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CHILD NUTRITION ASSISTANCE: ARE FEDERAL RULES AND REGULATIONS SERVING THE BEST INTERESTS OF SCHOOLS AND FAMILIES?

HEARING

BEFORE THE

COMMITTEE ON EDUCATION
AND THE WORKFORCE
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

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CHILD NUTRITION ASSISTANCE: ARE FEDERAL RULES AND REGULATIONS SERVING THE BEST INTERESTS OF SCHOOLS AND FAMILIES?

Tuesday, June 16, 2015
House of Representatives,
Committee on Education and the Workforce,
Washington, D.C.

The committee met, pursuant to call, at 10:01 a.m., in Room 2175, Rayburn House Office Building, Hon. John Kline [chairman of the committee] presiding.

Present: Representatives Kline, Foxx, Roe, Thompson, Walberg, Salmon, Guthrie, Rokita, Messer, Brat, Carter, Bishop, Grothman, Curbelo, Stefanik, Allen, Scott, Davis, Grijalva, Courtney, Fudge, Polis, Sablan, Wilson, Bonamici, Takano, Jeffries, Clark, Adams, and DeSaulnier.

Staff present: Lauren Aronson, Press Secretary; Janelle Belland, Coalitions and Members Services Coordinator; Martha Davis, Staff Assistant; Kathlyn Ehl, Professional Staff Member; Matthew Frame, Legislative Assistant; Amy Raaf Jones, Director of Education and Human Resources Policy; Nancy Locke, Chief Clerk; Daniel Murner, Deputy Press Secretary; Brian Newell, Communications Director; Krisann Pearce, General Counsel; Mandy Schaumburg, Education Deputy Director and Senior Counsel; Alissa Strawcutter, Deputy Clerk; Tylease Alli, Minority Clerk/Intern and Fellow Coordinator; Austin Barbera, Minority Staff Assistant; Kelly Broughan, Minority Education Policy Advisor; Denise Forte, Minority Staff Director; Tina Hone, Minority Education Policy Director and Associate General Counsel; and Brian Kennedy, Minority General Counsel.

Chairman KLINE. A quorum being present, the Committee on Education and Workforce will come to order.

Good morning, Secretary Vilsack. Welcome to the Education and Workforce Committee. Thank you for joining us to discuss an issue I know we all care deeply about, that is providing low-income children and families access to healthy meals and snacks.

We know the important role nutrition plays in a child's development and education. As I have said before, it is just common sense that if children are hungry or malnourished then they are less likely to succeed in the classroom. That is why the Federal Govern-

ment has long invested in programs that aim to provide America's most vulnerable students the nutrition assistance they need.

Ensuring children have access to healthy food is a goal we all share and lies at the heart of our effort to reform federal child nutrition programs, many of which are set to expire later this year.

We have conducted several hearings and briefings to learn more about these programs, as well as the rules and regulations that dictate their implementation at the state and local levels.

What we have learned from students, parents, school nutrition professionals, government watchdogs and other key stakeholders and, yes, even in the Department of Agriculture is that the latest reauthorization of federal child nutrition laws is the most far-reaching and costliest in a generation.

Current law requires the department to prescribe how much money schools charge for meals, what food can and can't be served in schools and how much of it can be served. In other words, Washington is responsible for deciding what and how much our children eat.

These regulations have created an environment where students aren't getting the nourishment they need, and food and taxpayer dollars wind up literally in the trashcan.

Julia Bauscher, president of the School Nutrition Association, conveyed to the committee the concern she is hearing from school nutrition professionals across the country. Julia described how regulations are resulting in harmful consequences that threaten the ability of schools to best serve students.

She went on to decry the sharp increase in costs and wastes and the historic decline of student lunch participation under the new requirements.

We are often told that more than 90 percent of participating schools are complying with the law. First, as we learned from the Government Accountability Office, it is highly likely this number is overly optimistic.

But let us not forget that schools that choose to participate must comply with the law. The question is not how many schools are in compliance. The question is, at what cost? The department estimates that participating school districts will be forced to absorb $3.2 billion in additional compliance costs over a 5-year period.

To make matters worse, fewer students are being served. Since the regulations were put in place, participation in the school meals programs has declined more rapidly than any other period over the last three decades with 1.4 million fewer children being served each day.

I saw these challenges firsthand during my visit to the Prior Lake School District in Savage, Minnesota. Students described smaller portion sizes and limited options that left students hungry and more likely to buy junk food. After students petitioned the school board, Prior Lake has decided to drop out of the school meals program next school year. It is the only way the school can meet the needs of its students.

And the problems with the law don't stop there. The Office of Inspector General for the Department of Agriculture, and the GAO identified examples of programs misusing taxpayer dollars, raising

serious concerns about whether or not we are actually assisting those in need.

As we work to reauthorize federal child nutrition programs, we must find solutions that will ensure taxpayer dollars are well spent and children are well served.

We know developing a one-size-fits-all approach is not the answer. More mandates and more money aren't the answer either. Instead, we should look to improve these programs by giving states and school districts the flexibility they need to fulfill the promise of child nutrition assistance.

Duke Storen from the not-for-profit organization, "Share Our Strength," advised at a recent hearing, quote: "It is critical to remove bureaucratic barriers and create efficiencies that will allow us to reach those kids who currently go without," close quote.

I look forward to discussing how we can achieve just that without imposing more burdens on our schools.

Again, Mr. Secretary, thank you for joining us to share your perspective on these important issues, and I look forward to our discussion.

And with that, I will now recognize the committee's ranking member, Mr. Scott, for his opening remarks.

[The statement of Chairman Kline follows:]

Prepared Statement of Hon. John Kline, Chairman
Committee on Education and the Workforce

Good morning, Secretary Vilsack, and welcome to the Education and the Workforce Committee. Thank you for joining us to discuss an issue I know we all care deeply about: providing low-income children and families access to healthy meals and snacks.

We all know the important role nutrition plays in a child's development and education. As I've said before, it's just commonsense that if children are hungry or malnourished, then they are less likely to succeed in the classroom. That's why the federal government has long invested in programs that aim to provide America's most vulnerable students the nutrition assistance they need.

Ensuring children have access to healthy food is a goal we all share and lies at the heart of our effort to reform federal child nutrition programs, many of which are set to expire later this year. We have conducted several hearings and briefings to learn more about these programs, as well as the rules and regulations that dictate their implementation at the state and local levels.

What we have learned from students, parents, school nutrition professionals, government watchdogs, other key stakeholders, and yes, even the Department of Agriculture, is that the latest reauthorization of federal child nutrition laws is the most far-reaching and costliest in a generation. Current law requires the department to prescribe how much money schools charge for meals, what food can and cannot be served in schools, and how much of it can be served.

In other words, Washington is responsible for deciding what and how much our children eat. These regulations have created an environment where students are not getting the nourishment they need, and food and taxpayer dollars wind up in the trashcan.

Julia Bauscher, president of the School Nutrition Association, conveyed to the committee the concerns she is hearing from school nutrition professionals across the country. Julia described how regulations are resulting in harmful consequences that threaten the ability of schools to best serve students. She went on to decry the "sharp increase in costs and waste and the historic decline in student lunch participation under the new requirements."

We are often told that more than 90 percent of participating schools are complying with the law. First, as we learned from the Government Accountability Office, it is highly likely this number is overly optimistic. But let's not forget that schools that choose to participate must comply with the law. The question isn't how many schools are in compliance, the question is: At what cost?

The department estimates that participating school districts will be forced to absorb $3.2 billion in additional compliance costs over a five-year period. To make

matters worse, fewer students are being served. Since the regulations were put in place, participation in the school meals programs has declined more rapidly than any other period over the last three decades, with 1.4 million fewer children being served each day.

I saw these challenges firsthand during my visit to the Prior Lake School District in Savage, Minnesota. Students described smaller portion sizes and limited options that left students hungry and more likely to buy junk food. After students petitioned the school board, Prior Lake has decided to drop out of the school meals program next school year. It is the only way the school can meet the needs of its students.

And the problems with the law do not stop there. The Office of Inspector General for the Department of Agriculture and the GAO identified examples of programs misusing taxpayer dollars, raising serious concerns about whether or not we are actually assisting those in need.

As we work to reauthorize federal child nutrition programs, we must find solutions that will ensure taxpayer dollars are well spent and children are well served. We know developing a one-size-fits-all approach is not the answer. More mandates and more money aren't the answer either. Instead, we should look to improve these programs by giving states and school districts the flexibility they need to fulfill the promise of child nutrition assistance.

Duke Storen from the not-for-profit organization Share Our Strength advised at a recent hearing, "It's critical . . . to remove bureaucratic barriers and create efficiencies that will allow us to reach those kids who currently go without." I look forward to discussing how we can achieve just that without imposing more burdens on our schools.

Again, Secretary Vilsack, thank you for joining us to share your perspective on these important issues. I look forward to our discussion. With that, I will now recognize the committee's ranking member, Congressman Scott, for his opening remarks.

Mr. SCOTT. Thank you, Mr. Chairman, for holding this hearing.

Today we will discuss the implementation of the 2010 Healthy, Hunger-Free Kids Act as well as policy ideas for the upcoming reauthorization for the Child Nutrition Act.

I would like to thank our secretary of agriculture, Mr. Vilsack, for being with us to discuss this important issue.

More than 60 years ago through the enactment of the first federal child nutrition program, the National School Lunch Act of 1946, Congress recognized that feeding hungry children was not just a moral imperative, but also an imperative for the health and security of our nation because so many of our youth were malnourished and not prepared for military service.

In 1946, the 79th Congress passed the National School Lunch Act, quote: "As a measure of national security to safeguard the health and well-being of the nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food by assisting the states through grants and aid and other means in providing an adequate supply of food and other facilities for the establishment, maintenance, operation, and expansion of non-profit school lunch programs."

Today we are faced with another crisis that impacts our nation's national security. Our children are now too obese to enlist in our nation's military. One-third of children in this country are obese or overweight and childhood obesity has tripled over the last 30 years.

According to one report, our nation has the second-highest obesity rate in the world. Obesity-related illnesses are costing a shocking $190 billion a year. This not only weakens our economy, it also increases our budget deficits.

While all segments of our population are affected, school insecure and low-income families are especially vulnerable to obesity and

other chronic diseases due to the additional risk factors associated with poverty.

Unfortunately, the poorest among us have the least access to healthy foods, many times without full-service grocery stores and farmers' markets in their communities.

In my home state of Virginia, first lady Dorothy McAuliffe has been focusing not only on ending childhood hunger, but also on improving access to Virginia's fresh and locally grown agricultural commodities. This dual goal helps children, supports our farmers, and strengthens local economies.

The reality is that the negative effects associated with poor nutrition are preventable. We still have a long way to go, but there are positive signs of progress through the implementation of the child nutrition programs.

Special Supplemental Nutrition Program for Women, Infants and Children, the WIC program, has consistently proven to be a cost-effective investment that improves the nutrition and health of low-income families. The program has led to healthier infants, more nutritious diets, better health care for children, and, subsequently, higher academic achievement for students.

For some students, their only access to nutritious meals is at school through the school meal programs. And we know that children and teens can consume up to half of their total calories at school.

During the average school day in 2011, more than 31 million school children ate school lunch and over 12 million ate school breakfast. It is up to us to ensure that our children are fed nutritious meals that can support them as they learn and grow.

For the first time in over 30 years, the Healthy, Hunger-Free Kids Act has given the opportunity to make the reforms that improve the nutrition and hunger safety net for millions of children. Studies have shown that children are now eating more fruits and vegetables, and in many schools there has been widespread acceptance of the new nutrition programs.

As we address the implementation of the law, it is important to remember that the guidelines are evidence-based, not based on politics or corporate bottom lines. They reflect the healthy eating habits most of us in the room try to follow each day.

While there are a small number of schools still working to meet compliance with the new standards, the vast majority of schools, 95 percent, report that they are successfully implementing the new healthy meal standards.

These programs are powerful tools in providing greater economic opportunities for at-risk youth and helping them break free of the tragic cycle of poverty. It is critical that we work with schools to ensure that they have the support they need to be successful.

So I look forward to hearing about the USDA's new technical assistance initiative, Team Up for Success, and how the unique challenges of schools are being met.

Today we have the opportunity to discuss the scope and impact of the new school meals and WIC programs. And I hope that we will also discuss ways to improve and strengthen them.

This year's reauthorization of the child nutrition programs should build on the progress we have made over the last 5 years.

Thank you, Mr. Chairman. And I yield back.

[The statement of Mr. Scott follows:]

Prepared Statement of Hon. Robert C. "Bobby" Scott, Ranking Member, Committee on Education and the Workforce

Good morning and thank you, Chairman Kline, for holding this hearing. Today we will discuss the implementation of the 2010 Healthy, Hunger-Free Kids Act as well as policy ideas for the upcoming reauthorization of the Child Nutrition Act. I would like to thank the Agriculture Secretary, the Honorable Tom Vilsack, for being with us today to discuss this important issue.

More than 60 years ago, through enactment of the first federal child nutrition program—the National School Lunch Act of 1946—Congress recognized that feeding hungry children was not just a moral imperative but also an imperative for the health and security of our nation.

In 1946, the 79th Congress passed the National School Lunch Act "as a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants-in aid and other means, in providing an adequate supply of food and other facilities for the establishment, maintenance, operation and expansion of nonprofit school lunch programs."

Today, we are faced with yet another crisis that impacts our nation's national security—our children are now too obese to enlist in our nation's military.

One-third of children in this country are obese or overweight and childhood obesity has tripled in the past 30 years. According to a report from the Food and Agriculture Organization of the U.N., our nation has the second highest obesity rate in the world, and obesity-related illnesses are a costing a shocking $190.2 billion per year. This weakens our economy and increases budget deficits.

While all segments of the population are affected, food insecure and low-income families are especially vulnerable to obesity and other chronic diseases due to the additional risk factors associated with poverty. Unfortunately, the poorest amongst us have the least access to healthy foods, many times without full-service grocery stores and farmers' markets in their communities.

In my home state of Virginia, First Lady Dorothy McAuliffe has been focusing not only on ending childhood hunger, but also on improving access to Virginia's fresh and locally grown agricultural commodities. This dual goal helps children, supports our farmers and strengthens our local economies.

The reality is that the negative health effects associated with poor nutrition are preventable. We still have a long way to go, but there have been positive signs of progress through

implementation of child nutrition programs. The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) has consistently proven to be a cost-effective investment that improves the nutrition and health of low-income families. The program has led to healthier infants, more nutritious diets and better health care for children, and subsequently to higher academic achievement for students.

For some children, their only access to nutritious meals is at school, through the school meal programs, and we know that children and teens can consume up to half of their total daily calories at school. During the average school day in 2011, more than 31 million children ate school lunch, and 12.5 million ate school breakfast. It is up to us to ensure that our children are fed nutritious meals that can support them as they learn and grow.

For the first time in over 30 years, the Healthy, Hunger-Free Kids Act has given us the opportunity to make reforms that improve the nutrition and hunger safety net for millions of children. Studies have shown that students are now eating more fruits and vegetables, and in many schools there has been widespread acceptance of the new nutrition standards.

As we address the implementation of this law, it is important to remember that the guidelines are evidence-based; they are not based on politics or corporate bottom-lines. They reflect the healthy eating habits most of us in this room try to follow each day.

While there are a small number of schools still working to meet compliance with new standards, the vast majority of school districts—95 percent—are successfully implementing the new healthy meals standards. These programs are powerful tools in providing greater economic opportunities for at-risk youth, and helping them break free of the tragic cycle of poverty. It is critical that we work with schools to ensure they have the support they need to be successful. I look forward to hearing more about the USDA's new technical assistance initiative, Team Up for Success, and how the unique challenges of schools are being met.

Today we will have an opportunity to discuss the scope and impact of the new school meals and WIC programs. I'm hopeful that we will also discuss ways to improve and strengthen them. This year's reauthorization of the child nutrition programs should build on the progress we've made over the last five years.

Thank you and I yield back.

Chairman KLINE. I thank the gentleman.

Pursuant to committee rule 7(c), all members will be permitted to submit written statements to be included in the permanent hearing record.

Without objection, the hearing record will remain open for 14 days to allow such statements and other extraneous material referenced during the hearing to be submitted for the official hearing record.

I will now introduce our distinguished witness who probably needs no introduction being a Cabinet secretary. But just as a reminder, the honorable Tom Vilsack is the secretary of the United States Department of Agriculture.

Secretary Vilsack has served as the secretary of the U.S. Department of Agriculture since 2009. In this role, he manages a staff of over 100,000 as they implement the administration's agriculture policies, including oversight and implementation of the federal child nutrition programs.

Prior to his appointment, Secretary Vilsack served two terms as a governor of Iowa as well as two terms as a state senator.

It is always nice to have somebody from a neighboring state here, Mr. Secretary.

[Witness sworn.]

Let the record reflect our witness answered in the affirmative. And they always do.

Before I recognize you to provide your testimony, let me just remind you very briefly of the lighting system. Some hearing rooms have gotten a lot more sophisticated than our old one. Ours is pretty straightforward.

We have got the green, yellow, and red lights. You can largely ignore those. I have never gaveled-down a Cabinet secretary for opening remarks that were a little too long, but please just be mindful that we have a lot of members who want to ask questions.

And then when we get to the question-and-answer period, I will do my best to keep my colleagues to the 5-minute rule.

Mr. Secretary, you are recognized.

TESTIMONY OF HON. TOM VILSACK, SECRETARY, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

Secretary Vilsack. Mr. Chairman, thank you very much.

And in the interest of time, perhaps the chair would allow me to associate myself with the ranking member's remarks and the chairman's remarks relating to the integrity of the program.

If you take Representative Scott's remarks and your remarks on the integrity of the program, you pretty much have my opening statement.

And with that, I would be happy to answer questions.

[The testimony of Secretary Vilsack follows:]

TESTIMONY OF SECRETARY THOMAS J. VILSACK
BEFORE THE HOUSE COMMITTEE ON EDUCATION AND THE WORKFORCE

CHILD NUTRITION ASSISTANCE: ARE FEDERAL RULES AND REGULATIONS SERVING THE BEST INTERESTS OF SCHOOLS AND FAMILIES?

JUNE 16, 2015

Thank you, Mr. Chairman, and members of the Committee for the opportunity to join you today to discuss the Nation's Child Nutrition Programs, along with the Special Supplemental Nutrition Program for Women, Infants and Children – the WIC program.

We meet more than four years after this Committee, and the Congress as a whole, provided bipartisan support to enact the Healthy, Hunger-Free Kids Act of 2010 (HHFKA). Today, children across the nation are benefitting from nutritional improvements in meals and other food sold in schools, better access to meals through the Community Eligibility Provision, and the expansion of snacks and suppers for at-risk children through the Child and Adult Care Food Program. New mothers and infants are receiving expanded support for breastfeeding, and we are moving more rapidly to modernize benefit delivery in WIC. We also have launched innovative demonstration projects to better address the critical problem of hunger among our children. I congratulate you and thank you for your leadership in making these reforms a reality.

As Congress begins considering reauthorization of the child nutrition programs and WIC, it is important to recognize the tremendous achievements that have been made as a result of the HHFKA, and ensure that we stay on a path to continue to strengthen these programs, which are critical to supporting the health and well-being of America's children.

One of the reasons that this is so important is the ongoing epidemic of obesity in this country. Today, more than one third of U.S. children are overweight or obese. We know that this impacts both their immediate and long-term health and well-being. Youth who are obese are likely to be obese as adults and are therefore at higher risk for heart disease, diabetes, stroke, and several types of cancer.

But it also has important implications for the Nation's future. According to the Centers for Disease Control and Prevention (CDC), the health care cost of obesity is as high as $147 billion per year. Childhood obesity also has consequences for our national security. Mission Readiness, a nonpartisan national security organization comprised of 500 retired senior military leaders, recently reported that nearly one-quarter of young adults are too overweight to serve in the military and about 12 percent of active duty service members are obese.

The legislative changes championed by this Committee, and enacted through the passage of the HHFKA in December of 2010, have already resulted in major accomplishments on the ground:

We have updated the nutrition standards for school meals to put greater emphasis on fruits and vegetables, whole grains, and low fat dairy products, as well as provide portion sizes in line with scientific recommendations. Even prior to the change in meal standards, many schools around the country had already begun making these changes, many through USDA's *HealthierUS* School Challenge. Over the last four years we have seen great leadership from school nutrition professionals, who have used innovative strategies such as Smarter Lunchroom techniques, using behavioral economics, or creative menu planning to successfully implement the standards.

Knowing that change is challenging, and that the circumstances of schools around the country differ, USDA has avoided a "one size fits all" approach with regard to implementing the meal patterns. For example, we have provided flexibility around weekly limits for grains and meats, whole grain rich products, and frozen fruit. School districts in strong financial positions have been given extended flexibilities for the paid lunch equity requirement. And we have offered extensions of the three-year administrative review cycle for States facing exceptional challenges in conducting reviews.

We have combined this flexibility with an unprecedented level of technical assistance to States and school districts to help ensure successful implementation. During the past year we have provided comprehensive training to over 250 school districts through our successful "Team Up" partnership with the Institute for Child Nutrition (formerly the National Food Service Management Institute). Team Up workshops feature tailored curricula and the involvement of mentors and partners to promote success. We will continue to offer Team Up throughout the

year, and are also expanding its impact by providing Team Up resources on the web and through face-to-face trainings offered by the Institute.

