their benefits will change as authorities expire, so that they can manage the transitions with knowledge and confidence.

- Developing broadly-applicable solutions will make us more responsive to future crises.
 Managing individual State waiver requests and questions was inefficient and at odds with meeting immediate needs. Shifting to nationwide waivers and State options helped to reduce implementation delays and administrative burden.
- Emergencies exacerbate existing inequities and make effective response more difficult. As I noted, the pandemic disproportionately impacted food insecurity among people of color, including Black and Latino households and those identifying as American Indian, Alaska Native, Native Hawaiian, Pacific Islander, or as multiracial. These disparities link to long-standing structural issues, but we must be conscientious and deliberate in addressing them in pandemic recovery strategies and in future reforms. The Biden Administration will approach all our efforts with an equity lens to ensure we reach those facing hardship fairly, effectively, and with respect and understanding.

Looking forward – harnessing nutrition assistance to recover strong

Action by Congress, USDA, and state and local partners delivered critical additional food benefits to millions of struggling households. But when the Biden-Harris Administration took office, the country faced a continued hunger crisis, and the President called for additional action to help the millions of adults and children in its grip. I'll turn now to what we have done since January to help meet immediate food needs and lay the foundation for a strong and equitable recovery.

Using All Existing Authorities to Provide Immediate Relief: Under President Biden's leadership, and in response to the executive orders he issued in his first days in office, we took several immediate steps to meet food needs and support those who are struggling.

Strengthening and Streamlining P-EBT to Fight Childhood Hunger. In January USDA increased P-EBT benefits by about 15 percent, providing more money for low-income families and millions of children to make up for missed meals due to school and childcare closures. For a family with three children that means more than \$50 per month in additional benefits, and the increase applies back to the start of the school year. P-EBT has been highly effective; one study found that the program reduces food hardship faced by low-income children by 30 percent in the week following its disbursement. Using authority provided by Congress in December, USDA published new guidance and flexibilities to help states administer P-EBT in a way that reaches all eligible children. While multiple changes to the statute during the school year have extended the planning process, as of April, 32 States have approved plans to serve school children during school year 2020-2021, with another 15 State plans under review. Nine States have approved plans to provide benefits to children in childcare, and another 19 State plans are under review. Congress also provided, and we are distributing, 100 percent federal funds for States to operate P-EBT, which includes collecting reliable data on student enrollment and school operating schedules that is critical to appropriately targeting P-EBT benefits. We are committed to working with every State and territory to get critical food dollars to children who miss meals due to school closures.

Reducing Inequalities in SNAP Emergency Allotments. Since March 2020, SNAP households have received emergency allotments to raise their household's total benefit to the maximum benefit for its household size. While this policy delivered about \$29 billion in additional benefits, millions of people in households at or near the maximum benefit – those with the least ability to absorb COVID's economic shocks – have received little or no support.

On April 1, USDA updated SNAP emergency allotments guidance to address this problem and temporarily boost the benefits for these recipients. Under the new policy, households who had been receiving less than \$95 in emergency allotments will receive increased benefits starting in April 2021. These are major increases for households that received no additional support from the original policy – including many of the millions reporting trouble getting enough food. About 40 percent of households helped by the change have children, 20

percent include someone who is elderly, and 15 percent include someone who is disabled. Households that have already been receiving payments of \$95 or more per month will continue to receive them.

Extending Flexibilities to Feed Kids Safely. The COVID-19 public health and economic crisis has underscored the vital role that school meals play in addressing childhood hunger. As schools across the country prepare for children to return to schools this fall, we know that school meal operators need flexibilities to allow them to focus on serving high-quality, nutritious meals, without being overwhelmed by administrative challenges. USDA looks forward to making an announcement soon on nationwide flexibilities for next school year to help communities and children across the country come back strong.

Some children rely on these programs for as many as three meals a day, and it is essential to empower schools and childcare centers to continue to serve healthy meals safely. USDA will remain steadfast in ensuring our nation's children get the critical nutrition they need as they return to their regular routines.

