

The Impact of Rising Food Prices on California Food Banks and the Low-Income Families They Serve

A Report of Increased Hunger and Hardship

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Thank you Chairman Beall and members of the committee for holding today's hearing in order to document the impact that rising food prices are having on California and our low-income citizens. My name is Michael Flood and I am the President and CEO of the Los Angeles Regional Foodbank and serve as the Board Chairman of the California Association of Food Banks, representing more than 40 food banks throughout the state.

I hope my comments today will better inform you about the extreme pressure that food banks are facing throughout the state to serve an increasing number of California's seniors, adults and children. The current economic slowdown coupled with increased costs for food, fuel and other basic expenses are forcing more families and individuals to seek food assistance, and in many cases, to sadly experience the devastating effects of hunger.

According to US Department of Agriculture data, approximately 4 million Californians live in households that are not able to consistently put food on the tables for themselves and their families. The technical term is "low food security," but what many of us at food banks see every day are the faces of people who have to overcome their personal pride to reach out and ask for food assistance. The "low food security" statistics are largely unknown to the public and unfamiliar to many policy-makers, but think about this, we have 4 million of our fellow citizens who are not able to consistently maintain a healthy diet because they lack the financial means to meet all of their food needs.

The committee is hearing testimony regarding a number of important federal nutrition programs that combat hunger. While many food banks are heavily involved in Food Stamp outreach, the traditional role of food banks and charitable agencies is to provide a community response to the problem of hunger. California food banks access food and grocery product and distribute this food to 5,000 local charitable organizations serving needy people. In addition, food banks also distribute food directly to people. California food banks have launched many innovative programs through the years, with noteworthy examples being programs designed to serve hungry children and seniors.

Food banks receive the bulk of our food from donations from the food industry. Since food industry donations are made primarily because of surplus inventory or slightly damaged product, these donations are not increasing nationally or in California, and various media reports have detailed the increased efficiency of the food industry which in some cases has led to a decrease in donations.

The next major source of food for food banks is the US Department of Agriculture (USDA). Since 2002, the amount of USDA commodities distributed nationwide and to California through the Emergency Food Assistance Program (EFAP) has decreased by more than 60 percent, precisely because crop prices have increased during this time, and consequently the USDA has made fewer commodity purchases. This 60 percent decline in USDA commodities represents the equivalent of 45 million “lost” meals statewide. During this same time period, requests for food assistance and the number of people experiencing “low food security” have increased.

Finally, because of these trends, many food banks are raising funds to purchase more food than ever before. We have also designed innovative programs such as the California Association of Food Banks Farm to Family program, which allows food banks to obtain a large variety of fresh fruits and vegetables from California growers for a small fee and distribute this fresh produce through our programs.

Many California food banks are at the forefront of focusing our attention on increasing low-income people’s access not just to food, but to *healthy* food. In communities across the state, food banks are taking a comprehensive approach to fighting hunger that integrates three goals: providing healthy food, especially California-grown fruits and vegetables; promoting nutrition education to encourage healthy food choices; and connecting people to food stamps so they are able to purchase the food they need.

Historically, food banks have been the proverbial canaries in the mineshaft of hunger, as families turn to us first when they are hit by the impact of an economic downturn. The early signs of the weakening economic vitality of our communities became apparent to us last October, when California’s food banks started to see noticeably higher numbers of people calling our hotlines, lining up at our food pantry lines and filling up the benches at our member soup kitchens. Due to the increased cost of food, we began to see more seemingly middle class people seeking food assistance represented by one Los Angeles family whose mother stated that “We’ve never been in this situation before; my husband has the same job that he has had for years, but now we can’t afford to buy all of the food that our kids need.”

For food banks, this increased demand in food assistance couldn’t come at a worse time because of the food trends that I outlined earlier and the pressure that increased fuel and other costs have had on our operations. As for the people we serve, the fact that food prices increased in 2007 at their fastest rate in many years, has led to an increased amount of hunger and suffering throughout California.

In my 18 years of food bank experience, I have never seen so many negative trends come together at one time. For this reason, it is clear to me that we are at the beginning stage of a crisis here in California and a quick response is critical.

In early 2007, California’s Central Valley experienced a devastating freeze that destroyed citrus and other crops causing widespread economic hardship. The federal government was slow to respond, and to the credit of the California Legislature, emergency funds

were appropriated to quickly respond to this disaster. I submit to you that the situation that California faces today is a different type of disaster, but this disaster also requires a quick response.

While I am pleased with the developments this week in Washington DC regarding the Farm Bill, and the reauthorization of the Farm Bill will help, it alone will not be sufficient to deal with the increased demand for food assistance throughout California. Similarly there are numerous options, especially in regards to the Food Stamp Program, where the State of California has made poor choices as outlined by my fellow panelists. Reversing these policies will help hungry Californians. Chairman Beall, we appreciate the legislation that you and other legislators have proposed to address these issues.

But even with a new Farm Bill and smarter State policy, California food banks and the charitable organizations that we serve need more food to meet the demands of today. While a new Farm Bill would reverse the trend and increase the amount of USDA commodities, it is apparent to food banks that the new level of funding will not return volume to its 2002 level.

In recent legislative sessions, the California Association of Food Banks has worked with legislators to propose funding for the innovative Farm to Family program and also to start a State commodity purchase program, a program that nearly every other large state in the United States operates. Our efforts to date have failed. It is unfathomable to me that a state with the agricultural abundance of California, with existing working models that food banks have developed to obtain and distribute a small share of this agriculture bounty, combined with the fact that 4 million Californians are not able to meet their basic food needs, would not fund some type of state commodity program. This is not a theoretical distribution model; it is something that exists today where hungry people receive food that they need. If the State is as concerned with the current crisis as it was appropriately concerned with last year's Central Valley freeze, then despite tough budget times, funding should be secured to ensure that seniors, adults and kids that seek food assistance receive the help that they so desperately require.

It is also critical that any new funding secured to deal with this crisis not come from cuts to other social programs, whether those programs provide cash assistance to needy Californians or support the management and administration of programs such as the Food Stamp Program. This is not the time to take funds dedicated for social programs with one hand and give with the other.

California's food banks are ready to help, but we need your help. I respectfully request that members of the committee act as quickly as possible to respond to the current crisis.

Thank you.