As a result of these partnerships and commitments, 95 percent of school districts have been certified as meeting the new standards by their States. This certification, grounded in detailed reviews of their meal service, is the basis for receiving additional performance based funding provided by HHFKA. Improved meals mean that on an average day, the 31 million children who eat lunch at schools and the almost 14 million who eat breakfast have greater access to nutritious food that can help put them on a path towards healthy eating for the rest of their lives. A report by the Robert Wood Johnson Foundation indicated widespread acceptance of the meal patterns by students, and a Harvard study found that students ate 26 percent more fruit and 16 percent more vegetables at lunch after implementation of the new standards.

These kinds of changes ensure that the Child Nutrition Programs are as effective as they can be in promoting healthy diets – a common-sense prevention approach to slow the growth of, and ultimately reverse, increases in devastating health problems. This will build a healthier future for our children and our Nation. We are pursuing this strategy with increased flexibility and technical support, to respond to the needs of those working to implement better programs in schools and communities. Now, as success spreads across the country and we are beginning to see the positive impacts of these improvements, is not the time to turn back the clock or lower the bar. We owe it to our children to continue to build on the gains we have made until every child, family, and community can benefit.

In addition to improved meal standards, the HHFKA also established basic nutrition standards for foods sold in school, thus ensuring that all 53 million students attending schools that participate in the National School Lunch Program have a heathier school environment -- not only in the lunch line, but also vending machines and school stores. Schools continue to have a wide range of options for what they offer under these "Smart Snacks" standards. In addition, States have significant discretion to provide schools flexibility for local fundraisers and bake sales.

Other critical steps we have taken to support improved nutrition environments in schools include:

- Almost $185 million in school meal equipment grants provided since 2009 to help schools purchase the equipment needed to serve healthier meals, improve food safety, expand access, and/or improve energy efficiency.

- New standards for school nutrition professionals, along with a recently-announced opportunity for $4 million in grants to support their implementation.

- Our tremendously successful Farm to School effort, which engages children in healthy eating in schools throughout the nation while supporting local farmers. Since Fiscal Year (FY) 2013, the USDA Farm to School Grant Program has provided $15 million to 221 farm to school projects. Preliminary data for 2015 suggest that schools with robust farm to school programs are seeing reductions in plate waste, increases in school meal participation rates, and an increased willingness on the part of children to try new foods, notably fruits and vegetables.

Also with these reforms to the school food environment, we have made great progress in ensuring that these healthy school meals are available to the children who need them without excessive administrative barriers. The Community Eligibility Provision (CEP) allows schools in low income communities to serve free meals to all students without requiring their families to complete individual applications, and while appropriately sharing costs between Federal and non-Federal sources. This innovative approach allows schools to use information from other means tested programs to determine the appropriate level of Federal funding, and significantly reduces administrative effort for families and schools while increasing program integrity.

During the 2014-15 school year, the first year of national CEP implementation, over half of schools eligible for this approach are using it – almost 14,000 schools in more than 2,000 Local Educational Agencies serving more than 6.4 million children. In addition to reducing burdens for schools and families, the CEP approach helps schools increase participation in both lunch and breakfast—about five percent for lunch and nine percent for breakfast, helping to ensure that children from low-income families have access to food at school.

We are also continuing a range of energetic efforts to improve access to meals for children during the summer months, when school meals are not available and the risk of hunger increases.

Last summer, we were able to serve an additional 10 million meals - as compared to the summer before - to approximately 3.7 million children on average per day. We are implementing our strategy for summer 2015, which builds off our successes and will hopefully close this gap even further. This will include the funds we received in 2015 to continue the Summer Electronic Benefit Transfer (EBT) for Children projects. The summer EBT pilots, first funded by Congress in 2010, have proven successful in reducing food insecurity and improving nutrition among participating children during the summer. A rigorous evaluation found that these projects reduced very low food security among children by one-third, and also improved the quality of their diets, relative to those that did not have access to it. We look forward to expanding this proven program in future years.

I am further committed to making continued improvements in the integrity of school meals and other nutrition programs – one of my, and the Department's, most important responsibilities. Without that, we risk undermining public confidence, and threaten the programs' very survival.

USDA recently released the second *Access, Participation, Eligibility, and Certification Study* (APEC), which estimates improper payments in three distinct areas of the school meals programs, with data from School Year (SY) 2012-2013. While the combined overall error rate declined slightly and certain types of errors declined significantly, we can do much better. The Department recognizes that more work must be done to ensure these programs operate as intended. We are currently implementing a data and evidence-driven approach to error reduction, and we are committed to developing and testing scalable initiatives that can be implemented within the existing program structure. In collaboration with our State partners, the Food and Nutrition Service (FNS) is:

- Addressing certification error by expanding the use of alternative data sources to reduce reliance on self-reported data, while improving household meal applications in partnership with researchers and innovators in technology and design to make them easier to complete and process accurately. Direct certification and community eligibility can be powerful error reduction drivers, since they rely on data matching with Federal programs such as the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy

Families (TANF) that have income documentation requirements. We will pursue further opportunities to use verified data to certify students for free meals.

- Developing and implementing new training and professional certification for food service workers and program managers that will further strengthen skills to improve the accuracy of meal claims;
- Implementing ongoing technology improvements to ensure reimbursement numbers are transferred correctly between schools, school districts, States, and the Federal level; and
- Improving business processes at all levels of the school meal payment process, including new tools for administrative review, new accountability measures for school districts with repeated noncompliance, and additional data analysis to inform program improvements over time.

FNS and its State agency partners have invested in system improvements and process reforms over the last several years that we expect will deliver long term reductions in error rates. These include implementation of HHFKA reforms, ongoing investments in research and technical assistance, and the creation of a new Office of Program Integrity to lead future initiatives. We have pursued these efforts simultaneously with the introduction of significant change in meal standards and other program rules because we know that integrity is the foundation of program effectiveness.

As USDA moves forward with these actions, I also look forward to working with the Committee to consider other potential measures to ensure the Nation's children have access to high-quality, nutritious meals through a program with the greatest standards for program integrity.

Let me turn now to WIC. Helping children get, and keep, a healthy start in life is the goal of this premier public health program, which served approximately 8.3 million women, infants, and children on average each month in FY 2014. WIC continues to be an exceptional investment, where participation leads to better pregnancy and birth outcomes and with lower health care costs – a wise investment in prevention to save taxpayer dollars in the long run.

WIC has long been grounded in science-based standards that ensure that its benefits contribute as effectively as possible to meet the nutrition needs of low-income mothers-to-be, mothers, infants, and young children. In 2009, we updated the program's nutrition standards based on National Academy of Medicine (formerly the Institute of Medicine) recommendations. Experts at the Academy of Medicine are in the process of reviewing the standards once again, as the law requires, to determine if new evidence warrants further updates.

In the meantime, evidence of the benefits of WIC continues to grow. In 2014, the final WIC food package rule increased the 2009 cash value voucher for children from $6 to $8, resulting in over $100 million more fruit and vegetable benefits provided to WIC children over the past 12 months. A 2013 study found that in one State, WIC participation was associated with improvements in measures of early childhood obesity and preschoolers' consumption of fruits, vegetables, whole grains, and low fat milk. For infants, rates of breastfeeding and appropriate age of introduction of solid foods also improved. In fact, CDC concluded that WIC, among other interventions, may have played a role in the recent leveling off or decline in early childhood obesity rates in 18 states.

While we continue to share these positive achievements, I am committed to building on them with initiatives that integrate science and evidence-based improvements that can further enhance the WIC program. I am further committed to making continued improvements in the integrity of the WIC program to ensure that the tremendous public investment in this important program is managed wisely. WIC is already a leader in the Federal Government in using effective cost containment strategies. FNS provides technical assistance to State agencies to implement successful food cost containment strategies that do not adversely impact the program's nutritional goals. Since FY 2008 food package costs have risen by less than one percent while inflation for food at home has risen by 11 percent in that time, meaning that the "real" cost of the WIC food package has actually decreased since FY 2008. In FY 2014, WIC infant formula rebates reduced the national annual program cost by over $1.8 billion.

FNS routinely monitors WIC participation, rebates, and food outlays on a monthly basis to ensure the efficient allocation and expenditure of program funds. During FYs 2013 and 2014, FNS conducted management evaluations of the vendor management functional areas in all State

agencies to identify current trends and address areas of concern. As part of our ongoing efforts to promote program integrity, USDA had imposed moratoriums prohibiting the authorization of new WIC vendors in California, Georgia, and Louisiana. These moratoriums were imposed due to vendor management and cost containment issues in the States. California and Georgia implemented corrective actions to address these concerns and subsequently USDA lifted the Federal moratorium in these States. FNS continues to work with Louisiana as it develops and implements appropriate corrective actions; therefore, the State remains under a moratorium.

FNS is now increasing focus of national oversight activity by conducting reviews of all 90 State agencies' certification and eligibility practices and policies during FYs 2015 and 2016. In addition, FNS has also taken steps that require State agencies to inform WIC participants that selling WIC formula is against program rules and to describe in their State plans how they identify attempted sales, particularly online sale of infant formula. Since 2012, FNS has been working with major social media sites such as Amazon, Craigslist, eBay, and Facebook to address the potential online sale of WIC foods.

A periodic study of payment error and program violations shows that, in FY 2011, improper vendor payments constituted about 1.1 percent of WIC food outlays – a percentage that is unchanged from the previous year. While this report suggests that WIC integrity problems are relatively limited, we continuously seek ways to reduce and prevent errors and program abuse. We are committed to intervening as necessary and working with State agencies to improve the integrity of their WIC Programs.

With regard to certification integrity, WIC's performance remains strong, and the program is well targeted to those at greatest need. Over 70 percent of WIC beneficiaries report income below 100 percent of the Federal poverty line.

In conclusion, I want to thank you again for the opportunity to implement the great, positive changes authorized by the Healthy, Hunger Free Kids Act. These program improvements are a wise investment in our Nation's future. I look forward to working with you in building on the success of these programs. Thank you for your attention, and I would be happy to answer any questions.

[Laughter.]

Chairman KLINE. Did we even bother to turn on the green light?

Well, Mr. Secretary, that is absolutely outstanding. That does set a record.

[Laughter.]

Let met start, if I may.

Yes, put me on the clock.

As I mentioned to you very briefly, and I will give you a chance to talk about the numbers here, but I went to visit a school in my district to learn about the school meal program because some of the students had written a letter, signed a petition suggesting that maybe they ought to get out of the program.

So I went to visit them, and very, very nice school, students coming through the lunch program with amazing technology. They had a little card and they could put it up there and immediately the cashier saw who they were and that they were on the program.

And things were going pretty well. Then I sat down with the four students and the principal and some other adults there as well, but I found it very interesting in the discussion with the students.

There were two young women, this is a high school, two young men. One of the young men was getting ready to go on scholarship out to Arizona to play football. And I am not sure how much he weighed, I did not ask him, but well north of 200 pounds. And one of the young women clearly weighed probably half of that.

And yet part of their complaint was, look, this system has got us trapped here because we have to have the same portions and that does not make any sense to us. If you are going to go out to play football on a scholarship, it seems they thought, and it seems to be reasonable to me, you ought to have more food.

And so what was happening was that because the portions were not large enough in all cases, they were taking their own money and going and buying food. And it clearly was not the sort of healthy lunch that was being served in the school cafeteria.

And it was indeed a healthy lunch, and they did not have complaints about how the food tasted. They said they liked the broccoli, so I took them at their word, and they liked the fruit and so forth. But they certainly were upset about the portions.

And the fact that they then had to go and buy more food, stop off at a fast-food place or something like that is clearly not what we are trying to get to here.

And this was a relatively wealthy school. And these kids probably had the money where they could stop and buy that food. And some students with not those resources couldn't do it.

So it seems to me that while the students wanted healthy meals, but the meals that they were being served did not meet their needs and they were so upset about that they petitioned to drop out of the program, now, of course, the school has agreed to drop out of the program, how can you say, if you are saying, that the program is working as advertised when you have those kinds of problems?

We clearly have an issue where a football player it seems ought to be having a considerably bigger portion than someone half their weight.

Secretary Vilsack. Mr. Chairman, I think I would start by explaining that the standards that have been established were based

on expert advice and direction from the Institute of Medicine in terms of what an average-sized individual would need at that point in time during the day.

It is roughly 25 calories less than the meals were previous to the Healthy, Hunger-Free Kids Act. So it is not that significant in terms of the difference.

You know, this is not, in fairness, all-you-can-eat at Applebee's. This is a school lunch program. And the reality is, based on surveys, the vast majority of students, high school students, elementary students, and middle school students, have accepted and are in favor of these new standards.

A recent survey by Robert Wood Johnson had 70 percent of elementary and middle school kids saying they liked the new standard; 63 percent of high school kids.

I don't doubt that you are going to find a few folks who have concerns, and that is why we have suggested that they can bring a snack. There is no reason why they can't bring a snack to school.

There is also a sharing table, opportunities for those who aren't going to eat everything that is on their plate, for whatever reason, can share with those who want more food.

There are vending machines at the school that will provide consistent, smart, and healthy snacks.

So there are ways to address this issue without necessarily rolling back the standards and creating a significant rollback.

And I think the reason why I associated myself with Representative Scott's comments is that we are dealing with twin issues here. We are dealing with 17 million youngsters who are food insecure. At the same time, we are dealing with nearly a third of our youngsters who are obese or at risk of being obese.

And indeed, our national security is indeed threatened, which is why Mission: Readiness has been so strongly in favor of these standards, retired admirals and generals saying we have got to get our kids in better shape.

So on balance, if you follow the expert advice, if you provide options and snacks and sharing tables and you see a preponderance of students accepting these standards, I think we are on the right track.

So you know, I am convinced that we have—you know, we have also looked at the issue of plate waste, suggesting somehow that folks are throwing food away. The reality is Harvard has looked at this, the Rudd Center has looked at this and they have found that in fact kids are consuming more fruits and vegetables and there is no more plate waste today than there was before the passage of the Healthy, Hunger-Free Kids Act.

Chairman KLINE. My time has indeed expired.

Mr. Scott?

Mr. SCOTT. Thank you.

Thank you, Mr. Secretary.

I understand that 95 percent of the school districts are reporting that they are in compliance with the upgraded standards in the last reauthorization. Is that right?

Secretary Vilsack. That is correct, Representative, and that is why they are entitled to the 6 cents reimbursement increase.

Mr. SCOTT. And is there any reason to reduce the standards?

Secretary Vilsack. I can't see the reason to reduce the standards. We have provided flexibility, as you well know, in sodium, whole grains, and in other aspects of the rule. I think we will continue to look for opportunities to be flexible. But I don't think you want to roll the standards back.

Mr. SCOTT. And are the standards based on medical and professional, scientific advice?

Secretary Vilsack. They are, consistent with the Institute of Medicine Standards.

Mr. SCOTT. There is a program, community eligibility, where if an overwhelming portion of the students are eligible that you can go school-wide and forget about eligibility and just serve everybody. Can you talk about that program a little bit and how it avoids a lot of the administrative costs associated with the program?

Secretary Vilsack. Fourteen thousand schools, over 2,000 school districts and 6.4 million children are currently benefiting from the Community Eligibility Program. It essentially says to a school district that if you have more than 40 percent of your youngsters who are directly certified as being TANF eligible or Medicaid eligible then you are entitled to adopt community eligibility, which essentially allows you not to have to require a student to take an application form home, have it be filled out by mom or dad, and brought back to school and then calculated and aggregated by the school district.

It allows the school district to essentially receive reimbursement based on a mathematical computation, multiplying the number of free and reduced kids by 1.6, and that is the amount of resources that the school district gets.

About half the school districts that are eligible for this have adopted it. And I think there are two reasons why we need to continue to press this program. One is it indeed saves money for the administration, roughly $29 a student is saved.

Secondly, it provides more accurate reads in terms of the number of kids who are actually going to participate in the program, so it reduces error rates and provides greater access.

So saving costs, reducing error rates and greater access.

We continue to promote this. One of the issues, frankly, is school districts use the free and reduced lunch calculation to determine their eligibility for Title I funding. So I have spoken to Secretary Duncan about whether or not we could create a similar mathematical formulation that would get over the issue with Title I. And I suspect if we did that we would probably see even greater participation.

Mr. SCOTT. Thank you. Have you done any rules and regulation changes for the school breakfast and lunch programs that ensure that more children are participating?

Secretary Vilsack. Well, there are more children participating in school breakfast. Well over 1 million more students are participating, 300 million more meals are being served this year than previous years.

I think one of the greatest things that we have been able to do is to reduce the stigma of school breakfast in terms of providing opportunities for meals in the classroom so that kids aren't necessarily segregated at the beginning of the school day in the cafe-

teria, so that people can make a judgment about their financial well-being.

And so based on those kinds of standards and based on those kinds of activities, we are seeing an increase.

Obviously, we don't have attached to it additional reimbursement rates as we did with the school lunch program, but we are seeing increased participation. And teachers will tell you that they are happy to see this because a hungry child is not a child who is ready to learn.

Mr. SCOTT. Have you seen any evidence that nutrition programs save money by reducing health care costs or other expenses?

Secretary Vilsack. Well, to the extent that we are dealing with the obesity issue, it is about $14 billion a year in annual health costs for kids currently. And those will increase when they take the chronic diseases that they are currently suffering from into adulthood.

So to the extent that we can get a handle on the obesity issue and to the extent that we provide proper nutrition to kids who are living in food-insecure homes, we are going to see better health outcomes.

And frankly, we see that already with the WIC program, healthier births, more immunizations, better cognizant development as a result of the WIC program.

Mr. SCOTT. And that reflects reduced costs?

Secretary Vilsack. It obviously does. And the same thing I think could probably, the same argument could probably be true for the summer feeding program as well.

Chairman KLINE. Thank the gentleman.

Dr. Foxx.

Ms. FOXX. Thank you, Mr. Chairman.

And thank you, Mr. Secretary, for being here.

I want to associate myself with the comments of the chairman in terms of his comments related to the imposition of rules from Washington, which impose one-size-fits-all attitude. And I think in my question I will reflect that.

But you said something in your comments or in answer to a question that I think illustrates that so well. You said there is no reason why they cannot bring a snack; that is up until now, until such time as perhaps the Agriculture Department determines that children can't bring snacks.

The attitude is you are allowing them to bring snacks, so that the rulemaking comes from here, it is the permission is being given by Washington. That ought to be freedom of choice. And the attitude that there is no reason means you haven't declared a rule.

But let me ask my question about the competitive foods rule, because it goes along with that.

You issued a rule in 2013 called the competitive foods rule. You couldn't estimate the costs or the effect on school revenue without any certainty, but you did note that the 247,000 comments which focused on finances, most of them were concerned that the rule would reduce school revenue.

Additionally, it is estimated that school revenue authorities received, on average, 16 percent of their revenue from competitive food sales.

So how did you determine the rule was responsible action and requirement from this administration?

Secretary Vilsack. Well, first of all, let me clarify my remark involving snacks, if I might. I wasn't suggesting that folks were being allowed to bring snacks. They have always been allowed to bring snacks. There has been no prohibition and there never will be a prohibition about mom or dad providing a youngster the opportunity to take something to school to snack on. So that ought to be clear. If I didn't make that clear, I should have.

Studies of vending machines providing healthier snacks have indicated that there has not been a significant decline in revenue to school districts that have studied this and looked at this.

And I would also say what is of interest to me is that we provided $94 million at the beginning of this process for school districts to be able to utilize the money to assist them in better implementation.

Today, now 5 years after the passage of that act, there is still $24 million of that resource that has not been spent by schools, and we have encouraged school districts and states where the money has not been spent to encourage the utilization of those resources if schools are suffering or having difficulty.

So it is odd to me that we still have $24 million on the table. Hopefully this hearing will allow us to continue to put that information out so that people take advantage of those resources.

Ms. FOXX. You can give me this answer later. But I wonder, have you tried in the Department of Agriculture to put the employees in the Department of Agriculture on the school food lunch program for a week or 2 to see how they respond to it? I think it would be an interesting experiment.

But I have a second question. The USDA's OIG highlighted high rates of improper payments in the national school lunch and breakfast program. They said the lunch program is one of 13 federal high-error programs.

I know you and the ranking member talked about the integrity of the program, but what are you doing to address the high error rates, reduce fraudulent benefits and make sure the programs are serving those most in need?

Secretary Vilsack. There are three reasons why we have the error rate that we have. And I think we probably would be in agreement with this committee that it is an unacceptably high rate.

There is a certification issue involving parents basically providing information about income, that is not necessarily accurate or incomplete.

There is an aggregation that takes place at the school district, where they basically aggregate all of the information provided to the state, that sometimes errors are in that process.

And there is an error at the cashiers' location when a person goes through the line.

A couple of things about this error rate. The dollar amount is a little bit suspect because if you are going through the line and you don't take one item that you are supposed to take, that entire cost of that meal is considered to be an error. So probably more infor-

mation needs to be gleaned in terms of what the cost of these errors are.

But we have done several things. One, we have provided a series of professional standards that will, I think, increase the professional standards of the folks at the cashiers' table so that they will make fewer errors.

Two, we have begun the process of data mining to determine where we might provide additional help and assistance in schools that are repeatedly having problems.

Three, we are pressing community eligibility as well as direct certification because we know, for example, in the direct certification program there is a significant decline in errors when the direct certification process is used.