Deploying Resources and Flexibilities Provided by Congress: President Biden's American Rescue Plan that Congress passed in March provides over \$12 billion in new nutrition assistance to address hardship caused by the pandemic. USDA is moving quickly to deploy these resources and flexibilities. The American Rescue Plan Act:

- Extends the 15 percent increase in SNAP benefits through September 2021. This increase-about \$28 per person per month—was initially provided by Congress last December and would otherwise have ended this June.
- Supports States as they respond to increased SNAP demand with over \$1.1 billion in
 operational funding without a required state match. This represents a unique opportunity for
 States to make investments in business processes and technology to increase access and
 improve service delivery, while maintaining stewardship of Federal dollars.
- Supplements the capped block grants that Puerto Rico, American Samoa and the Northern Mariana Islands receive with an additional \$1 billion, to support families hard-hit by the pandemic.
- Provides \$25 million for improvements in SNAP online purchasing, electronic benefit modernization, and mobile payment technologies, as well as for technical assistance to

retailers and farmers markets as they adopt these new technologies. With these investments, we hope to make it easier for participants, especially individuals in rural areas, as well as those with physical limitations, to order and pay for their groceries online.

- Extends and expands P-EBT through the summer when schools are closed, and through the duration of the public health emergency. This will help guard against summer hunger and help financially stressed families purchase healthy food during the pandemic.
- Funds meals for young adults experiencing homelessness through CACFP emergency shelters during the public health emergency.
- Invests nearly \$900 million in WIC, including a temporary increase in cash-value vouchers that participants can use to buy fruits and vegetables from \$9 or \$11 to \$35 per month. It also includes a historic investment in innovation and outreach that I will elaborate on later.
- Dedicates additional funds for the Commodity Supplemental Food Program which provides nutritious, domestically sourced food packages to low-income elderly individuals.

Looking Beyond the Pandemic to Build Back Better: The pandemic has laid bare critical gaps in our safety net, highlighting the opportunity and urgency to lay the foundation for a recovery that is more equitable and just for all Americans. The American Rescue Plan Act will help struggling families and people earning low wages afford their basic needs by temporarily expanding the earned income tax credit for childless adults, making the child tax credit fully available to the lowest-income families, and enlarging the credit. Together these actions will cut child poverty nearly in half—and we hope, help to keep more families from hunger and hardship.

While it will take time to know for sure, we are also beginning to see signs that the extraordinary relief efforts we have undertaken are having a real impact for struggling Americans. The latest Census Pulse survey data show a substantial drop in the number of households reporting that they do not have enough to eat.

As the President has said, now is the time to take bold action in order to build a better tomorrow. I'll describe a few major efforts USDA and the Biden-Harris Administration have underway to strengthen nutrition assistance.

Ensuring SNAP Benefits Support a Healthy Diet. As we look beyond COVID, one of the key things we can do is to ensure that the benefits households receive are sufficient to purchase a basic healthy diet. Even before COVID, millions of Americans who rely on SNAP were

struggling to buy and prepare healthy food with a benefit amount based on an outdated Thrifty Food Plan (TFP). As directed by Congress in the 2018 Farm Bill, we are working to re-evaluate the TFP to ensure it reflects the true cost of a basic healthy diet.

Transforming WIC to Reach More Who Need It. While the evidence of WIC's impacts is clear, the share of eligible families participating has declined over the past decade; in 2017, only about half of eligible people participated in WIC, and later trends remain troubling. Some of the more tragic manifestations of systemic inequities are mortality rates for infants born to Black and Indigenous women that are at least twice as high as for infants born to white women, as well as greater prevalence of inadequate health care and many serious health conditions. Addressing these issues is a critical priority for the Biden Administration.

Connecting more eligible women and young children to WIC is one of the most powerful interventions available to reduce these disparities. Thanks to our community partners, we have a strong foundation to work from—participation among eligible Black and Latino families is higher than average, and racial disparities in breastfeeding initiation have been steadily improving. President Biden proposed and Congress delivered a historic investment in WIC through the American Rescue Plan Act. With the new resources and authority, we will invest in improvements in the program in order to increase participation. We will launch a robust national outreach campaign to ensure that eligible families know about WIC's benefits and offer new, easy ways for them to enroll. We will also encourage innovation in WIC to improve service delivery. These strategies will help reverse the recent declines in participation so that the critical nutrition benefits WIC provides reach those that need it.

Nutrition assistance programs can advance the President's priorities to provide economic relief to struggling families, build and enhance racial equity, and create a better future. This Subcommittee has a long history of bipartisan support for these programs, and I look forward to working with you to advance our shared goals. Thank you for the opportunity to join you today.