We are also looking at simplifying the application and providing an online application so that we reduce errors in that respect. We are also developing an Office of Integrity within the school lunch program.

But we would have better results, I think, if we could receive permission from Congress to do more reviews of schools than we currently have. There is a limitation, and I think it is the only program of this kind where there is a limitation, where we can only look at 3 percent of schools.

If we had an opportunity to look at more than 3 percent, I think we would have greater accountability on all three areas.

We are seeing a reduction in error rates on the aggregation side because we have been working with states. We still have work to do on the certification and on the cashiers' side.

Chairman KLINE. The gentlelady's time has expired.

Mr. Grijalva?

Mr. GRIJALVA. Thank you very much, Mr. Chairman.

And thank you, Mr. Secretary.

Let me ask a couple of questions about access and greater access, maybe speak to some of the current barriers for year-round service that students need and how potentially this year's reauthorization could do a lot to reduce or even hopefully eliminate some of those barriers.

You know, the Healthy, Hunger-Free Kids Act was very important. It extended service, it involved community-based organizations and year-round, extended weekends, holidays. How can we go forward to expand greater access to children and to families?

Secretary Vilsack. Well, I think one of the focuses that we have had is during the summer months. Obviously, I think as has been stated earlier, children receive somewhere between a third and two-thirds of their calories at school. And we are in the process of trying to figure out how to deal with those gaps.

I am proud of the fact that we are now serving 23 million more summer meals than we did several years ago, but there is still work to be done because only 16 percent of kids who are eligible for summer meals are participating.

So we are looking at several things. One, we are looking obviously at greater partnerships. I was in Baltimore yesterday at a library, encouraging libraries to potentially look at as sites where kids are spending a lot of time during the summer months.

We are making sure that we reach out to schools and take a look at whether or not they might be willing to participate in the seamless school project which allows schools to essentially provide meals throughout the summer months.

We are continuing to look for ways in which we can encourage service organizations to participate. So there is a significant effort relating to summer feeding, which I think will go a long way to addressing some of the concerns that you have outlined.

The community eligibility and direct certification efforts also will make sure that kids who are currently not getting served in school districts because their parents don't get the application in, or for whatever reason, that those kids will also be served.

So we would strongly encourage a continuation of those programs and expansion of those programs.

Mr. GRIJALVA. We have received examples, several examples at this hearing and other hearings about the abuse of WIC, the lack of choices, why some schools drop out. So you know, I appreciate very much the fact that you referenced some of those examples with studies.

Secretary Vilsack. Well, just to be clear about this. Since 2013 when we fully implemented these standards, 58 schools out of over 99,000 schools have dropped out of the program—58 out of 99,000-plus.

And some of the schools have dropped out, we now read there was a Houston Chronicle article yesterday, some of the more high-profiled schools that were profiled in Time magazine at the beginning of this process that dropped out are now coming back in because they realized that they weren't going to save money, they realized that the program was actually something that would benefit kids.

So you know, we believe there is significant compliance here and we believe that with the flexibilities that have been provided and the resources and the assistance, the equipment grants, the smarter lunchroom grants where we are encouraging school districts to look creatively about how to display food and how to serve food, the Team Up for Success program that the chair and ranking member mentioned, which allows us to have struggling schools teamed up and mentored by succeeding schools, all of this is designed to provide assistance and help. And we think it is making a difference.

Mr. GRIJALVA. You know, there is a system of budgeting or a metric now for budgeting dynamic scoring. And as such, it never includes savings. And I wish that now with this new system that we would include savings.

My question to you, nutrition, preparedness for learning, health, all are investments in these babies, in these kids that receive the programs, that qualify for it. In anticipation, what are we looking at in terms of what we are saving not only society, but in terms of money as well?

Secretary Vilsack. Well, Representative, I apologize, I should have this number off the top of my head, but there actually has been a study done of the WIC program in terms of its potential impact and effect on children, women, and infants.

And it indeed focuses and recognizes that with improved immunization, with improved and healthier births we are indeed saving

money. To the extent that we get a handle on the obesity issue, as we discussed earlier, that also will help provide savings.

But at the end of the day, this is ultimately about making sure that youngsters are in the best position to be as productive as they want to be and can be. And the reality is if you are hungry or you are concerned about your self-image in school, you are going to have a harder time. And so that is one of the reasons why we are focused on making sure that these standards are implemented properly and making sure that the kids get access as they need.

Mr. GRIJALVA. Thank you, Mr. Secretary.

Thank you, Mr. Chairman. Yield back.

Chairman KLINE. Thank the gentleman.

Now Mr. Thompson, you are recognized.

Mr. THOMPSON. Thank you, Chairman.

Secretary, good to see you.

Secretary Vilsack. Good to see you, sir.

Mr. THOMPSON. I wanted to zero in on a certain initial question on a certain area of the standards within the Healthy, Hunger-Free Kids Act of 2010. And it has to do with milk.

And I know you had mentioned about academic professionals who were somehow responsible and behind the standards. Although, as I recall from the process and also from, quite frankly, my visits, I spend a lot of time in schools, eat a lot of school lunches, you know, it seems like our school nutrition professionals were largely ignored. And they have a lot of concerns.

But my initial question I have for you, it has to do with the milk area. And the standard reads that only fat-free, unflavored or flavored, or unflavored low-fat fluid milk, 1 percent milk or less, is allowed. Now, if truly those academic researchers who set that standard were spot on, we wouldn't be seeing since 2012 to 2014, you know, schools serving 187 million fewer half pints of milk despite the fact that the population in the public schools is going up.

And so I am not looking for criticism, I am looking for solutions, actually, to that.

You know, given what we know about the nutritional value of milk, which is, I think, significant, it is cause for concern.

And so to give schools more options and flexibility in providing milk, I recently introduced H.R. 2407, the School Milk Nutrition Act, in conjunction with my colleague Joe Courtney.

Now, one of the bill's provisions would provide schools with the option of offering low-fat, 1 percent, flavored milk rather than only fat-free if milk contains no more than 150 calories per eight ounce service. Obviously, still concerned with the over-all, arching purpose of what the 2010 act was reportedly written under.

I just want to check. I mean, do you agree that declining rates of milk consumption are cause for concern? If so, do you believe the USDA should work with Congress to preserve milk's integral role in school meals?

Secretary Vilsack. Representative, I see that I am going to get double teamed on this issue based on the lineup here.

So you know, I have got to tell you, this is my personal view, I agree with you. I think if adding that option would encourage kids to drink more milk we should do that.

Mr. THOMPSON. I think a little bit of flavor goes a long ways.

Secretary Vilsack. Well, that is my personal preference. But you know, I honestly—the challenge here, I think, is we have created so many options for kids today in terms of what they consume.

And you know, in terms of the nutritional bang for the buck, there is probably nothing better than a glass of milk. And so, you know, I think that there ought to be some way of working with your proposal or a similar proposal to provide a bit more flexibility, and hopefully we would see more consumption of milk.

Mr. THOMPSON. Why don't I stay—I am going to milk this topic for all I can.

[Laughter.]

Switch over to a very important program that I personally—my wife and I when we were first starting out with our first child we were eligible for the WIC program, Penny and Parker were. So I have a question regarding milk as a critical component of the WIC food package.

Contrary to the Institute of Medicine's recommendations, the final WIC rule issued by USDA in March 2014 placed new restrictions on the availability of 2 percent milk for children ages two or older.

Can you explain the basis for this new rule? And why was it finalized without allowing for a public comment period?

Secretary Vilsack. Well, I think there was extensive opportunity for comment on the WIC rules over the course of several years. And so I think we had believed that we received all of the input that we needed to make a determination.

You know, in terms of the WIC program, I think the goal here is to try to provide, supplement and complement what people are traditionally and normally purchasing. It isn't necessarily to be the be-all and end-all, it is actually a complement and supplement.

And so I think the development of the WIC package was designed to say, you know, people are already buying a lot of this and this and this; what aren't they buying that they might be able to benefit from? And that is how the WIC package was put together.

I suspect that is part of the reason. But if there is a more technical reason for that, Congressman, I will get that to you.

Mr. THOMPSON. You had mentioned about, in the time I have remaining, about 3 percent is what you are allowed to survey or measure. Do you have a number that you would be looking for that you would feel more confident in terms of looking for errors? If it is 3 percent now, what would you like to see it be?

Secretary Vilsack. Well, you know, it ought to be probably more consistent with every other program where we have greater flexibility to check. I don't know that we necessarily have a magic number, but what we do know is the more we do of this, the greater the accountability is.

And probably, in all probability, we identify where the problem areas are and we can solve it and so we can bring that error rate number down, which you all believe is unacceptably high, and you are absolutely right about that.

Mr. THOMPSON. Thank you.

Chairman KLINE. The gentleman's time has expired.

And with my dairy farmers smiling ever more brightly, I will recognize Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, for your testimony and your leadership over the last 6–1/2 years, 8–1/2 years.

The ranking member mentioned in his opening remarks the interesting genesis of school lunch programs that followed in the wake of World War II. And fast-forwarding to the last reauthorization in 2010, as a member of this committee I remember, again, vividly some of the most powerful testimony that we had was from retired military leaders who, again, were describing a totally different challenge that our country faces now in terms of military readiness.

And Mission: Readiness, which you alluded to, again, is a group of 450 retired military leaders who just recently issued a report, "Retreat Is Not an Option," which again reiterated the fact that one out of four 17-to 24-year olds are not fit to fight, and one out of eight who are actually serving are actually obese, diagnosed obese. That is $1.5 billion just to DOD's budget alone in terms of dealing with that program.

So when they say retreat isn't an option, they are talking about retreat in terms of nutritional standards. And I think that is important to make that point clear.

And I guess, you know, one question about the compliance issue, whether it is 90 percent or 95 percent or less than 90 percent, as GAO, I mean what I think it is important sometimes to not lose sight of is that your department has been trying to do, starting from zero in 2010 when the president signed this into law, was to get the trend moving in the right direction.

And I guess the initiatives that you described, I mean, we are moving in that direction. Isn't that right? I mean, it is not like we plateaued or we are sliding.

I mean, the fact is that people, you know, just sort of get more comfortable with the system and also that you accommodate reasonable requests that were actually moving in the right direction.

And I guess that is the point I want to just give you a chance to describe.

Secretary Vilsack. Well, change obviously is difficult. And you are absolutely right. The Mission: Readiness has been very, very focused on this for the reasons that you articulated.

And there are, as has been discussed, health care cost reasons, academic achievement reasons, economic productivity reasons for doing this.

You know, I think I have some confidence in that level of compliance because we basically rely and trust on our state partners who are administering this program to give us the information from the individual school districts that they receive. And so you have to assume that individual school systems are telling you the truth when they say we are complying with this and we qualify now for the additional reimbursement rate.

And from a Robert Wood Johnson survey of parents, we find 80 percent of parents think this is a good approach. The students, by the same survey, basically indicate acceptance of this.

So I think we are headed in the right direction, but you know, it is going to take time. Just as it took time in terms of addressing

the issues in 1946, it is going to take time for the benefits of all of this to be perceived in data and information.

But I have no doubt that we are going to see a healthier generation of kids in this country and our country is going to be better off for it.

Mr. COURTNEY. Thank you, Mr. Secretary.

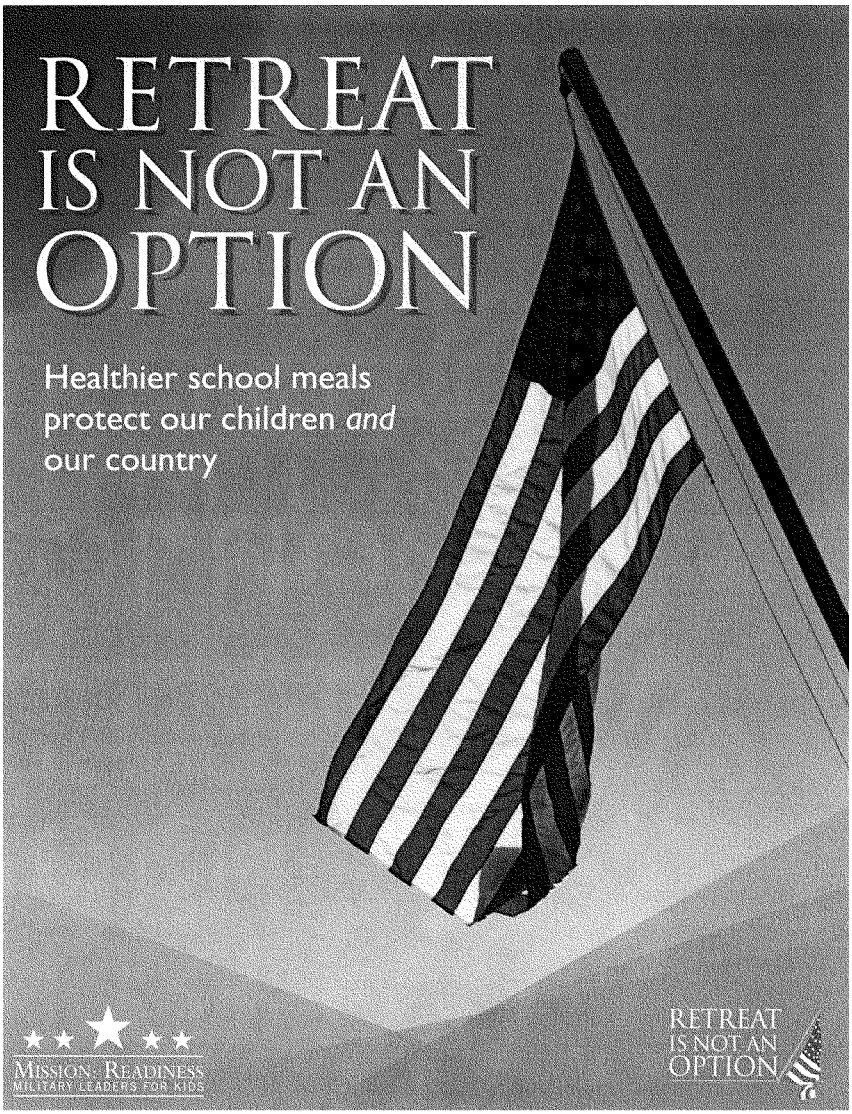
And so it is my intention to, again, enter into the record "Retreat Is Not an Option" which sort of lays out the case, again, from these distinguished military leaders.

And I also would be remiss if I didn't follow up with Mr. Thompson's point which is actually within that report they note the fact that the consumption of milk since the 1970s for the average school child was about 250 calories back then. It has slid dramatically, and sugary drinks have grown dramatically at the same time. So they have actually crossed so that kids are drinking more empty-calorie drinks versus milk.

And I think that is frankly one of the reasons we are in the predicament that we are in right now. And that is why I think Mr. Thompson's efforts, which I think, again, has bipartisan support, and we obviously welcome, you know, good suggestions to accomplish its goal, will help achieve the result that, again, these retired military leaders and yourself, now that you are on the record, think really will help us get to improve children's health and readiness to deal with all physical challenges as they enter adulthood.

With that, I yield back. Mr. Chairman, and I ask that this report be entered into the record.

[The information follows:]


RETREAT
IS NOT AN
OPTION
Healthier school meals
protect our children *and*
our country
MISSION: READINESS
MILITARY LEADERS FOR KIDS
RETREAT
IS NOT AN
OPTION

RETREAT IS NOT AN OPTION: A message from retired 4-star admirals and generals

★ ★ ★ ★
John C. Harvey, Jr.
Admiral, U.S. Navy
(Retired)

★ ★ ★ ★
James M. Loy
Admiral, U.S. Coast Guard
(Retired)

★ ★ ★ ★
Gregory S. "Speedy" Martin
General, U.S. Air Force
(Retired)

★ ★ ★ ★
William L. "Spider" Nyland
General, U.S. Marine Corps
(Retired)

★ ★ ★ ★
William S. Wallace
General, U.S. Army
(Retired)

While the Nation's obesity epidemic makes daily headlines, its effect on the U.S. military has largely been unreported: a 61 percent rise in obesity since 2002 among active duty forces; more than $1.5 billion in annual obesity-related health care spending and costs to replace unfit personnel; significant recruiting challenges with nearly one in four young adults too heavy to serve; and newly released data in this report showing overall ineligibility above 70 percent in most states.

With this in mind, the more than 450 retired senior military leaders who comprise MISSION: READINESS are marking the start of the third school year in which–thanks to Congress' enactment of the Healthy, Hunger-Free Kids Act of 2010–millions of students are now eating healthier school meals with more whole grains, fruits, vegetables and lean proteins. This is also the first year in which candy and many other high-calorie, low-nutrient snacks and beverages in vending machines and elsewhere are being replaced with healthier snacks and drinks.

These changes are important victories in the battle against obesity. America's youth spend considerable time at school, and many young people consume up to half of their daily calories there. If we are to win, schools must be our allies.

According to the U.S. Department of Agriculture (USDA), more than 90 percent of the country's school districts are successfully meeting the healthier meal standards. Recent surveys indicate widespread student acceptance of healthier lunches across all grade levels. Furthermore, 72 percent of parents nationwide favor updated nutrition standards for school meals and school snacks, while 91 percent favor requiring schools to serve fruits or vegetables with every meal. From a financial perspective, USDA projects that school food service revenue will far outpace costs over five years.

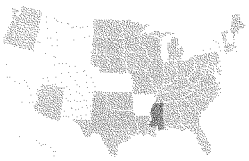
We understand that some schools need additional support to help meet the updated standards, such as better equipment and more staff training, and that support should be provided. At the same time, moving forward with implementation of the standards for all schools is paramount. Students depend on schools to reinforce efforts by parents and communities to put them on track for healthy and productive lives. Healthy school meals and snacks are a vital part of that effort.

When it comes to children's health and our national security, retreat is not an option.

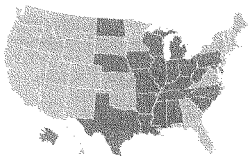
THE SPREADING EPIDEMIC OF OBESITY IN AMERICA (1990-2013)

Percent of obese adults (Body Mass Index of 30+)

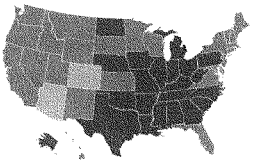
No Data | 0-9.9% | 10-14.9% | 15-19.9% | 20-24.9% | 25-29.9% | 30-34.9% | 35%+



— 1990 —



— 1995 —



— 2000 —

2005-2013 on page 2 →

RETREAT IS NOT AN OPTION

NEARLY 1 IN 4 IS TOO HEAVY TO JOIN, & 1 IN 8 WHO GOT IN IS NOW OBESE

The more than 450 retired military leaders who comprise MISSION: READINESS know that healthier school meals and snacks are vital for addressing the nation's obesity epidemic and supporting national security as well.

Our previous reports—including *Too Fat to Fight*—have detailed how weight and fitness problems often prevent young people from qualifying for the military. Data now show that these issues also pose tremendous challenges for millions of active duty personnel.

Currently, 12 percent of active duty service members are obese based on height and weight—an increase of 61 percent since 2002—which is resulting in serious problems with injuries and dismissals.[1] Given that one-third of American children and teens are now obese or overweight and nearly one-quarter of Americans ages 17 to 24 are too overweight to serve in our military, the obesity rate among active duty service members could get even worse in the future if we do not act.[2] Obesity among our military and their families is costing our defense budget well over $1.5 billion a year in health care spending and recruiting replacements for those who are too unfit to serve.[3]

IT WAS NOT ALWAYS LIKE THIS

When World War II began, frequent undernourishment and health problems stemming from the Great Depression meant that our troops were, on average, an inch and a half shorter than troops are today. In fact, military leaders led by Major General Lewis B. Hershey (the Director of the Selective Service System at the time) stepped in and urged Congress to pass a national school lunch program to improve the health and well-being of our nation's children and youth.[4]

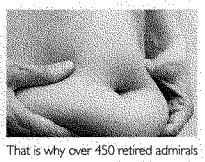
Today, however, children are surrounded by too many calories and not enough opportunities for exercise, a combination that has played a major role in the tripling of childhood obesity rates over the past three decades.

What has changed?

Due to poor nutrition and health before World War II, U.S. troops in the war were on average 1.5 inches shorter than today.

That is why General Hershey, the Director of Selective Service, called for Congress to approve a National School Lunch program in 1945.

Mostly due to excess calories and too little exercise, young adults today are on average 20 pounds heavier than in 1960.



That is why over 450 retired admirals and generals support healthier meals and snacks in our schools.

See page 8 for new data by state on how many Americans cannot join the military.

THE SPREADING EPIDEMIC OF OBESITY IN AMERICA (1990-2013)

Percent of obese adults (Body Mass Index of 30+)

No Data | 0-9.9% | 10-14.9% | 15-19.9% | 20-24.9% | 25-29.9% | 30-34.9% | 35%+

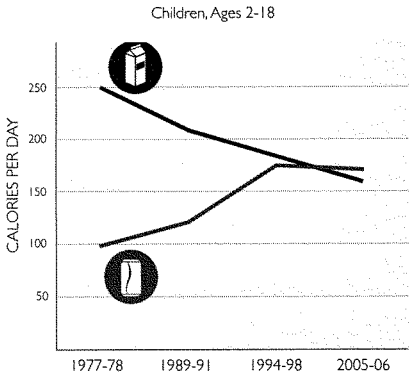
— 2005 —

— 2010 —

— 2013 —

Sources: Centers for Disease Control & Prevention, Trust for America's Health.

Trends in calories consumed from sugary drinks and milk



Source: Trust for America's Health

Lower consumption of calcium and vitamin D coupled with less exercise leads to more stress fractures.

Young American men as a whole are now 20 pounds heavier than the average male in his twenties was in 1960.[5]

Obesity is one of the main reasons why more than 70 percent of young Americans are unable to serve in today's military. This includes young adults in families with generations of military service, and others who have the critical skills our military needs but cannot join simply because of too many extra pounds.[6]

WHAT HAS HAPPENED?

Children's biology has not changed in the course of a single generation. What has changed dramatically is our nutritional and exercise environment. Things that would have been considered absurd in the 1960s are now commonplace in American society, such as drinking sugary drinks daily instead of milk or water, or watching television and playing video games all afternoon instead of riding bikes and playing outside with friends.

Obesity is not the only problem. During the critical adolescent years for bone growth—ages 11 to 14 for girls and 13 to 17 for boys—children have a heightened need for calcium, vitamin D and exercise. But 85 percent of girls and 58 percent of boys at these ages are not getting enough calcium and nearly half of boys and girls in those age groups are not getting enough vitamin D in their diets.[7] One reason for this problem is that consumption of milk has dropped and been overtaken by rising consumption of sugary drinks.[8] Compounding the problem, more than two-thirds of adolescents do not get the recommended hour of exercise daily.[9] More exercise will help with our national problem of obesity, but that is only one part of the equation.[10]

THE MILITARY IS NOT IMMUNE

Our country should rightly be proud of everyone serving in uniform. The majority of the men and women in the military are very fit and form the strongest overall fighting force in America's history.

Yet even the military is not immune to rising weight problems among some troops. These problems are not only a challenge for military recruiters looking for enough fit individuals, but they are also leading to increased injuries and dismissals among those who serve.

For example, the military's basic training programs work wonders to get young men and women into shape rapidly by replacing fat with muscle. But many recruits enter basic training with significant challenges:

- Each year, thousands of recruits lose 20 pounds or more to join the military, and they are at a higher risk of gaining that weight back once they leave basic training.[11]
- According to one study, one out of every seven male Army recruits reported that they had not exercised or played any sports in a typical week prior to joining.[12]

Keeping young men and women in shape after basic training is another challenge:

- One study of more than 2,000 men in a U.S. Army light-infantry brigade in Afghanistan found that 14 percent were obese.[13]
- Across the military, too many men and women are not just overweight but actually obese. In 2002, less than eight percent of active duty service members were obese, but by 2011 that figure had jumped to

There were more medical evacuations from Afghanistan and Iraq to Germany for stress fractures, serious sprains and other similar injuries than for combat wounds. Excess weight can lead to more injuries.

more than 12 percent—a 61 percent increase.[14]

Basic training can help to build a lot of muscle, but strengthening bones is not as easy. The military is facing an unprecedented rise in the type of injuries that stem, in part, from poor nutrition and lack of physical activity in adolescence:

- The obese service members in the brigade in Afghanistan were 40 percent more likely to experience an injury than those with a healthy weight, and slower runners were 49 percent more likely to be injured.[15]
- This higher risk of injuries has serious consequences for our forces in combat: there were 72 percent more medical evacuations from Afghanistan and Iraq to Germany for stress fractures, serious sprains and other similar injuries than for combat wounds.[16]

Finally, problems with weight and fitness are leading to dismissals among those who serve, and are placing significant burdens on our defense budget:

- Thousands of unfit personnel are let go each year at a great cost to taxpayers. In 2012, for example, the Army dismissed 3,000 soldiers and the Navy and Air Force each dismissed 1,300 service members for being overweight or out of shape. The cost to recruit, screen and train their replacements amounts to nearly half a billion dollars.[17]
- The military spends well over $1 billion a year to treat weight-related health problems such as heart disease and diabetes through its TRICARE health insurance for active duty personnel, reservists, retirees and their families.[18]
- Obesity is contributing greatly to rising health care spending within the military, which now accounts for 10 percent of the total defense budget.[19]

THE TRANSITION TO HEALTHIER MEALS IN SCHOOLS IS WORKING

Good nutrition starts at home, and parents play a central role. But with children consuming up to half of their daily calories while at school and out of sight of their

parents, schools should be a focal point in the nation's effort to combat childhood obesity.

Since the bipartisan enactment of the Healthy, Hunger-Free Kids Act in 2010, the vast majority of schools have implemented updated nutrition standards successfully. USDA is providing kitchen equipment grants and technical assistance to schools that are facing challenges implementing the updated standards. We should continue to support any schools that are having a tougher time, but like our armed forces, we should not stop when the going gets tough.

The new approach of serving healthier food and drinks in schools is working, according to available research and data:

- According to the U.S. Department of Agriculture (USDA), more than 90 percent of schools are successfully serving healthier meals.[20]
- In a study published in *Childhood Obesity*, 70 percent of elementary school administrators concluded that "students like the new lunches" and that acceptance of the changes had grown over time.[21]
- A recent poll showed that, across party lines, the majority of parents support the updated nutrition standards for school meals and snacks. Nine out of ten parents also support requiring schools to include a serving of fruits or vegetables with every meal.[22]
- A study by Harvard University researchers found that plate waste (food thrown away) decreased when the updated nutrition standards were put in place in a large, urban school district.[23]
- The same Harvard study found that under the new guidelines, children added 23 percent more fruits to their plates, and children ate 16 percent more vegetables.[24]
- Schools received an additional $200 million in revenue during the first year of implementation of the updated standards due to increased reimbursement rates. USDA has also provided $36 million in kitchen

THE MILITARY'S INNOVATIVE EFFORTS TO ADDRESS OBESITY

Our armed services are working hard to change the nutritional and exercise environment within the military.

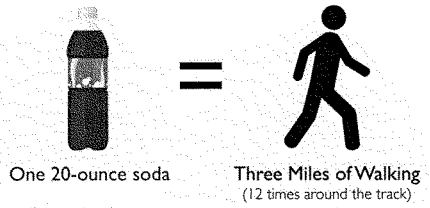
In 2013, the military launched a campaign called Operation Live Well to improve the health of our troops and their families. Chief among these efforts is the Healthy Base Initiative at 14 pilot sites across the country, aimed at promoting health among troops and their families by educating them about the dangers of a sedentary lifestyle and poor nutrition and creating environments that support healthy behavior. The initiative will allow the military to see which innovations are working at different bases and identify the ones that could be expanded service-wide. The Department of Defense is currently collecting and evaluating results from the first phase, which will be reported by August 2015.[33]

Services have also launched their own initiatives. The Army's "Go for Green" initiative, for example, uses food and beverage labels to point out "high performance food" (marked in green) and "performance limiting food" (marked in red) in meal lines and vending machines. It has also changed menus to include more nutrient-dense foods, including whole grains, green vegetables and reduced-fat milk, as well as fewer fried foods and sugary beverages than in the past.[34] Meanwhile, the Air Force offers courses to parents living on bases about how to encourage their young children to eat healthier foods and become more active. Another class provides health coaches to retirees who are at risk for obesity-related health problems.[35] In response to the consequences of obesity and lack of fitness, the Navy has made accommodations for individuals who are less fit or more prone to injuries by giving every recruit custom-fitted running shoes and using more forgiving materials on their tracks.[36]

Experts in the military know that this problem did not emerge overnight and will not go away overnight, but they are committed to coming up with long-term solutions that provide real results. However, the military cannot reverse the nation's obesity epidemic on its own.

KNOWLEDGE IS POWER:
Educating Parents and Children

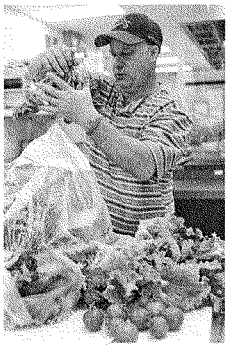
Serving healthier foods and drinks in schools can have a ripple effect; for example, school nutrition directors have reported that parents sometimes request recipes after their children come home asking that they make the meal they had in school.[37] But in addition to serving children healthier food in schools, we need to make sure children and their parents have access to information as well. For example, 51 percent of parents of overweight or obese children think their child's weight is normal or even underweight.[38] Also, too many children and adults are unaware that a typical, 20-ounce bottle of soda sold in most public vending machines includes the equivalent of up to 18 teaspoons of sugar.[39]



Source: New York City Health Department

equipment grants and targeted technical assistance to help struggling schools achieve implementation.[26]

- Based on USDA projections, it is likely that as children shift from buying snacks for lunch to buying more meals, the additional revenue generated will be higher than the costs of providing healthier options.[27]
- Schools with modern and adequate food storage and kitchen equipment have adjusted more easily to the updated nutrition standards. Providing funding for schools in need of new kitchen equipment is one effective strategy to improve compliance with the new standards.[28]
- While school lunch participation declined slightly overall from 2010 to 2013, participation among those receiving free lunches actually increased. Moreover, declines appear to have been concentrated in relatively few schools, as 84 percent of school administrators reported that the number of students purchasing lunches remained steady or increased following implementation of the updated guidelines. For example, the Los Angeles Unified School District (one of the nation's largest school districts) experienced a 14 percent increase in participation following implementation of the updated standards.[29]



A local farmer delivering vegetables to a Fort Campbell middle school.

Photo credit: Fort Campbell Courier

EXAMPLES OF SCHOOLS THAT ARE MAKING IT WORK

Kentucky's Fort Campbell Schools is a Department of Defense Education Activity (DoDEA) school district with nine schools and 4,700 students located on the Fort Campbell Army base. Like most DoDEA schools, the Fort Campbell district participates in the National School Lunch Program. To begin implementing the updated standards, the district formed a partnership with registered dieticians at a nearby Army hospital, which helped each school develop an action plan to achieve its nutrition goals. The district made sure that food service workers received extensive training on the standards and created a competition to reward an "outstanding cafeteria." The food service director also got creative, changing the vegetable selection every day after students reported that they liked the variety. With help from the dieticians, the district also launched a Farm-to-School program to get more fresh produce into lunches—"the first Department of Defense school system to undertake such an effort."[30]

Alabama's Hoover City Schools is a large district with 16 schools and nearly 14,000 students. As a participant in the U.S. Department of Agriculture's HealthierUS School Challenge, the district's meals were already close to meeting the updated standards for school meals before they went into effect. They still faced challenges, however, with getting students and parents on board with the healthier choices.

The solution? Catchy initiatives like "Beets and Sweets" (chopped beets mixed with sweet potatoes) and a phone app that tells parents what the next day's menu item will be along with total calories. District leaders also paid closer attention to what students liked, finding that students were more likely to eat roasted vegetables and buy trendy items such as hummus and Greek yogurt from a la carte lines. Since 2011, the district has reported both an improvement in the productivity of lunch preparation and an increase in snack revenues after their state nutrition standards for snacks were implemented.[31]

CONCLUSION

We all want our children to grow up stronger and healthier, not weaker and sicker.

That will require improving the eating and exercise habits that have led to the tripling of childhood obesity rates since 1980, military obesity rates increasing by 61 percent in less than a decade, and countless billions of dollars spent treating preventable illness and disease.

There are signs that recent efforts to provide children with healthier food and beverages at school, more nutrition education, and more exercise opportunities may be beginning to cause this dangerous epidemic to level off among most children and even some encouraging evidence that obesity is beginning to fall among our youngest children. Unfortunately, adult obesity increased in some states in 2013 and remained high overall.[32] We need to do more, however, to make the healthy choice the easy and accessible choice for every child in every community.

We must continue building on these signs of progress for the sake of our children's health, our economic competitiveness and our national security. The more than 450 retired admirals and generals who are members of MISSION: READINESS are standing strong to keep school nutrition standards on track, because when our national security and our children's health are at stake, retreat is not an option.

PERCENT OF HIGH SCHOOL STUDENTS WHO ARE OVERWEIGHT OR OBESE (2013)

STATE	RATE
Alabama	33%
Alaska	26
Arizona	24
Arkansas	34
California	41%*
Colorado	18%*
Connecticut	26
Delaware	30
Florida	27
Georgia	30
Hawaii	28
Idaho	26
Illinois	25
Indiana	30%*
Iowa	27%*
Kansas	29
Kentucky	33
Louisiana	29
Maine	26
Maryland	26
Massachusetts	23
Michigan	28
Minnesota	N/A
Mississippi	28
Missouri	31
Montana	22
Nebraska	27
Nevada	26
New Hampshire	25
New Jersey	23
New Mexico	28
New York	25
North Carolina	28
North Dakota	28
Ohio	29
Oklahoma	27
Oregon	N/A
Pennsylvania	28*
Rhode Island	27
South Carolina	31
South Dakota	25
Tennessee	32
Texas	32
Utah	17
Vermont	29
Virginia	27
Washington	N/A
West Virginia	32
Wisconsin	25
Wyoming	24

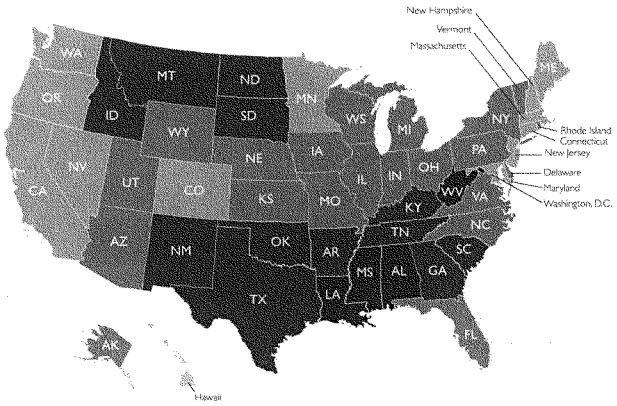
*California estimate based on both BMI and body fat, from the 2012-13 California Physical Fitness Report for ninth grade students only.
*Colorado data from 2011
*Indiana data from 2011
*Iowa data from 2011
*Pennsylvania data from 2009

Source: Centers for Disease Control and Prevention

MILITARY INELIGIBILITY AMONG YOUNG AMERICANS AGES 17-24

Source: Department of Defense, 2014

Three leading causes of ineligibility are being overweight, lacking education and having a criminal record.



RANK	STATE	PERCENT INELIGIBLE
51	Mississippi	78%
50	District of Columbia	78%
49	Louisiana	76%
48	Alabama	75%
47	West Virginia	75%
46	Arkansas	74%
45	South Carolina	74%
44	Tennessee	74%
43	North Dakota	73%
42	Montana	73%
41	South Dakota	73%
40	Kentucky	73%
39	New Mexico	73%
38	Oklahoma	73%
37	Texas	73%
36	Georgia	73%
35	Idaho	73%
34	Rhode Island	72%
33	North Carolina	72%
32	Missouri	72%
31	Indiana	72%
30	Arizona	72%
29	Pennsylvania	72%
28	Utah	72%
27	Ohio	72%

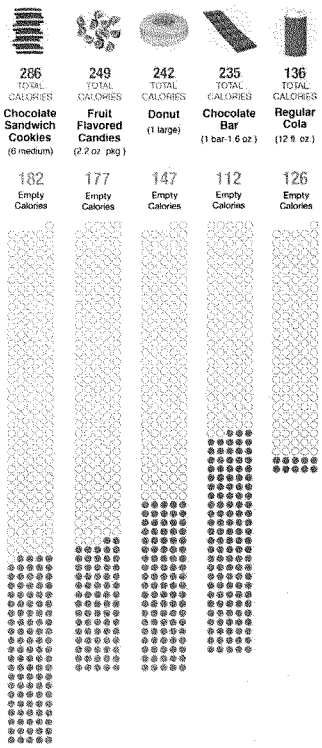
RANK	STATE	PERCENT INELIGIBLE
26	Michigan	71%
25	Florida	71%
24	Vermont	71%
23	Virginia	71%
22	Wisconsin	71%
21	Delaware	71%
20	Nebraska	71%
19	Wyoming	71%
18	New York	71%
17	Iowa	71%
16	Kansas	71%
15	Alaska	71%
14	Illinois	71%
13	Maine	70%
12	Nevada	70%
11	Oregon	70%
10	New Hampshire	70%
9	Maryland	70%
8	California	70%
7	Massachusetts	70%
6	Colorado	70%
5	Minnesota	69%
4	Connecticut	69%
3	Washington	69%
2	New Jersey	69%
1	Hawaii	62%

USDA
United States Department of Agriculture

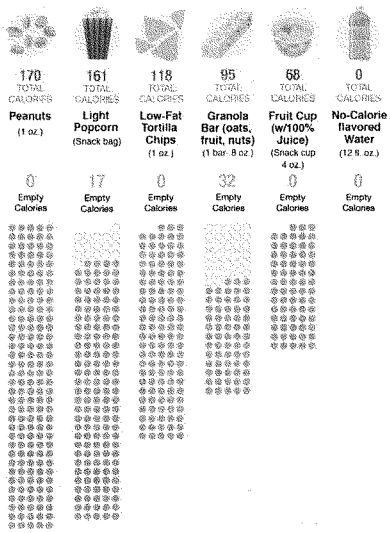
SMART SNACKS IN SCHOOL

The Healthy, Hunger-Free Kids Act of 2010 requires USDA to establish nutrition standards for all foods sold in schools — beyond the federally-supported meals programs. This new rule carefully balances science-based nutrition guidelines with practical and flexible solutions to promote healthier eating on campus. The rule draws on recommendations from the Institute of Medicine, existing voluntary standards already implemented by thousands of schools around the country, and healthy food and beverage offerings already available in the marketplace.

Before the New Standards



After the New Standards



Equals 1 calorie ● Shows empty calories* ○

*Calories from food components such as added sugars and solid fats that provide little nutritional value. Empty calories are part of total calories.

ENDNOTES

1 12.4% in 2011 vs. 7.7% in 2002 according to: Department of Defense (2013, February). 2011 Health Related Behaviors Survey of Active Duty Military Personnel. TRICARE Management Activity. Fairfax, VA. Smith, TJ, Marriot, BP, White, A, Hadden, L et. al (2013, June). Military Personnel Exhibit a Lower Presence of Obesity than the General U.S. Adult Population. Military Nutrition Division, U.S. Army Research Institute of Environmental Medicine. Natick, MA.
2 Ogden, C. L., Carroll, M. D., Kit, B. K., & Flegal, K. M. (2014). Prevalence of childhood and adult obesity in the United States, 2011-2012. JAMA, 311(8), 806-814. For the estimate that nearly a quarter of young Americans are too heavy to qualify, see: Cawley, J., & Maclean, J.C. (2010). Unfit for service: The implications of rising obesity for US Military recruitment. Cambridge, MA: National Bureau of Economic Research.
3 See endnotes 17 and 18
4 U.S. Congress. (1945). House of Representatives 49th Congress 1st Session, Hearings Before The Committee on Agriculture on H.R. 2673, H.R. 3143 (H.R. 3370 Reported). Bills Relating to the School-Lunch Program, March 23-May 24, 1945. Testimony of Major General Lewis B. Hershey.
5 Fryar, C. D., Carroll, M. D., & Ogden, C. L. (2012). Prevalence of obesity among children and adolescents: United States, trends 1963–1965 through 2009–2010. National Center for Health Statistics; Ogden, C. L, Fryar, CD, Carroll, MD, & Flegal, KM (2004, October 27). Mean body weight, height, and body mass index: United States 1960-2002 (pp. 1-17). Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Health Statistics.
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WHO WE ARE

MISSION: READINESS is the nonprofit, nonpartisan national security organization of more than 450 retired generals, admirals and other senior retired military leaders who work to ensure continued American security and prosperity by calling for smart investments in the upcoming generation of American children. It operates under the umbrella of the nonprofit Council for a Strong America.

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Chairman KLINE. Without objection.

I would have been shocked if you had not brought up milk, so glad not to be disappointed.

And just for everyone's information, we are keenly aware that there is a microphone problem up here and scrambling to see if we can solve it.

Mr. Salmon?

Mr. SALMON. Thanks.

Last month, the USDA released its second Access, Participation, Eligibility and Certification Study on measuring and reducing errors in the school meal programs. The department found a number of areas of fraud, waste, and abuse within these programs.

And I have two questions regarding that. And then my last question is going to be regarding the administration's recent decision on trans fats and how that is going to translate into the school lunch programs.

The report cites improper payments being made in the school lunch and breakfast programs. How prevalent and costly are these improper payments? And what is USDA doing to prevent these occurrences? That is my first question related to the study.

And during school year 2005–2006, USDA found significant levels of program errors in school food service providers' abilities to adequately verify whether or not a child was eligible for certain reimbursement categories.

The most recent study states "that though some improvements have been made, levels of program errors remain high." To what degree do these errors affect the overall integrity of the program and access to meals for those who truly need them when people who don't need them or should not qualify are getting them? And how much are these errors costing the taxpayer? What is food and nutrition services doing to address these errors?

And then finally, could you just address what kind of impact the trans fat decision by the administration is going to have on school meal programs?

Secretary Vilsack. Well, we share the concern that you have about program integrity, which is why we have begun the process of professionalizing the standards for the folks who are the cashiers, the people who are basically making determinations at-site, on-site. We know that is one of three mistake areas or problem areas.

Raising the standards and the understanding and the training for those individuals I think will help.

We are also asking states to upgrade their training efforts as well so that personnel in the schools do a better job.

Secondly, you know, the use of community eligibility and direct certification, we know from the data and the review of statistics substantially reduces the errors that you are concerned about.

So to the extent that we can continue to look for ways to encourage districts, roughly 6.4 million kids, 14,000 schools, there are probably another 14,000 schools that could utilize community eligibility, they are unwilling or reluctant to do it, either because they have made the mathematical calculation that they won't benefit financially, or, in all likelihood, they are concerned about their impact on Title I.

Today Title I eligibility is dependent on your free and reduced lunch percentage of your kids. If we could find a way to basically allow for some kind of mathematical formula to translate so you didn't actually need a specific count of free and reduced lunch kids for Title I, we would probably see a lot more school districts. That would substantially reduce the error rate.

We also have to make the application simpler. Honestly, it is very complicated. And if you have got parents who maybe English is a second language type of thing, we probably need to make sure that we figure out ways to simplify that application to get the basic information.

Online application might also help, so we are working on that. We have established an Office of Integrity to try to look at this.

Earlier I mentioned the need for us to have increased capacity from Congress to review more schools. We currently are limited by Congressional mandate to only review 3 percent of schools in terms of compliance.

Congressman Thompson asked me if there is a number. Now, my staff tells me that 10 percent would be more accurate and more helpful if we could get up to 10 percent review. That would certainly send a message and would begin to focus on the importance of making sure we are accurate on all of this.

Data mining is also an opportunity for us to take a look and try to identify maybe school districts that are having difficulties and maybe focus time and attention on those individual schools.

So there is a lot of activity going on in this space. And I think we will see significant reductions in those numbers over time.

To the issue of trans fats, it isn't something I have had a chance to talk to our team about because, obviously, the ruling came out from FDA today. But I did notice that 85 percent of food processors are already well on their way. There is a 3-year implementation time line, so I wouldn't anticipate that this is going to create serious and significant problems in terms of standards relative to school lunch.

Mr. SALMON. Do you think there might be an onslaught of litigation from attorneys toward some of these food companies that have been using trans fats in the last several years? I mean, is that a possibility?

Secretary Vilsack. I want to make sure I understand your question. You mean in terms of people suing because of trans fats?

Mr. SALMON. Right.

Secretary Vilsack. Well, as a lawyer, people can be pretty creative and look for opportunities potentially. I don't think you can discount that possibility.

I would certainly hope that, you know, honestly that we would be looking for ways in which we could find consensus and not conflict on issues involving nutrition.

I am told that our school meals and snacks are already limited to zero grams of trans fats, so we are already where we need to be.

Mr. SALMON. Thank you.

Thank you.

Chairman KLINE. The gentleman's time has expired.

Mr. Polis?

Mr. POLIS. Thank you. Thank you, Mr. Chairman.

And Mr. Secretary, thank you for your testimony today as well as the time you recently took to travel to my district and hear from many of my constituents. And I certainly appreciate your diligent work in the realm of child nutrition, a passion and a cause that I share with you. And there has been a lot of discussion about that today.

But I did want to bring some other items to your attention as well.

Specifically, I wanted to talk about the idea of establishing conservation compliance enforcement parameters around agricultural support programs that are funded by the Federal Government.

As you know, this concept dates to the Reagan administration attempting to curb environmental concerns through limiting taxpayer support and subsidies. It can help make sure that we can address environmental impact and reduce exposure to taxpayers.

Specifically, the conservation compliance enforcement program focuses on reducing soil erosion, protecting the long-term capability to produce food, to make sure we don't do anything to increase short-term production at the expense of the long term, reducing sedimentation, improving water quality, and preserving and protecting wetlands.

What we saw, however, in a 1995 inspector general's report is that 20 percent of growers who see large federal subsidies are simultaneously failing to comply with the conservation standards surrounding impacts to the erosion of wetlands.

So that is a lot of money that goes to those who are causing irreparable damage to some of our most unique and fragile ecosystems.

In last year's farm bill, I was thrilled to see the conservation compliance language added back into the law for crop insurance subsidies.

But with a track record of 20 percent noncompliance, I wanted to ask how USDA can better implement and enforce this provision going forward, if you have any more recent statistics than the inspector general's report from 20 years ago or if there are plans under way to come up with new statistics with regard to noncompliance, and how you plan to use the tool of withholding subsidies to ensure compliance.

Secretary Vilsack. June 1 was an important date in terms of conservation compliance because on that date operators who didn't have on file their AD–1026 form were required to do so.

This is a new opportunity in a new area, particularly for specialty crop producers. And so we have made a concerted effort in terms of outreach to remind folks of that requirement and to also remind them of the consequence if they didn't file the 1026 form.

They now have an opportunity and responsibility for developing and devising a plan and for our local NRCS offices to ensure that those plans are followed.

I can tell you that I am very proud of the fact that we have a record number of producers now enrolled in voluntary conservation of one sort or another. Well over 500,000 producers are participating in conservation, well over 400 million acres, which is a record. That number continues to rise and will no doubt continue

to rise with the farm bill programs that we have, including the regional conservation partnership program.

You know, we are looking for ways in which NRCS can provide more technical assistance, more on-the-ground assistance, and less paper shuffling, so we just recently launched the NRCS gateway which allows for operators to be able to access information online at their convenience without the necessity of coming to an office. That should free up folks to do more technical assistance, more review, more compliance activities.

I don't know that there is any more recent study on the issue that you have raised. And I will certainly ask when I get back to the office if there is, and if there is we will get it to you.

Mr. POLIS. And I think you alluded to this, but it sounds like you are doing what you can through automation to free up staff time and resources to ensure that the program succeeds.

Secretary Vilsack. I would encourage you and your staff to take a look at the new gateway that we launched. I think it is a great opportunity for saving time and effort. It complements the work that we are doing on the farm loan side with some of the automation that has taken place recently in terms of reporting.

Mr. POLIS. And what about utilizing the tool of withholding subsidies for noncompliance?

Secretary Vilsack. Well, that is the ultimate responsibility or ultimate penalty if folks are not in compliance. And that is the law, and we will obviously follow the law.

Mr. POLIS. Thank you.

And I yield back the balance of my time.

Chairman KLINE. I thank the gentleman.

Mr. Rokita?

Mr. ROKITA. I thank the chairman.

Good morning, Mr. Secretary.

As chairman of what we colloquially call the K through 12 subcommittee on education here on this committee, I have gone to schools all over Indiana and all over the country and stuck my head in a lot of garbage cans to see what was in there, took a lot of school lunches. And I know you do the same thing across the country. And I am sure you would agree as well that the best part of that experience is talking with the kids. I seem to learn a lot. They continue to teach me at least.

One of my concerns throughout all this and the several hearings we have had, though, is the potential for waste, fraud, and abuse and perhaps the real waste, fraud, and abuse, whether it is the fraud documented in the WIC program or the ineligible students that are receiving free and reduced breakfasts and lunches.

And I appreciate the discussion we have had about you needing to see more than 3 percent in terms of a sample. And you have offered 10 percent as a goal that should be changed in law.

If you do that on a school-wide basis, though, 10 percent, shouldn't the schools also at least get a 10 percent sampling of the applications? Because I understand right now they only do about 3 percent under the law as well.

Secretary Vilsack. Well, I think the goal here is to figure out a way in which we can hold folks accountable and to figure out ways in which if there is—

Mr. ROKITA. Is 3 percent at the school level?

Secretary Vilsack. I am sorry, what?

Mr. ROKITA. Is the 3 percent application sampling at the school level?

Secretary Vilsack. Let me check on that. I don't know.

Yes, that is accurate.

Mr. ROKITA. Should we raise it to 10 percent?

Secretary Vilsack. Well, to the extent that we think looking at more applications will provide us more information that will allow us to reduce error rates, I would be in favor of anything that would enable this.

You know, obviously, we don't want to necessarily create busy work for schools. But I think we need to explain to them that this is an issue that we are all concerned about and they have a responsibility to work with us to reduce the error rate.

Mr. ROKITA. I might be willing to help you with that in light of other technologies or other ways we can get to the bottom of waste, fraud, and abuse. I think you make a reasonable request.

As I have gone to one school in particular, I believe it was in Lafayette, they made me a batch of mashed potatoes under their current goals and guidelines, and they were god awful. And then they made me a batch of mashed potatoes under the regulations that they have to get to within the next 10 years, and they were just terrible.

Have you had any of those experiences? Or have all your experiences been good?

Secretary Vilsack. Well, look, I think you could probably go to schools, if you went to all 99,000 schools that are currently trying to comply, you would find a circumstance, a day, a meal, an entree that probably you wouldn't like.

That is why we have focused on ways and strategies to help school districts do a better job. Part of it is bringing chefs into the schools to explain how you might be able to utilize better cooking techniques.

That is why we have focused on school equipment grants to give schools the ability to produce meals on-site. It is why we have developed our Team Up for Success program, linking struggling schools with succeeding schools so they have got a mentor who is in a similar circumstance to say, hey, you can do this.

Mr. ROKITA. I have found, Mr. Secretary, I found creative people there. I mean, these were deep-fry cooks, okay? And the first batch of mashed potatoes actually had butter buds in them, so they were already using substitutes and things like that. And then the new regulations, the new batch of mashed potatoes, demonstrated regulations that had under 30 milligrams of sodium.

I mean, at some point you have got to—but all right, I understand what you are saying. Maybe the chefs can come to our schools in Indiana.

Going to the department of integrity that you speak of, interested in learning more about that. Do you have all the teeth you need in law for this?

Secretary Vilsack. I am sorry, what?

Mr. ROKITA. The department of integrity you speak of, do you have all the teeth that you need in current law in order to make

that department of integrity work? Or what do you envision it doing that is actually going to make a difference?

Secretary Vilsack. Well, it is starting, I think, with taking a look at the application process and determining whether or not there are ways in which we can prevent errors and mistakes on applications that increase the error rate.

It is also working with software producers to develop an online application process that could potentially reduce errors as well.

You know, obviously, if we are given more capacity and more opportunities to look at more schools, there would be a responsibility there as well.

There is data mining that can be done to take a look at where if we have repeat issues involving a particular state.

And it may be able to identify where standardization, additional training in a particular state might be helpful.

Mr. ROKITA. I am out of time. I am sorry. Thank you very much for your questions.

Chairman KLINE. I thank the gentleman.

Mr. Sablan?

Mr. SABLAN. Thank you very much, Mr. Chairman.

And Mr. Secretary, welcome. It is always nice to have a conversation with you, sir, and you know, especially when you are reporting to us that about 90 percent, that over 90 percent of our schools in the country are now meeting the national guidelines for the school meal program.

And I don't know what it was like around the family dinner, but my experience is that it is always that kid, meaning me, who made a stink about eating vegetables growing up. And I would get all the attention while everyone else quietly enjoyed what was put on the table.

So it is good to hear that 90 percent of kids we are feeding with the program are getting along with it, if not complaining. I have heard some complaints from kids eating brown rice.

But in my district where we all expect to eat white rice at every meal, the school system has gradually introduced more nutritious brown rice by adding a little bit over time. And I understand that this approach is working. And I cannot overemphasize what a significant cultural shift that represents.

And I have to compliment the school system. The Northern Mariana Public School System received a block grant to support its child nutrition program. It serves over 14,000 meals each day to over 11,000 school children.

Now, food costs have gone up since 1991, the year when the block grant started in the Northern Marianas. And I am concerned that there has been no review since then, whether the payment rates in the Northern Marianas are proportional to the costs of providing nutritious meals there as for Guam, for Alaska and Hawaii in 1979 in exercise of your authority to do so under Section 10 of the Child Nutrition Amendment of 1978.

So my question is, would you be willing to exercise this authority again to review payment rates in the Northern Marianas so that you can set the appropriate reimbursement rates to reflect the costs of food in that area, in my district?

Secretary Vilsack. Well, I would be happy to work with you, Congressman, on that issue. And obviously, more of a general comment on your comments, you know, we are pleased with the fact that we are seeing more fruits and vegetable consumption by kids as a result of these standards.

And honestly, you know, when we deal about food waste, I hope that maybe, if it isn't this committee, some committee will work with us to deal with the fact that today in America 30 percent of all the food that is produced in this country is wasted, 30 percent. It is 133 billion pounds of food. And that is a global issue as well.

And if you think about 30 percent, you think about all the costs associated with producing that, it is a focus of ours now. We have over 2,000 partners that are looking at ways in which we can reduce food waste across the country.

Mr. SABLAN. Yes. And Mr. Secretary, when I signed up for the Army Reserves, I actually almost got turned down because I was fat, obese. But a number of recent studies indicate that one-third of all children between the ages of 6 and 9 are overweight or obese.

In talking about the childhood obesity epidemic in this country, I think it is sometimes hard to make the link between obesity and hunger. Can you help clarify that link to us, please?

Secretary Vilsack. I am sorry, I didn't catch the last one.

Mr. SABLAN. Can you clarify the link between obesity and hunger?

Secretary Vilsack. It is somewhat difficult for some to understand that they can sometimes be twin challenges that a particular youngster could face.

If you live in a family that is struggling financially, then they are looking for food products that will basically provide substance, but also try to deal with the pangs of hunger, so oftentimes they look at processed foods.

Those families may have limited access to full-scale grocery stores. That is one of the reasons why we have improved the SNAP program to allow the redemption of EBT benefits, SNAP benefits at farmers' markets. That is why we have the food insecurity initiative that we launched to encourage more fruit and vegetable consumption for SNAP families.

It is why we have developed recipes for SNAP families to figure out ways in which they can provide more nutritious, less empty-calorie meals.

And it is a challenge. And frankly, it is something that you have mentioned that you are challenged. I had the same and continue to have the same challenge.

I still remember the fact that my mother put a cartoon on the refrigerator at our house of a very, very overweight kid with a beanie cap, which was a way of telling me to stay out of the refrigerator.

Mr. SABLAN. Mr. Secretary, before I run out of time, again, we have a standing invitation for you or Ms. Rowe to come to the Northern Marianas.

And I would be remiss if I don't mention the energized and new relationship we have, whether it is with your people in San Francisco, your Honolulu folks are very attentive to us, and even your

Guam people. I just want to mention that renewal of cooperation and I appreciate it.

And thank you for your leadership.

Chairman KLINE. The gentleman's time has expired.

Mr. Brat?

Mr. BRAT. All right. Mr. Secretary, thank you for being with us here today.

I have got a couple of questions. The ranking member made a comment. It is our job to provide nutritious meals. I think most of us agree with that statement in the short run, but I want to get your thoughts on what you would make of that in the long run, both on the economic front and on the ethics front.

I think we have got a few issues coming up. The governor's wife from Virginia came up and sat in your seat a few weeks ago. We have got $127 trillion in unfunded liability issues coming our way. And the impact of that, that is the entitlement programs plus interest, by 2032—I am on the Budget Committee and the CBO director has a nice graph—it is not a nice graph—by 2032, those four programs plus interest take up all federal revenues. So that is where we are heading.

So if you look at a military crisis or education crisis, right now the Budget Committee has a third of the budget to deal with the discretionary funds. By 2032, we have zero in discretionary funds. So there is the economic backdrop.

And then on the ethical backdrop, our job to provide nutritious meals. And that leads into a host of complexity. Do we provide breakfasts, lunches, dinners, backpacks going home for the weekend?

If you refuse to do any of this, are you less than 100 percent compassionate?

Along with this, health care, daycare, obesity programs. We have heard folks note this is a national defense, a national security issue.

And then anything run at the federal level, we have bureaucratic costs added to all this.

And so going forward, we have a crisis coming our way in economics if you incentivize the state, which is what I think we are doing through these programs, to care for kids. I get nervous about the caring and loving part, the more and more the federal role increases and the less and less the role of the parent decreases.

I get the tension, we all want to take care of the kids. I don't think there is any disagreement on that. We want to do the right thing. But education, and I taught in college for the last 18 years, education is precisely about educating kids and hopefully parents, and how this has not happened is part of the crisis, so they can live autonomous lives in the future and families can live intact.

And so, I mean, one way to state, is there any upper bound, philosophically in your thought, on the role of the state in caring for our kids? And is this a short-run glide path toward the next 16 years as we run into more and more economic headwinds?

I think we want to solve this problem in a better way. I am willing to go along in the short run for the sake of the kids. But in the long run, I don't want to be sitting here at the federal level

micromanaging all these micro issues that I think belong at the state and local and, optimally, at the parent level.

So I just want to get your high-end thoughts on that.

Secretary Vilsack. Well, Congressman, you have raised obviously some really important questions. And frankly, as you were asking your question, I was actually thinking back to my childhood where I started out life in an orphanage and I was adopted into a family where my mother suffered from alcoholism and prescription drug addiction. And she was, you know, she was a mean lady when she drank and she was a wonderful woman when she stopped.

But during the time that she was drinking, she was not there, she was just flat-out not there.

You know, I think there are unfortunately and tragically a lot of families that deal with those kinds of issues. And you know, somebody has got to be there, okay? Somebody has got to be there.

You would hope that it would be a family member. You would hope. You would want it to be a family member. And you would want that family member not to feel overwhelmed.

But maybe if you are dealing with two part-time jobs and you are trying to juggle a couple of kids and you are taking in your sister's kids because she is having problems, I think it is overwhelming. So there has to be some way in which we provide some assistance.

You know, we send our children to school. And obviously, you know, when they are in school this whole loco parent is notion, you would hope that the school district is taking care of them, protecting them, feeding them well, and teaching them well, so that at some point in time the light bulb turns on and the kid basically says, you know, I want a better life, I want a better way, I am going to work hard, I am going to do what I need to do.

I mentioned I was in Baltimore yesterday. You know, I went to this library, saw wonderful, beautiful young kids who were there reading. I don't know what their family circumstances were. But as our car pulled out of that library, there were three pop, pop, pops, and I thought it was, you know, a tire or something, you know. My security guy goes, sir, did you hear those gunshots?

You know, somebody has got to be there. Somebody has got to be there. I would like it to be mom and dad, but sometimes that is just not possible. So somebody has got to be there.

Chairman KLINE. The gentleman's time has expired.

Mr. Takano?

Mr. TAKANO. Thank you, Mr. Chairman.

Thank you, Secretary Vilsack, for all the great work you have done on improving nutrition. I really commend this administration for being leaders in this area.

I would like to ask unanimous consent to enter in the record a statement from Rodney Taylor, the director of nutrition services at the Riverside Unified School District. It is a brief statement, I will just read it. "In considering the reauthorization of the Healthy, Hunger-Free Kids Act, the question we must ask ourselves is, how much are the lives of our children worth? The Healthy, Hunger-Free Kids Act seeks to reinforce the recommendations made by the Institute of Medicine in aligning the school food program with scientific research."

"While millions struggle with obesity and hunger, standards provide one structured approach. As a country, as parents, as people with moral consciences, we owe it to our children. The Healthy, Hunger-Free Kids Act gives all children the chance at living a healthy life. The cost to do nothing is far greater than the inconveniences in implementing what is already in place in most school districts."

Along those lines, I ask unanimous consent it being entered into the record.

[The information follows:]

From: Rodney Taylor, Director of Nutrition Services Riverside Unified School District
To: Education and Workforce Committee
Re: Statement for hearing *"Child Nutrition Assistance: Are Federal Rules and Regulations Serving the Best Interests of Schools and Families?"*
Date: June 16, 2015

In considering the reauthorization of the Healthy Hunger-Free Kids Act, the question we must ask ourselves is: how much are the lives of our children worth? The Healthy Hunger-Free Kids Act seeks to reinforce the recommendations made the Institute of Medicine in aligning the school food program with scientific research. While millions struggle with obesity/hunger, standards provide one structured approach. As a country, as a parent, as one with a moral conscious, we owe it to our children. The Healthy Hunger-Free Kids Act gives all children the chance at living a healthy life. The cost to do nothing is far great than the inconvenience in implementing what is already in place in most school districts.

Chairman KLINE. I think you just did put it in the record, but of course, without objection.

Mr. TAKANO. Thank you.

In California, our schools are required to meet higher standards for meals, about 5 years before the Healthy, Hunger-Free Kids Act was last reauthorized.

For schools in my district, state law helped them to be ready for the federal standards and demonstrated that these kinds of changes can be implemented on a large scale.

Can you point to other examples where schools or states led the way for improving nutrition for children?

Secretary Vilsack. Well, I think there are probably examples of school districts in every single state where there was a concerned group of parents or a concerned superintendent or principal or a concerned group of teachers or a combination of school nutrition personnel that knew that they could do a better job and a better way.

But there are many, many school districts that, for whatever reason, have transitioned to a sort of a central kitchen in order to save money. And now they would like to do a better job, which is why the school equipment program is so important.

Some of the school districts that you have had the chance to see probably equip themselves, probably spent the resources, had access to the resources. Not every school district has that. That is why the school equipment grant is so important.

Mr. TAKANO. Well, thank you. I can just mention that my school district, the largest school district of which Mr. Taylor is the director for nutrition services, has been, we don't have exceptional resources. He has been able to improvise and do what he needs to do. But he has been so inspirational to me. I have visited his facilities.

He has used the buying power of the school district to support the local farmers in our area. The food is fresher and, therefore, more appealing to the young people.

He has strategized in terms of where he puts the salad bar. And by the way, he has implemented salad bars in nearly all of the schools. And he puts the salad bar first so that the young people have a chance to make healthier choices first. And just that simple innovation of one, well, two innovations, the salad bar and where you put the salad bar. If all the students are filing past the salad bar first, they are going to make choices for healthier food first.

Secretary Vilsack. Cornell School of Nutrition has put together a series of steps similar to what you have outlined in terms of placement. Even if you name the vegetable, we found with elementary school kids if you name carrots the x-ray vision carrots, that will encourage kids to basically try a carrot or two. So there are strategies.

And in fact, we have put together 2,500 toolkits of the best practices and strategies to distribute to school districts that are trying to figure out how to do this. You don't have to reinvent the wheel. There are a lot of school districts that have already figured this out and are happy to help.

Mr. TAKANO. Yes. And Mr. Taylor, I know, has been traveling around the country helping other school districts. And I thank you

and your department for, you know, showing us the best practices. And he has definitely shown our community that this can all work.

His own story is he grew up in a very, very poor environment. He knew what hunger was. And he has committed his life to making sure that none of our children today have to go through that. And he has been a real inspiration to our community.

We thank you for the standards that you are trying to implement.

Chairman KLINE. The gentleman's time has expired.

I can't help but wonder if those kids are disappointed when they don't get x-ray vision.

Mr. Allen?

Mr. ALLEN. Thank you, Mr. Chairman.

And thank you, Mr. Secretary. It is good to see you. Appreciate you coming over and talking about the lunch program.

You know, in Georgia we fully embrace the dietary guidelines set by the Federal Government. And you know, it is a no-brainer that we want our kids to be healthy. And to do that, they need to be eating nutritious foods.

Out of the 264 schools, Georgia has only five schools that have not met the 6 cents certification guidelines for healthier school meals. That speaks volumes about the dedication of Georgia school nutrition professionals to serving health meals while adhering to federal mandates.

However, Nancy Rice, director of the School Nutrition Division of the Georgia Department of Education, says that Georgia continues to face challenges with federal mandates. Of particular concern are sodium requirements, explaining those mashed potatoes, and implementation of the USDA smart snacks and the paid lunch equity program.

And the fact is I have been in the schools and I always go back to the kitchen and talk with the personnel who are preparing the foods. And you know, a lot of those folks just aren't happy about what they are having to do.

The sodium requirement is as low as the prescriptive low-sodium clinical diet. And of course, back when I played football they made us eat sodium tablets so, you know, it just, I guess, depends on how much exercise you get.

But kids don't typically eat this way at home, so when at school they think something is kind of wrong with the food. And that might explain why they don't eat it in some cases.

But the implementation of the USDA Smart Snacks has caused a significant loss in participation in revenue for Georgia schools. The revenue losses ranged from $79,000 to as much as $5 million for the 2015 school year.

The school food directors are seriously concerned about their food service and operational finances. They say that staff is what will have to be cut first if things don't change.

As you state in your testimony, flexibility is important to comply with federal standards for child nutrition. And how can we work together to provide flexibility for the sodium requirements and the USDA smart snacks or the paid lunch equity?

Secretary Vilsack. Well, Congressman, I think on the sodium there are basically three targets that have to be met. And in fact,

we have provided a 10-year phase-in on the sodium requirement and have provided that flexibility that we don't move from target one to target two until the dietary guidelines basically establish that it is appropriate.

So we have been working with the food processing companies to make those adjustments. And clearly, there will be an adjustment.

But over time, we spent some time at the McCormick facility in Maryland where they showed me how you can use spices to replace salt. And the meal that they served me was extraordinary, within the calorie guidelines. So there are ways to do this.

So there has been flexibility provided in the sodium, and there has also been flexibility provided in terms of the pay equity issue. You know, obviously, we want to make sure that we aren't reimbursing or overcompensating school districts for paid meals, that they aren't subsidizing their paid meals improperly.

But if they have, you know, adequate reserves we give them some flexibility. So there has been flexibility put in those two areas.

On the smart snack piece of it, again, I would be happy to get information from you in terms of the school districts and we could try to work with them to see if there is a reason why they are losing the resources that they are losing. Maybe we could help with that.

Mr. ALLEN. Okay. We will do that and I appreciate your offer to do that.

After the federal child nutrition standards were implemented in 2012, we did see a drop in participation in school lunch programs. And clearly, these standards are having unintended effects.

Am I hearing that we are doing better now? Or do we have plans to significantly decrease this decline in the school lunch participation?

Secretary Vilsack. Well, you know, we may have some disagreement about the extent of the decline.

As I mentioned earlier, of the over 99,000 schools in the country today, only 58 have dropped out. And some of those who have dropped out are coming back in. There is an article in the Houston Chronicle that I mentioned earlier that outlined several of those coming back in.

We know that there are multiple reasons why an individual student may not participate. It may very well be some of the concerns that have been expressed here. But it may also be we have seen a rather dramatic increase in free and reduced lunch. It may be a situation where folks at home feel that they will do better for less. And we saw actually this trend occurring before the guidelines occurred.

So the challenge here, I think, for us is to continue to focus on best practices, continue to look for ways in which we can make these meals as pleasing as possible and to work with schools that are struggling. That is why we created the Team Up for Success.

We started it in the deep south with a number of school districts. We took them down to the University of Mississippi where they worked for a day-and-a-half with them, looked at procurement, looked at financing, looked at meal menus. We have received good, positive feedback, so we have extended that program, so by the end

of this year we will have touched all regions of the country with this effort to try to team up succeeding schools with struggling schools.

Chairman KLINE. The gentleman's time has expired.

Ms. Fudge?

Ms. FUDGE. Thank you very much, Mr. Chairman.

And thank you, Mr. Secretary, for being here.

Let me just say that I think that what we spend on feeding kids in this country is a great value, especially since we spend about $3 million per hour on war that we have never authorized.

Mr. Secretary, non-profit organizations and schools have to operate after-school meal programs and the summer meal program separately. These programs serve the same kids, the same meals at the same location, just at different times of the year.

Now, they have different sets of paperwork and often operate under different state agencies. It is a huge burden of paperwork. Is there any opportunity to streamline these programs and make them easier to operate?

Secretary Vilsack. Well, the answer, obviously, we should look for ways in which we can streamline the programs. And yesterday in Baltimore we sort of committed ourselves to a demonstration project in the city of Baltimore to see if we could work on creating a process.

Apparently, we have a rule that says you can't serve three meals at the same location. And so we are going to have a demonstration project to take a look at whether or not we can do that and what the concerns might be.

So there are obviously ways in which we would look for streamlining. And if you have suggestions, we would be more than open to them.

Ms. FUDGE. Thank you.

Congressman Fortenberry and I introduced a bipartisan Farm to School Act of 2015. And the cornerstone of that act is to provide flexibility to local schools and communities to include preschools in the USDA Farm-to-School program.

Can you speak to the benefits of Farm-to-School for children and why you would support this additional flexibility in the program for early childcare settings?

Secretary Vilsack. Well, the Farm-to-School program has been extraordinarily successful. We have done 221 grants and we have recently surveyed school districts and we have found that there is about, of the school districts that have been surveyed, about $350 million of economic benefit associated with Farm-to-School.

So one of the benefits is basically keeping resources that are generated in a community in the community, instead of sending your resources for meals a thousand miles away and benefiting some other community, if you will.

So there is an economic benefit. There is obviously a freshness benefit. People like the idea that they are helping their local producers and they like the idea that kids can learn about what is being grown and raised in their vicinity.

We know that there is a multiple-billion-dollar opportunity here. It is particularly helpful to small- and medium-sized producers.

And kids get access to fruits and vegetables that they might not otherwise consume. So you know, to use a trite phrase, it is a win-win situation.

And frankly, school districts are learning that they can do this in a way that doesn't break the bank and that it is quite popular.

You know, we have done quite a bit of good with a relatively small amount of money. The program has $5 to $6 million in grants. And what we do with those resources is we acquaint people with what is grown in their vicinity and their district within a 150-, 200-mile radius. We help them with procurement, so they know how to contract. And then we basically steer them potentially to food hubs and other facilities that can provide sufficient quantity to satisfy them.

Ms. FUDGE. Thank you, Mr. Secretary.

Let me ask just one last question and it is about summer meals. We have had a number of hearings where both sides testified that summer meals are significantly important to young people.

But in the state of Ohio, only about 10 percent of low-income children are getting summer meals, where the national average is about 16 percent, both still low.

But what solutions should this committee consider to ensure that programs like summer meals are flexible enough to serve kids in need?

I look at just my largest city, which is the city of Cleveland; 54 percent of all the kids there live in poverty. So the need is there, how do we address it?

Secretary Vilsack. Well, I think it is a partnership that requires local engagement and involvement from local political leaders. Mayors, governors have to be engaged, and if they are we have seen dramatic increases.

I would say one thing that we need to do is to figure out ways in which we can go to where the kids are as opposed to having the kids go to where the meals are.

We know and I suspect you know in your city you know where kids will congregate during the summer. And we need to figure out ways in which we can be flexible enough to be able to ensure that meals go to them, if it is a playground, if it is a swimming pool, if it is wherever they congregate.

In my town where our kids grew up, it was the little league diamond is where kids basically congregated during the summer months.

So ways in which we can go to the where the kids are. Right now, our process is that kids have to go to a central location. And sometimes they know where that central location is and we are trying to make it easy for parents to understand where that is, but it is oftentimes difficult to get there.

We are trying to make it nonthreatening. That is why libraries are important, that is why schools, the seamless program are important. Any way in which we can continue to promote flexibility and access we would be certainly looking forward to working with you on.

Ms. FUDGE. Thank you very much.

Chairman KLINE. Thank the gentlelady.

Mr. Curbelo?

Mr. CURBELO. Thank you, Mr. Chairman. And I look forward to working with you, the subcommittee chairmen, and all of my colleagues on this important issue.

And thank you, Mr. Secretary, for your presence here today and your testimony.

My first question is prompted by some frustrations in the state of Florida with regards to transportation. As you know, all current USDA food commodities ordered for the state of Florida must be placed on a truck of all like material.

Would it make more sense to create mixed-product loads to decrease costs to smaller school districts or to use smaller trucks to offset some of the costs incurred by ordering these large truckload quantities?

Secretary Vilsack. Congressman, it seems like a reasonable proposal and suggestion. I would be more than happy to take that back to the office and see if there is a possibility for us working. You know, we are very focused at USDA on process improvement and this sounds like it would be an improvement. So I would be happy to look into it.

Mr. CURBELO. I would appreciate it. Because for large districts like Miami-Dade County this is not a major challenge, but for some of our rural districts it certainly has posed challenges.

My second question is a little broader. And I served on the Miami-Dade County School Board. And oftentimes, I would think, you know, it is great that we are making this effort to try to help kids have a healthier diet while they are in our schools. But if they go back home and continue their poor eating habits, maybe we are just spinning our wheels.

Do you have any ideas as we look ahead at this reauthorization as to what we can do, if anything, to empower parents to really take ownership over their children's diets, and understand that while the schools can help this is really primarily the responsibility of parents and families?

Secretary Vilsack. Well, one thing, I think we have seen a remarkable increase in parental involvement and interest when kids basically establish a school garden and are able to produce food that they then consume or invite parents to the school so that the parents can go through the salad line and have the tomato or the carrot or the cucumber that a child actually produced through their efforts.

Basically, creating those kinds of opportunities where kids get excited about fruits and vegetables that they have produced and then are able to proudly display them to mom or dad or working with local grocery stores where, again, they are willing to have a display of a locally produced school.

You know, I know that whatever kids are involved in and whatever they are proud about parents take notice. And one way to do that is potentially creating an opportunity within schools for more community gardens and schools gardens that kids could then bring mom and dad into as a suggestion.

But I will think about your question. That is the best I can do right now. But if I come up with a better answer I will be glad to convey it.

Mr. CURBELO. I appreciate it. I just think it is important because we are making significant investments. And we all know what a tough time a lot of the school districts are having complying.

And this is all important. I don't mean to diminish it, because it does make a difference. But the problem of child nutrition and childhood obesity I don't think will ever be solved until families in this country take ownership for their children's health and diet and do the best they can to promote healthy lifestyles at home.

Secretary Vilsack. Well, that is true. I mean, it isn't just what they consume, it is also how active they are. And that is something parents clearly have an opportunity to promote, which is physical activity, getting kids outdoors, having them participate in some kind of activity that gets them moving, as the first lady's Let's Move initiative is focused on.

And certainly, school districts are looking for creative ways to get kids recess time. So there are ways I think in which parents can be engaged in a positive way on this.

Mr. CURBELO. Well, thank you, Mr. Secretary.

Thank you, Mr. Chairman. I yield back.

Chairman KLINE. I thank the gentleman.

Ms. Bonamici?

Ms. BONAMICI. Thank you very much, Mr. Chairman. And thank you to you and Ranking Member Scott for holding this hearing.

And thank you, Secretary Vilsack, for being here today, for your department's dedication and for your very passionate and personal response about the need for these programs.

I spent many years working in a legal aid office and you quickly discover that people don't struggle by choice. It is unfortunate circumstances, typically lost a job, health care bills they couldn't pay, et cetera. So appreciate your meaningful answer there.

And you know, like other committee members, I have visited a lot of schools and had lunch with many students. I try to avoid sticking my head into the garbage can, but I have looked in there.

We have great salad bars out in Oregon in our schools. The school gardens which you mentioned, Mr. Secretary, are great programs, that nutrition education that kids take home with them and talk to their families about.

And I agree with Subcommittee Chairman Rokita. I learn a lot from talking to students. I was actually in our state legislature when we got the junk food out of the vending machines in schools. And the most passionate, compelling testimony came from students who talked about how they would be in a nutrition class learning about health and then go out in the hallway and see vending machines full of junk food and that sent inconsistent messages. The students were very persuasive there.

So I am really hopeful that this committee will work together to successfully reauthorize the child nutrition programs and build on the success of the Healthy, Hunger-Free Kids Act.

I appreciate hearing the concerns from my colleagues.

So I wanted to talk a little bit about something that doesn't get as much attention, and I am really pleased to be partnering with our committee colleague from New York, Representative Stefanik, on legislation that will strengthen the Child and Adult Care Food Program.

I appreciate Representative Stefanik's interest in this program and I look forward to working together to put CACFP on stable footing for the millions of children it serves each day, children in preschool, in daycare. The CACFP also provides after-school programs and emergency shelters.

So I wanted to begin with asking you about the department's process for preparing new meal standards. Why are the new meal guidelines important?

And then I also want to ask, following up on Representative Fudge's issue about streamlining. The USDA is working with some of the large sponsors in the CACFP program to simplify their interactions with state agencies and help those sponsors avoid needing to submit similar paperwork for multiple states.

So can you talk both about preparing the meal standards and guidelines, and then also simplifying the paperwork for multi-state sponsors?

Secretary Vilsack. Well, there are over 178,000 participating locations in the program that you have asked for. And obviously, it is important for us to make sure that in all of those locations, to the extent they involve children, that we are sending a consistent message right through the entire process, consistent message with WIC, consistent message with SNAP and SNAP–Ed, consistent message at the school, consistent message with summer feeding.

So it is important that we ensure that the messages that we are sending are consistent.

So obviously, we rely on the experts to give us a sense of what ought to be served to these youngsters and how it will be consistent with what they are likely to be served in the future at school and summer feeding and down the line.

You know, it is important, I think, that we recognize that the reimbursement rates are relatively the same. They don't get the benefit of the 6 cents increase, but in terms of the reimbursement rates relatively the same. So you know, I think it is trying to remain consistent.

Now, the issue of process, we are engaged at USDA, as I mentioned earlier, in a process improvement effort. And if there are ways in which we can reduce duplication of paperwork I am all for it. And that is why I think we are pushing community eligibility, why we are pushing direct certification.

These are all ways of producing better product, greater access, less cost, less administrative hassle and fewer errors.

Ms. BONAMICI. And before my time runs out, I also want to ask, we want to make sure that the CACFP works well for small providers. Can you talk a little bit about the importance of keeping the small providers connected, especially in rural areas? How can the department work together to encourage CACFP participation?

Secretary Vilsack. Working through our state partners, we want to make sure that just because a youngster is raised in a small town doesn't necessarily mean that they should get inadequate service or no service or improper service.

My kids were in a very small daycare facility in a small town. So I am very sensitive to the needs for kids in rural areas to have access.

Ms. BONAMICI. Terrific. And my time is about to expire. Thank you very much.

Mr. Chairman, I yield back.

Chairman KLINE. I thank the gentlelady.

I understand that the secretary has a hard-stop time near 12:00. We have so much member interest here that I am going to have to take the draconian step of limiting members from here out to 3 minutes. And I will be fairly militant in cutting off the time.

Secretary Vilsack. Mr. Chairman, in the interest of time, I am here for you.

Chairman KLINE. You are very generous. We are still going to limit to 3 minutes because I am respectful of your time.

[Laughter.]

I am afraid. I am doing the math here and we could go until well-past 12 if we don't limit the time.

So with those new guidelines in place, Mr. Guthrie

Mr. GUTHRIE. Thank you, Mr. Chairman.

I just did school visits, I know a lot of us have talked about school visits at elementary, junior high, and high school, and learned a lot. And I think it is beneficial.

And I sat down in roundtables with the people in the dietary world who do this and sat with them. And I said this when we started out, I said, look, this probably isn't going to go away. Anything that we want to do has got to be signed by the President. So what kind of things do you think would make it better, that you could work with to make it more flexible where the kids would eat more?

And they came up with some pretty good ideas. And some of the things that we saw when we did the visit, there was one particular. When you do these, you get particular instances that it is hard to even explain.

There was a hamburger, which I actually thought tasted okay with the whole-grain bun, but you can only get three pickles, so there was a person there guarding the pickle jar to make sure kids didn't get four pickles. And I remember the reporter going, well, what is wrong with pickles, there is no calories in them? Well, it is sodium.

So it has gotten to where, you know, you had the lady there with the potatoes putting them in a little tray and she had to put four in because if a kid got five, instead of having the glove, reaching and putting them on the tray, the kid might get five, so that was a sodium issue as well.

And so you do see these things with throwing fruit in there. The stuff that you hear, I actually saw. One kid at Davis County Middle School said it is the healthiest trash can in town probably. That was a quote from that young person.

But they came, and so, how do we make it work given that we want this to work? And everybody at the table was in the school lunch program. And so they wanted kids to eat healthy, too. And they were saying if they could have flexibility on whole-grain, some flexibility. The whole-grain pasta just sticks together and becomes gooey, they said. No further decrease in sodium.

And one parent suggested they can't have Thanksgiving dinner because there is too much either sodium or calories. If they do

Thanksgiving dinner on Wednesday, they can't eat the rest of the week because it goes beyond. And a parent says, why don't we have one day a month or some number to have flex days that doesn't count? So I would say everything in moderation.

And so when we sat down to say, how do we make the program that is in place work better, those are some suggestions.

Do you have any comments on it? They sound reasonable to me from people in the system.

Secretary Vilsack. Well, certainly, the whole-grain pasta issue was one that we recognized a concern about and provided flexibility. And that was extended to whole-grain generally.

The sodium issue, we also recognized.

We also made some adjustments on the protein and portion size issues so long as things fit within the overall guidelines for the week.

So I think there is flexibility that we have provided. And I think there are creative ways to deal with that flexibility to provide wholesome meals.

Mr. GUTHRIE. But within the authorization that is coming up, that, you know, might need to be included instead of just waivers and flexibility.

But the thing of just the flex day where there could be, if it is PE day or field day, they could have pizza. I mean, it is just because if they do that—I understand it is during the week, but if they have a Thanksgiving meal they said it blows the whole week.

Secretary Vilsack. Just, I mean, in terms of flexibility, we gave that opportunity, 1,900 school districts out of 15,000 were granted the flexibility. So I mean, 2,300 requested it so it was a relatively small percentage of overall school districts and obviously a relatively small percentage of schools.

Mr. GUTHRIE. They actually mentioned that—

Chairman KLINE. The gentleman's time has expired.

Mrs. Davis?

Mrs. DAVIS. Thank you.

Thank you, Mr. Secretary. And thank you for sharing your personal story which I think really is compelling and reminds us there are many, many families that aren't able to take all the advice in the world that we would love to give them. And I appreciate that.

I wanted to focus quickly, though, on California's historic drought right now because this has really exacerbated food insecurity for many, many of our families who are in areas where this really does matter. It means job losses. It is an accumulation of a host of issues.

And I know you are familiar, obviously, with the electronic benefit transfer program and the fact that many of the families who would benefit from school meals during the year aren't able to do that. They don't have a facility, they don't have a place where they can go. And so expanding that program in these drought-stricken areas would be helpful in California.

I know that, you know, I would love to see that. I would love to see that nationally. I think that this makes sense. The pilot programs have shown that it makes a difference.

I think that young people who are not really able to get the nutrition they need in the summertime, they are going to lose out by

not being in school to begin with and this exacerbates that problem.

But what about those drought-stricken communities in California? I don't actually live in one as much as many of the communities, but I am concerned because this would be a good place to focus.

Secretary Vilsack. Well, we agree and we are encouraging folks to consider in the appropriations process an expansion of the program because we know it works, we know it results in more fruits and vegetable consumption and healthier choices being developed for kids during the summer.

And it does deal with the issue of a lack of access if you don't have a congregant site, someplace in your rural area or it is too far away, you don't have transportation or it is too dangerous to get to.

So we are very much inclined to want to see an expansion of that program. And of course, it is really about dollars and cents. If the appropriators give us the resources, we will be glad to extend it. And if we extend it, we will obviously look at ways in which we can help people that are in distress.

I have got a much more fuller-extent answer to the drought issue which we will be able to provide your staff.

Mrs. DAVIS. Right. And I think that there certainly are issues. We know other countries have done a far better job with this. But for the time being, while we wait for that and a host of other remedies that are out there, this is a problem.

So is there anything else that we can do to, I think, make the case that these EBT pilot programs really have demonstrated for us the fact that they work and they keep kids from losing what they could otherwise?.

Secretary Vilsack. Well, I think it is basically responding to the fact that this is a program that reduces hunger, that responds to folks who are in severe distress, that expands access to fruits and vegetables, and at the end of the day expands reach. This program, at a minimum, gets to 30 percent of the kids versus the national average of 16. So you make a case you are getting more help to more kids.

Chairman KLINE. The gentlelady's time has expired.

Dr. Roe?

Mr. ROE. Thank you, Mr. Secretary, for being here. And thank you for your service to our country.

And I am going to talk as fast as a Southerner can. So I have got to get mine in.

I talked to one of our school directors in rural Appalachia where I live, 14,000 students, 67 percent free and reduced lunch. He says the kids are not eating, many of them are throwing the food away, kids are leaving there hungry. And I said, what do you do when they are hungry? He feeds them.

And what Mr. Guthrie was talking about basically the food police deciding how many pickles you get on a hamburger, where we are from, the view we have is ridiculous; so when you limit the portions, the size, and I have eaten many school lunches. I like to go and talk to kids, so I do that a lot.

I am not asking you to comment. I am just saying one school director passed this along and lost $877,000 on the program. That is what it cost in a poor county where I live. So they are having trouble financing this.

I want to get something else. And what Mr. Curbelo said was correct. CDC just released a report that said 35 percent of the adults in the country over 20 are obese, 69 percent over 20 are overweight, and the average woman today weighs what the average male did in 1960. So we have gotten larger as a country, there is no question.

And I wrote you a letter a year-and-a-half ago, a little over a year ago, about the USDA would release a comprehensive report based on how SNAP benefits are used. And to date, in spite of numerous follow ups, we haven't heard anything.

And basically, what we heard was you wrote a letter in July and again in November and it was supposed to be out in March and it still isn't out. And the reason for that is because that is a huge program. And I think unless you affect that program about how foods are bought and prepared there in a more healthy way, you are never going to fix the school lunch because the kids are going home to their parents.

And when is that report coming out? Can you tell me?

Secretary Vilsack. I can check. I don't know the answer to that question, congressman.

Mr. ROE. Well, I don't want to interrupt you, but I have a very little bit of time.

I used the WIC program for years as an OB/GYN doctor. It worked. WIC works; and when you put healthy food out there for people to eat. And we spent between $2 and $4 billion estimated last year on soft drinks. And I know that isn't good news to the soft drink industry, but that isn't food. And we should be looking at this massive program if we could get the data, because I can tell you, when I go into Harris Teeter, which I have an apartment there, they know exactly what I am buying.

So we should be able, the USDA should be able to tell us what those recipients are buying and we need to narrow those food choices so they are eating healthier. I want to help you work with that because the CDC data I just presented are real and it is a nationwide problem. And I am here to try to work with you.

Secretary Vilsack. Well, I can tell you that what SNAP folks are buying is not much different than what the rest of the country is buying.

Mr. ROE. But they are buying it with tax dollars—

Chairman KLINE. The gentleman's time has expired.

Ms. Clark?

Ms. CLARK. Thank you, Mr. Chairman.

And thank you for being here today, Mr. Secretary. And I, too, really appreciate your personal story and the empathy that you bring to these issues.

And I also appreciate the concerns that some of my colleagues have raised with the difficulty that a small percentage of schools are having providing healthier school meals. And I am really grateful for your open-ended approach and flexibility, whether it is let's

look at flavored milks, let's look at trucking and how we can do better by rural communities.

But what really strikes me is that in the richest country in the world, nearly 16 million children struggle with food insecurity. That is one in five American children. And we know this brings lower academic success, increased health factors, obesity, cardiovascular disease, and increased health care costs.

So in 3 minutes, I would like to know our best strategy for solving childhood hunger. And I really would like to have your opinion on where do we need to focus. Is it expanding eligibility for nutrition assistance programs like WIC? Is it expanding accessibility to proposals similar to adjunctive and community eligibility? Or is it simply time to increase SNAP benefits so these kids can also eat when they get home?

Secretary Vilsack. Boy, I think it is an all-of-the-above, in a sense. I would say that this administration has started that process of improving and expanding and doing it in a way that is focused on integrity. We have reduced the integrity concerns on the SNAP program, we are addressing them in WIC, and now we have an aggressive effort that we are under way in terms of the school programs.

So part of it is making sure that we spend the dollars that we have wisely. Part of it is creating ways in which access to programs is simpler. That is why we are looking at an online application for the school lunch program. That is why we are encouraging community eligibility. That is why we are encouraging direct certification.

So continued looking at ways in which there are barriers and trying to figure them out. If Title I is a barrier for school districts to embrace community eligibility that would provide for greater access and fewer errors, then we ought to be working with the Department of Education to figure out a way to get through that barrier.

So just knocking these barriers down.

Ms. CLARK. Great, thank you. We did it.

And thank you, I really appreciate your testimony today and the work that you are doing. And we look forward to working with you.

Secretary Vilsack. Thank you.

Ms. CLARK. I yield back.

Chairman KLINE. The gentlelady yields back.

Mr. Grothman:

Mr. GROTHMAN. Thank you.

I also have toured a lot in my local schools and get the same thing we have heard around here. The federal requirements are causing the costs to go up that they have to charge the kids who are not low-income. Kids are throwing away their food. If they have an open campus, the kids are fleeing the school lunchroom to go to the McDonald's or whatever across the street because they don't want the federally-mandated food.

The question I have for you, you know, and I think it is just odd that here on a federal level we are telling people, school districts what they can serve for lunch, because I always thought most of us were taught what a nutritious lunch is when we were probably in elementary school.

And therefore, I wonder about just giving them the money and not worrying about the paperwork.

How many people do you have and how much cost goes into paying for these programs?

Secretary Vilsack. Well, the school lunch program is roughly $12–1/2 billion.

Mr. GROTHMAN. I mean, the administration, not how much is the checks that we send out.

Secretary Vilsack. I don't know that the administration is—I don't know specifically the answer to that, but I will tell you this. The chairman mentioned the number of employees working at USDA.

And Mr. Chairman, it is no longer 100,000, it is now closer to 85,000 people work for USDA. So we have seen a significant reduction in administrative expense associated with all our programs. So we are operating on an operating budget that is less than it was when I became secretary.

So I can assure you that we are looking for every administrative efficiency. We have addressed and identified over $1.4 billion of efficiencies as part of our blueprint for stronger service.

So I don't think administration is the issue here. And frankly, it is not that we tell specifically what needs to be served, but we give people guidelines and standards and then they have freedom to figure out ways, creative ways to meet those standards.

Mr. GROTHMAN. It should not be that difficult to make a healthy lunch. Right now we couldn't be doing worse. People are throwing away the food. And if you have open campus, the kids are leaving the campus and looking for somewhere else to eat.

Secretary Vilsack. Congressman, with due respect, studies show that there isn't more food waste than there was before the program. And in fact, food waste is an issue that transcends the school lunch program.

Mr. GROTHMAN. The question I would like to know when I talk to my local school districts who frequently always want more money, they wonder how much we are spending here to administer a program that is kind of based on the idea that the local people don't know how to make a decent lunch.

How many employees do you have and how much does it cost to administer this program?

Secretary Vilsack. I will be happy to provide you that answer. But I would also say that those very same people may be living in a state where they haven't spent all the money that we have provided to them.

And my question to them would be, why aren't you spending those resources if you are strapped? There is $24 million on the table that hasn't been spent. Why is that the case?

Chairman KLINE. The gentleman's time has expired.

Ms. Adams.

Ms. ADAMS. Thank you, Mr. Chairman.

And thank you also, Mr. Secretary.

I have some serious issues with food insecurity in North Carolina. We have got a high rate, 26 percent. In the 12th District that I represent, food insecurity is over 30 percent.

So I launched a hunger initiative last month in the district, and I heard some very disturbing things from some of the people who actually came and had a discussion with me.

I heard a troubling story about a child who was 20 to 30 feet from the approved site of the bus stop where the food was being served. And the mother mentioned that she was very concerned because the child couldn't actually take the food on the front porch which was right in front of the stop, because of the current regulations. And she felt that her child was being treated like an animal, forced to eat in the dirt.

So I know that is not the intent of the law, but just wanted to ask you what changes you thought we needed to make to ensure that we aren't discouraging participation in the program and making children feel less than they ought to feel.

Secretary Vilsack. Well, I would say two. One is that we discussed briefly the need to extend the EBT program that has been successful in embracing and encouraging access and flexibility.

And then secondly, continue to work on ways in which we can provide greater flexibility in the site locations for where kids are as opposed to forcing kids to go to a site.

You know, it is somewhat up to the local folks who basically are the sponsors of this program how strict they are about all of this. But I would say those would be two suggestions.

Ms. ADAMS. Just one other thing. We have about 600,000 children who qualify for free and reduced lunch and only 14 percent are accessing. I think you have addressed some of those problems.

But what type of discretion would the USDA have to do to waive some of the current regulations that will prevent students who are eligible for free lunch and not taking advantage of it?

Secretary Vilsack. Well, I think that the first suggestion would be to make sure if a school district is taking full advantage of the programs that exist, the Community Eligibility Program, it may very well be that they qualify for that program, which would significantly reduce the administrative concerns. That will allow them basically to treat all the kids the same and still be reimbursed at a reasonable rate.

So we would be happy to work with you to identify the school district that you are concerned about to see whether they might be able to take advantage of CEP.

Ms. ADAMS. Thank you.

I yield.

Chairman KLINE. The gentlelady yields back.

Mr. Bishop?

Mr. BISHOP. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, for being here today. Appreciate your testimony.

Mr. Secretary, the WIC program, we have had a little discussion about it today. There is a legislative mandate to rebate infant formula and for the allowance to do that for other foods.

I have had discussions with folks in my district and there is concerns that have been raised that the rebates limit parental choice for both the WIC participants and the non-participants. And I am wondering if you might be able to offer up some solutions to the committee today to promote what was intended by those rebates

with cost containment as well as trying to find a way to do it without limiting parental choice.

And also, I would like some input from you as to who you view should be able to choose the products they see as best for the kids.

Secretary Vilsack. Well, we obviously are mindful of the need for the balance between a healthy package and a reasonable cost to taxpayers. Food inflation has, I think, increased by 12 percent since the time I have been secretary. The WIC costs have increased by 1 percent. So the package concept, I think, is trying to maintain reasonable costs.

The issue of flexibility, I know that we have provided some degree of flexibility on formula. Part of the challenge is that some of the folks and the choices that people want to make are much more expensive. That gets into a whole cost issue.

You know, I thought you were going to be asking about the notion that some of the formula makers are concerned about too many people taking advantage of the WIC program because of the way in which states administer the Medicaid program.

And I think the key there is to make sure that the data that they have, the industry has, and the data that we have match, because today that is not the case. There is significant delta between what they claim folks who are ineligible for WIC and we claim. So there is a set of issues there that I think we need to be addressing.

Chairman KLINE. The gentleman yields back.

Mr. Jeffries?

Mr. JEFFRIES. Thank you, Mr. Chair.

And thank you, Secretary Vilsack, for your testimony here today as well as for your leadership on these very important issues.

In the limited time that I have I was hoping that we could just drill down some on the childhood obesity problem that we have got in America.

Now, more than one-third of children in the United States are considered overweight or obese. Is that correct?

Secretary Vilsack. Yes.

Mr. JEFFRIES. And is it fair to say that this level of obesity is a national epidemic?

Secretary Vilsack. It is obviously a serious concern.

Mr. JEFFRIES. And so obesity places children at greater risk of heart disease. Is that correct?

Secretary Vilsack. That and other chronic diseases.

Mr. JEFFRIES. A greater risk of respiratory illness, is that correct?

Secretary Vilsack. I am not sure about that, but certainly diabetes, hypertension.

Mr. JEFFRIES. Greater risk of liver disease?

Secretary Vilsack. May very well be.

Mr. JEFFRIES. Okay. Stroke?

Secretary Vilsack. Greater risk of illness. I am not a doctor, so I don't want to go and I did raise my hand to tell the truth and nothing but the truth. So I want to make sure—

Chairman KLINE. In fairness, he did.

Mr. JEFFRIES. Is it fair to say that childhood obesity increases the likelihood of bullying in school?

Secretary Vilsack. In my personal experience, I would say that is probably true.

Mr. JEFFRIES. Does it increase the likelihood of social isolation?

Secretary Vilsack. Yes.

Mr. JEFFRIES. Is it fair to say that childhood obesity increases the likelihood of severe emotional distress?

Secretary Vilsack. I wouldn't be surprised if that weren't true.

Mr. JEFFRIES. Okay. Now, the health care costs of obesity per year in the United States is as high as $147 billion, is that correct?

Secretary Vilsack. I am not sure what the number is, but I know that there is a significantly high rate associated with obesity.

Mr. JEFFRIES. Alright. So in your view, if you could just speak to some of the efforts that the Department of Agriculture has undertaken to address this epidemic of childhood obesity and the severe financial, health, emotional costs connected to it.

Secretary Vilsack. Improving the WIC program to focus on fruits and vegetables that kids might not otherwise consume. Working with the SNAP families to allow them access to fruits and vegetables at farmers' markets and the EBT, 5,200 farmers' markets. Working on the expansion of the summer feeding program, 23 million more meals than when I became secretary.

Focusing on improved school lunches and school breakfasts in terms of the standards and the calories to make sure the kids are getting nutrition, but not something that is unhealthy for them.

Mr. JEFFRIES. And last question. In your view, has the implementation of the Healthy, Hunger-Free Kids Act of 2010 effectively addressed the problem of childhood obesity?

Secretary Vilsack. I think it is a component, Congressman. I think that the issue of exercise and physical activity is an equally important component to all of this. They are balanced. You have to have both of them. It isn't just calories in, it is also calories out.

Mr. JEFFRIES. Thank you.

Chairman KLINE. Gentleman's time has expired.

Mr. Messer?

Mr. MESSER. Mr. Secretary, appreciate you being here. Appreciate your stamina.

I have had the opportunity to meet with your wife, Christie, in her role as the senior adviser for international education at USAID. And I can tell you that I know we share one thing in common in life, and that is that we both overachieved in marriage, because she is a dynamic professional and somebody that I very much appreciated her insights.

Secretary Vilsack. Thank you.

Mr. MESSER. I represent a mostly rural area of Indiana, 19 counties, ag- and manufacturing-based economy. A lot of folks, frankly, that when you go to their schools, visit the schools, they are on free and reduced lunch.

And I wanted to ask you just a little bit to expand upon the challenges with the Summer Food Service Program. As you know, this program has existed for 40 years.

This Monday, the Indiana Department of Education announced its 2015 summer food service sites. And unfortunately in Indiana, only about 14 percent of folks who are on free and reduced lunch are going to have access to those kinds of programs in the summer.

And we have our disagreements on these programs. I think we all agree that no kid in America should go hungry.

You know, I know, obviously, the first answer is always more money. But beyond that, what can we do to try to make sure that more kids in America won't be going hungry this summer?

Secretary Vilsack. I think encouraging the seamless summer program, schools that our kids are comfortable going to and would be allowed to continue servicing food and better utilization of our school properties.

I think working with mayors and governors to sort of put the spotlight on this and encourage greater community participation.

And certainly at the local level, as a former mayor myself, I know that the park and recreation department could be a critically important component to expanding access.

And then, frankly, more flexibility in our programs in terms of where kids have to go or how the meals can get to them.

Mr. MESSER. And that is the biggest challenge right? Transportation. I mean, the challenge that kids have to try to get to where these sites would be.

Secretary Vilsack. It is a huge challenge in rural areas, which is why we ought to be focusing on more mobility in terms of how the meals can get to where the kids are as opposed to kids coming to where the meals are.

Mr. MESSER. Great. Thank you.

No further questions.

Chairman KLINE. The gentleman yields back.

We have had an opportunity for everybody to have a discussion with the secretary. We are pretty doggone close to 12:00. We are going to wrap up here momentarily.

I am going to yield to Mr. Scott for any closing remarks he has.

Mr. SCOTT. Thank you, Mr. Chairman.

I want to thank the secretary for your hard work and for visiting Virginia and working with our first lady, Dorothy McAuliffe, on child nutrition issues.

Thank you for your testimony and reinforcing the importance of good nutrition from a national security point of view, readiness of our potential military personnel and budgetary concerns, the future health care costs that are associated with obesity.

And then in response to the questions from the gentleman from New York, the behavior associated with obesity can have budgetary impacts.

We have made progress over the last few years, particularly in terms of the standards with virtually all, 95 percent as I understand it, school systems reporting compliance with the upgraded standards, and the community eligibility which means more people can participate. So we need to continue making that progress.

And I thank you, Mr. Secretary, for being with us today.

Chairman KLINE. I, too, want to thank you, Mr. Secretary. You have been a great witness. You have got a heck of a big job. And we are going to try to do the very best we can when we look at reauthorizing this to address concerns. You have heard a number of them here today.

Sometimes we are listening perhaps or looking at some different statistics, but all of us, I believe it is fair to say, all of us up here

want these kids to have a healthy lunch. I think that many of us have talked to, listened to, eaten with and all of those things, gone to schools and see that there still are some real concerns about cost and flexibility. So we will be looking at that.

But I very much appreciate your testimony today. I want to thank you for being here.

And there being no further business, we are adjourned.

[Questions submitted for the record and their responses follow:]

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July 20, 2015

The Honorable Tom Vilsack
Secretary
U.S. Department of Agriculture
1400 Independence Ave., SW
Washington, D.C. 20250

Dear Secretary Vilsack:

Thank you for testifying at the June 16, 2015, hearing on "Child Nutrition Assistance: Are Federal Rules and Regulations Serving the Best Interests of Schools and Families?" I appreciate your participation.

Enclosed with this letter are additional questions submitted by members of the Committee after the hearing. Please provide written responses no later than Monday, August 10, 2015, for inclusion in the final hearing record. Responses should be sent to Matthew Frame of the Committee staff who can be contacted at (202) 225-6558.

Thank you again for your contribution to the work of the Committee.

Sincerely,

John Kline

JOHN KLINE
Chairman
Committee on Education and the Workforce

Chairman John Kline (R-MN)

1. There appears to be a discrepancy in when schools are required to request USDA foods to meet the FNS/AMS/FSA procurement cycle and when they have all the data they need to make good decisions for managing this valuable asset. More specifically, schools must plan and submit to the states how they want to allocate their USDA foods entitlement account before they know how much is available to them. USDA does not make the final determination of how much is in the fund and how much each district receives until months after orders have been placed. Frequently, the addition of funds to the accounts from the annual 12 percent reconciliation comes too late to request key items and plan diversions. How can this discrepancy be resolved? Does USDA have the legal authority necessary to calculate and allocate USDA foods entitlement dollars before schools are required to make spending decisions? If not, what legislative changes would facilitate a change to this policy?

Rep. Lou Barletta (R-PA)

1. People may disagree about various aspects of the nutrition standards, but I think we all agree that if the schools are going to be held accountable to meet updated standards, they'll need the tools to do the job right. In the state of Pennsylvania, 80 percent of schools report needing at least one piece of kitchen equipment, and this need can be even greater in schools where they are working hard to transition to more fresh and from-scratch-cooking. Congress has recognized this need over the past few years and provided resources for kitchen equipment to hardworking schools via USDA School Kitchen Equipment Grants. For example, in my district, Central Dauphin School District and Jim Thorpe Area School District were two recipients of grants last year that helped them better serve their students. Based on your personal experience, what impact can updated infrastructure and kitchen equipment, such as refrigeration, combination ovens, or slicers, have on the ability of school food service directors to run their programs efficiently?

2. We know that workforce training and continuing education is helpful to professions across the board, including school food service professionals. Pennsylvania runs a terrific program that is nearly two decades old, Project PA, out of Penn State University. Some of the programs out of Project PA include peer mentoring programs and online courses for school food professionals on Farm-to-School, meal patterns, and efficient lunchroom set ups. Can you share what you feel are the best types of training for individuals that are working hard in schools every day and whether barriers exist in delivering that training and technical assistance?

Rep. Mike Bishop (R-MI)

1. Mr. Secretary, it has come to my attention that many states have WIC eligibility levels that are often outside the boundaries of what is statutorily in place for the program. This is due to a variety of reasons, including categorical eligibility with state-level Medicaid and CHIP expansions. Do you think this uneven range of access could be addressed in the upcoming reauthorization by using a uniform standard of income verification? Do you think that this could bring greater fairness and integrity to the program?

Rep. Bobby Scott (D-VA)

1. Much like the academic "summer slide" – the phenomenon by which low-income children, on average, lose more than two months in math and reading each summer – obesity and food insecurity for children in low-income communities go up disproportionately during the summer. The Summer Food Service Program is addressing that need greatly, yet one barrier is that the majority of day-long camps and feeding sites are unable to serve three meals to participants. Can you share any information on the feasibility of providing a third meal in more varied settings and how that could bolster summer programming and enrichment activities?

2. Has USDA ever released guidance on best practices in making school nutrition programs both more environmentally and economically sustainable? How are the competitive grants for kitchen equipment to states and schools participating in the National School Lunch and School Breakfast Programs helping schools modernize and improve their food service practices?

3. Has USDA indentified ways to simplify the certification requirements for sponsors, like school districts, who want to run multiple feeding programs without filing multiple applications, while still maintaing strong accountability standards?

Rep. Glenn Thompson (R-PA)

1. A recent GAO report highlighted multiple cases of illegal online trafficking of infant formula. Infant formula can be adulterated in many ways, and even one case of illegal resale could have dire consequences for families. What is USDA doing to ensure that mothers and their children are getting formula from authorized WIC vendors, and not from the black market?

2. What additional tools can Congress give USDA to cut down on the improper or illegal use of WIC benefits?

3. If there is an occurrence of illegal activity in the WIC infant formula rebate system, are the contracted manufacturers treated as harmed parties? What role does USDA play in this process?

[Secretary Vilsack's response to questions submitted for the record]

SUPPLEMENTAL QUESTIONS FOR THE RECORD TO:

Secretary Thomas J. Vilsack

Public Hearing: "Child Nutrition Assistance: Are Federal Rules and Regulations Serving the Best Interests of Schools and Families?"
June 16, 2015

The following questions were submitted from Members of the Committee on Education and the Workforce:

Chairman John Kline (R-MN)

1. There appears to be a discrepancy in when schools are required to request USDA foods to meet the FNS/AMS/FSA procurement cycle and when they have all the data they need to make good decisions for managing this valuable asset. More specifically, schools must plan and submit to the states how they want to allocate their USDA foods entitlement account before they know how much is available to them. USDA does not make the final determination of how much is in the fund and how much each district receives until months after orders have been placed. Frequently, the addition of funds to the accounts from the annual 12 percent reconciliation comes too late to request key items and plan diversions. How can this discrepancy be resolved? Does USDA have the legal authority necessary to calculate and allocate USDA foods entitlement dollars before schools are required to make spending decisions? If not, what legislative changes would facilitate a change to this policy?

Response: USDA does not have the legal authority necessary to calculate and allocate USDA Foods entitlement dollars earlier than July 1. Section 6(c)(1)(A) of the Richard B. Russell National School Lunch Act (NSLA), 42 USC 1755(c)(1)(A), established the national average value of USDA Foods assistance to be given to States for each lunch served in the National School Lunch Program at 11.00 cents per meal beginning in 1982. Pursuant to section 6(c)(1)(B) of the NSLA, 42 USC 1755(c)(1)(B), this amount is subject to annual inflationary adjustments on July 1 of each year to reflect changes in a three-month average value of the Producer Price Index for Foods Used in Schools and Institutions (PPI) for March, April, and May. The value for school year 2015-16 is 23.75 cents per meal. This average or per meal value is published annually by USDA as a notice (the Notice) in the Federal Register as soon as possible after the PPI data become available; publication typically occurs in early July. Although the Notice is published in early July, the procurement cycle that USDA has established requires States to order at least some portion of their USDA Foods in April or May to ensure delivery and use in the early months of the subsequent school year. Under current law, the use of March, April, and May as the months for the calculation of the inflationary adjustment prevents FNS from publishing the Notice further in advance. A legislative change would be required to adjust the timing of the Notice.

Moreover, section 6(e)(1) of the NSLA requires that the total amount of USDA Foods assistance (total value of USDA Foods provided per meal for the year) meet or exceed 12 percent of the total combined amount of assistance provided under sections 4, 6, and 11, as adjusted annually

via section 6(c)(1)(C). In order to ensure compliance with this requirement, FNS must conduct additional reconciliations of States' section 6 funds and adjust the per-meal value accordingly. Amendments would be required to subsections 6(c) and (e) to accommodate changes to the timing and data used for the Notice, and the 12 percent calculation.

Rep. Lou Barletta (R-PA)

1. People may disagree about various aspects of the nutrition standards, but I think we all agree that if the schools are going to be held accountable to meet updated standards, they'll need the tools to do the job right. In the state of Pennsylvania, 80 percent of schools report needing at least one piece of kitchen equipment, and this need can be even greater in schools where they are working hard to transition to more fresh and from- scratch-cooking. Congress has recognized this need over the past few years and provided resources for kitchen equipment to hardworking schools via USDA School Kitchen Equipment Grants. For example, in my district, Central Dauphin School District and Jim Thorpe Area School District were two recipients of grants last year that helped them better serve their students. Based on your personal experience, what impact can updated infrastructure and kitchen equipment, such as refrigeration, combination ovens, or slicers, have on the ability of school food service directors to run their programs efficiently?

Response: USDA's National School Lunch Program (NSLP) equipment grants provide funding for equipment to help schools improve the nutrition and quality of meals. These funds allow school food authorities (SFAs) to purchase equipment to facilitate the efficient preparation and service of healthy meals that meet the updated meal patterns and include more fruits and vegetables, improve food safety, improve energy efficiency, and expand access to the NSLP and School Breakfast Program. SFAs have used these grants to purchase equipment like ovens, which allow them to do more cooking from scratch, and commercial food processors, which cut fruits and vegetables in various shapes and sizes to make it easier to prepare and serve more options. Equipment that helps schools prepare healthier, more appealing meals can increase student participation. The grants can also be used to improve access to breakfast, such as coolers for "Grab and Go" breakfast, or temperature-controlled carts for serving breakfast in the classroom.

New or renovated equipment may also facilitate implementation of lunchroom changes that provide more convenience and appeal to students, highlight healthier choices, and provide redesigned menus that target healthier entrees/options. Together, these strategies are known as Smarter Lunchrooms. Derived from research in behavioral economics, the Smarter Lunchrooms movement is a grassroots initiative that encourages schools to implement low- or no-cost strategies aimed at "nudging" children to make healthier choices when selecting foods for lunch. The Smarter Lunchrooms initiative supports the NSLP in promoting healthy food choice selection and student participation. Since 2009, the Smarter Lunchrooms Movement has been closely associated with research activities at the Center for Behavioral Economics in Child Nutrition Programs (BEN) at Cornell University. BEN provides several evidence-based tools and training tips to help SFAs implement Smarter Lunchrooms strategies, including a "scorecard" for evaluating lunchroom performance. For example, the BEN Center has found that students are more likely to take an easy-to-reach option rather than a hard-to-reach one; therefore placing a

healthier alternative in the front of a cooler and the less healthy option in the back can "nudge" students to make the healthier choice. The Smarter Lunchroom strategies and the scorecard can be accessed at: http://ben.cornell.edu/index.html and http://smarterlunchrooms.org/ideas.

In total, USDA has provided $184.7 million in funding for equipment grants since fiscal year (FY) 2009. In FY 2015, grants totaling $25 million were awarded to States. We are seeking an additional $35 million in funds for equipment grants in FY16, which will make a significant investment in meeting unmet needs.

2. We know that workforce training and continuing education is helpful to professions across the board, including school food service professionals. Pennsylvania runs a terrific program that is nearly two decades old, Project PA, out of Penn State University. Some of the programs out of Project PA include peer mentoring programs and online courses for school food professionals on Farm-to-School, meal patterns, and efficient lunchroom set ups. Can you share what you feel are the best types of training for individuals that are working hard in schools every day and whether barriers exist in delivering that training and technical assistance?

Response: We are aware of the efforts the Pennsylvania Department of Education (PDE), together with its long-standing relationship with Penn State University, has been putting forth to create training opportunities for school nutrition staff through Project PA.

USDA is also committed to assisting school nutrition operators in successfully implementing the updated meal standards. For instance, through the Team Up For School Nutrition Success initiative, school districts identified by State agencies participate in tailored training workshops and then enter into a peer-to-peer mentoring program designed to address school food authorities' (SFA) individual needs and resources and provide support. Topics vary by audience needs but may include menu planning, financial management, procurement, meal presentation and appeal, and/or youth engagement tactics. During the training, SFAs develop an action plan for continuous improvement that will be monitored and evaluated. By providing resources in both training and peer-to-peer mentorship, schools have the opportunity to make positive strides in providing healthy school environments with financial stability and strong student meal participation.

In addition, USDA's recently published professional standards final regulation will ensure that school nutrition professionals have the knowledge and skills they need to prepare nutritious, safe, and appealing meals for our children. USDA firmly believes that those at the local level can most accurately assess training needs and further recommend training topics and formats for each SFA. With the exception of food safety training for newly hired food service directors, USDA does not require training on specific topics. Instead, we encourage State agencies to work with their SFAs to determine topics and training formats that best meet the individual needs of local operators. We also recognize that these new standards should not cause excessive financial or operational hardship for local programs to implement.
To support State agencies and SFAs in complying with the professional standards requirements, USDA has identified numerous training and support resources:

- More than 450 free or low-cost training resources in a variety of formats are available at (http://professionalstandards.nal.usda.gov).

- Online and in-person training resources (free or at low-cost) are available from the Institute of Child Nutrition (formerly known as the National Food Service Management Institute). See http://www.nfsmi.org/Templates/TemplateDefault.aspx?qs=cElEPTU3.
- Food safety training (such as Produce Safety U.) and other resources are offered by the FNS Office of Food Safety. See http://www.fns.usda.gov/food-safety/food-safety.
- A downloadable Training Tracker Tool may be used by school nutrition program directors and employees to keep track of training activities. See http://www.fns.usda.gov/school-meals/professional-standards.
- Brochures and summaries of the new professional standards requirements, and Frequently Asked Questions are also available. See http://www.fns.usda.gov/school-meals/professional-standards.

USDA has already been providing funding to State agencies through State Administrative Expense (SAE) funds, which can be used for training. This year, USDA also provided the opportunity for all State agencies to apply for professional standards grants provided through amendments to Section 7 of the Child Nutrition Act of 1966, 42 USC 1776, made in the Healthy, Hunger-Free Kids Act of 2010. These grants of up to $150,000 per State may be used to establish or enhance existing State training and facilitate implementation of the annual training requirements. USDA awarded $2.6 million for these grants on September 8, 2015, including $149,975 to Pennsylvania.

Rep. Mike Bishop (R-MI)

1. Mr. Secretary, it has come to my attention that many states have WIC eligibility levels that are often outside the boundaries of what is statutorily in place for the program. This is due to a variety of reasons, including categorical eligibility with state-level Medicaid and CHIP expansions. Do you think this uneven range of access could be addressed in the upcoming reauthorization by using a uniform standard of income verification? Do you think that this could bring greater fairness and integrity to the program?

Response: In WIC, Federal statute prescribes both national eligibility requirements as well as some flexibility for States to align eligibility across programs at the State level. As an integrity measure, all applicants must provide documentation of income or participation in one of the adjunct programs as part of the WIC assessment process. It is important to note the latest compilation of State administrative data on WIC participant characteristics, from 2012, shows that about three quarters of WIC participants also receive SNAP, Medicaid, or TANF benefits. At the same time, only about 1.5 percent of participants have reported income greater than 185 percent of the Federal Poverty Level (FPL) at the time of certification, while about 73 percent have reported incomes below 100 percent of FPL. Of the 1.5% of WIC participants reporting income above 185% of the FPL, 22% are infants. Adjunctive income eligibility relieves program applicants who also participate in SNAP, Medicaid, or TANF, from a second round of income verification. It also speeds the assessment process, allowing program administrators to spend more time on service delivery to participants.

Rep. Bobby Scott (D-VA)

1. Much like the academic "summer slide" -the phenomenon by which low-income children, on average, lose more than two months in math and reading each summer - obesity and food insecurity for children in low-income communities go up disproportionately during the summer. The Summer Food Service Program is addressing that need greatly, yet one barrier is that the majority of day-long camps and feeding sites are unable to serve three meals to participants. Can you share any information on the feasibility of providing a third meal in more varied settings and how that could bolster summer programming and enrichment activities?

Response: USDA is committed to ensuring access to nutritious summer meals for children during their out of school time. The law currently allows service of a third meal in certain situations. Residential and nonresidential camps that offer a regularly scheduled food service as part of an organized program for enrolled children, and sites that serve primarily migrant children, may provide up to three reimbursable meals each day. There is also existing statutory authority to approve eligible closed enrolled sites to operate as nonresidential camps, which would allow service of a third meal. As a camp, the site would have to verify eligibility for individual children using free and reduced price data collected by the schools for the National School Lunch Program and School Breakfast Program. Under the existing law, all other types of summer feeding sites are limited to serving a maximum of two meals each day.

Using limited authority provided by statute to conduct demonstration projects, USDA approved a demonstration project testing the service of three meals daily at a limited number of sites serving two age group populations in Baltimore during the summer of 2015. The purpose of this demonstration project is to understand the impact on low-income children of all age groups. USDA will carefully evaluate this impact prior to considering additional requests for demonstration projects related to serving three meals at one site.

Through USDA's authority to initiate Summer Food for Children Demonstration Projects, funded by Congress in 2010, FNS tested new design concepts such as rural meal delivery, take-home backpacks, and electronic benefit transfers, to address the risk of hunger that comes when children do not have access to meal services. Evaluations of the Summer Electronic Benefit Transfer for Children pilot (SEBTC) show impressive results—providing $60 of benefits per child per month eliminated very low food security in children for about one-third of the children who would otherwise have experienced it. Analyses of related measures of food security indicate similarly large proportional reductions. USDA has requested $66.9 million in funds for SEBTC to supplement continued efforts to expand access to traditional summer feeding programs.

2. Has USDA ever released guidance on best practices in making school nutrition programs both more environmentally and economically sustainable? How are the competitive grants for kitchen equipment to states and schools participating in the National School Lunch and School Breakfast Programs helping schools modernize and improve their food service practices?

Response: USDA has issued several pieces of guidance related to food waste and environmental and economic sustainability, including guidance on Offer versus Serve (OVS), a provision in the

National School Lunch Program (NSLP) and School Breakfast Program (SBP) that allows students to decline some of the food offered. The goals of OVS are to reduce food waste in the school meals programs while permitting students to decline foods they do not intend to eat. USDA has also issued guidance on the use of "share tables" or stations where children may return whole items that they choose not to eat, provided that this is in compliance with local and State health and safety codes. These items are then available to other children who may want additional helpings. When schools have leftover food, USDA encourages them to promptly adjust their orders to more accurately reflect the actual number of meal service participants, exhaust all storage alternatives permitted by State and local health and sanitation codes, and then consider donating any leftovers that cannot be stored to organizations working to address hunger in the community, such as homeless shelters, food banks, and food pantries.

USDA is working hard to assist school nutrition operators in successfully implementing the updated meal standards. For instance, through the Team Up For School Nutrition Success initiative, school districts identified by State agencies participate in tailored training workshops and then enter into a peer-to-peer mentoring program designed to address school food authorities' (SFA) individual needs and resources and provide support. Topics vary by audience needs but may include menu planning, financial management, procurement, meal presentation and appeal, and/or youth engagement tactics. During the training, SFAs develop an action plan for continuous improvement that will be monitored and evaluated. By providing resources in both training and peer-to-peer mentorship, schools have the opportunity to make positive strides in providing healthy school environments with financial stability and strong student meal participation.

USDA's NSLP equipment grants provide funding for equipment to help schools improve the nutrition and quality of meals. These funds allow SFAs to purchase equipment to facilitate the efficient preparation and service of healthy meals that meet the updated meal patterns and include more fruits and vegetables, improve food safety, expand access to the NSLP and SBP, and/or improve energy efficiency.

SFAs have used these grants to purchase equipment like ovens, which allow them to do more cooking from scratch, and commercial food processors, which cut fruits and vegetables in various shapes and sizes to make it easier to prepare and serve more options. Equipment that helps schools prepare healthier, more appealing meals can increase student participation. The grants can also be used to improve access to breakfast, such as coolers for "Grab and Go" breakfast, or temperature-controlled carts for serving breakfast in the classroom. Replacing old, outdated equipment with more energy-efficient models helps the environment and saves money.

Other benefits of new or renovated equipment may include the implementation of lunchroom changes that provide more convenience and appeal to students, highlight healthier choices, and provide redesigned menus that target healthier entrees/options. Together these strategies are known as Smarter Lunchrooms. Derived from research in behavioral economics, the Smarter Lunchrooms movement is a grassroots initiative that encourages schools to implement low- or no-cost strategies aimed at "nudging" children to make healthier choices when selecting foods for lunch. The Smarter Lunchrooms initiative supports the NSLP in promoting healthy food choice selection and student participation. Since 2009, the Smarter Lunchrooms Movement has

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In total, USDA has provided $184.7 million in funding for equipment grants since fiscal year (FY) 2009. In FY 2015, grants totaling $25 million were awarded to States. We are seeking an additional $35 million in funds for equipment grants in FY16, which will make a significant investment in meeting unmet needs.

3. Has USDA identified ways to simplify the certification requirements for sponsors, like school districts, who want to run multiple feeding programs without filing multiple applications, while still maintaining strong accountability standards?

Response: The State agency is responsible for approving a sponsor's operation of the programs. This results in a permanent agreement between the State agency and the sponsor. USDA has a strong commitment to promoting administrative flexibilities and exploring other avenues within USDA's authority to improve children's access to healthy food, without compromising program integrity. Although USDA does not certify sponsors directly, FNS has streamlined the process for State agency and sponsor agreements and approval of sponsor applications.

State agencies that administer more than one child nutrition program are required by existing statute to enter into single permanent agreements with school food authorities operating more than one program. Further, when one State agency is responsible for all child nutrition programs in that State, efforts have been made to streamline the application approval process for certification and oversight requirements.

When multiple State agencies are responsible for approving sponsor certification and conducting program oversight, USDA has encouraged State agencies to collaborate on ways to reduce the burden for Program operators, such as sharing information and streamlining the application and agreement process. FNS has also eased application requirements for experienced sponsors and simplified requirements for site visits so sponsors can target their resources on sites that need additional oversight.

Rep. Glenn Thompson (R-PA)

1. A recent GAO report highlighted multiple cases of illegal online trafficking of infant formula. Infant formula can be adulterated in many ways, and even one case of illegal resale could have dire consequences for families. What is USDA doing to ensure that mothers and their children are getting formula from authorized WIC vendors, and not from the black market?

Response: USDA agrees that infant formula that is adulterated presents dire consequences for all families and as such, the issue needs to be addressed broadly, beyond the WIC Program, so

that all consumers are protected. GAO's monitoring of a popular e-commerce website for 30 days in four large metropolitan areas found few posts in which individuals explicitly stated they were attempting to sell WIC-provided formula. Specifically, GAO identified 2,726 posts that included the term "formula," and two of these posts explicitly stated that the origin of the formula was WIC. In both posts, the users indicated they were selling the WIC formula because they had switched to different brands of formula. Of the two identified posts, both the Midwest and Western offices of the USDA's Office of Inspector General declined to investigate these cases.

As required by the Child Nutrition Act, WIC State agencies are required to maintain a listing of the State licensed infant formula wholesalers, distributors, retailers, and Food and Drug Administration registered manufacturers. On an annual basis, State agencies must provide the listing to WIC vendors and such vendors can only obtain infant formula for sale to WIC participants from the suppliers on this list. In addition, WIC State agencies must only authorize vendor applicants that obtain infant formula from sources on the list. WIC State agencies are required to monitor vendors to make sure that infant formula is obtained from approved sources and that, in exchange for WIC food instruments (e.g., checks, vouchers or Electronic Benefit Transfer cards), participants are provided the exact foods they are prescribed.

In addition to these requirements, FNS has taken several actions to prevent the re-sale of infant formula:

- Issued WIC Policy Memorandum 2012-1 which clarifies that offering to sell WIC benefits constitutes a participant violation;
- Issued WIC Policy Memorandum 2013-4 recommending that all new WIC food instruments include the USDA's OIG Hotline and website in order to make reporting abuse easier for participants;
- Collaborated with SNAP on a poster for retailers warning participants that buying or selling SNAP or WIC benefits is a federal crime;
- Wrote to Amazon, Ebay and Craigslist seeking their support in restricting the sale of WIC benefits and reporting such abuse to us for further action as appropriate; and
- Issued a copy of the OIG poster on how to report program violations to each WIC local agency.

2. What additional tools can Congress give USDA to cut down on the improper or illegal use of WIC benefits?

Response: As noted above, USDA's Food and Nutrition Service (FNS) has implemented a number of measures to reduce the potential for fraudulent activity related to WIC benefits, including infant formula. Reselling any infant formula, regardless of whether it was provided through WIC, is problematic as the safety and integrity of infant formula can be compromised. Congress should consider prohibiting the re-sale of any infant formula via social media, which would not only reduce WIC fraud but also make it more difficult for unscrupulous infant formula dealers to introduce potentially unsafe products into the market. WIC regulations prohibit the sale of WIC benefits, including infant formula. FNS and WIC State agencies work together to inform WIC participants that they may not sell their benefits, as well as to identify and appropriately respond to instances in which infant formula provided by WIC is offered for sale.

3. If there is an occurrence of illegal activity in the WIC infant formula rebate system, are the contracted manufacturers treated as harmed parties? What role does USDA play in this process?

Response: USDA's Office of Inspector General (OIG) conducts all investigations related to criminal activities. OIG investigations have resulted in vendors receiving extensive fines and imprisonment for trafficking infant formula. WIC State agencies are required to disqualify vendors convicted of trafficking from the WIC Program. The infant formula rebate contracts are between WIC State agencies and infant formula manufacturers; USDA is not a party to these contracts.

[Whereupon, at 12:07 p.m., the committee was adjourned.]

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