

News from Senator

BOB DOLE



(R - Kansas)

2213 Dirksen Building, Washington, D.C. 20510

FOR IMMEDIATE RELEASE:
TUESDAY, FEBRUARY 15, 1983

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HEARING ON S. 17

"The Commodity Distribution and Food Assistance Act"

Subcommittee on Nutrition,
Senate Committee on Agriculture, Nutrition and
Forestry

Room 322 Russell Senate Office Bldg.

9:30 A.M.--Tuesday, February 15, 1983

Commodity Organization Panel

Susan Friday, National Milk Producers Federation

Margie Williams, National Association of Wheat Growers

Bob Frederick, The National Grange

Recipient Agency Panel

Barbara Baker Temple, Greater Philadelphia Food Bank

Ellen Haas, Public Voice

Marshall Matz, American School Food Service Association

Mathew Ahmann, National Conference of Catholic Charities

Distributor/Processor Panel

Daryl Gray, Affiliated Food Processors Association

Lee Stambaugh, Association of State Distributing Agencies

SECTION-BY-SECTION SUMMARY

Sec. 2(a) would require the Secretary of Agriculture to distribute free to eligible recipient agencies surplus commodities owned by the Commodity Credit Corporation.

Sec. 2(b) requires the Secretary to pay for initial processing of commodities, such as wheat into flour, with CCC funds, or with an in-kind payment to the processor.

Sec. 2(c) requires the Secretary to publish annually an announcement of what he anticipates he will declare bonus within the next two years in an effort to assist states in planning. The only obligation is that the Secretary publish a planning document; it is non-binding.

Sec. 2(d) authorizes up to 2 million metric tons of wheat to be available for domestic purposes from the International Food Reserve, and also requires that any additional acquisitions by the CCC be used to replenish this reserve.

Sec. 3 of the bill defines eligible recipient agencies and provides that the commodities shall be distributed through the states except where the commodity will be processed for eligible recipients nationwide under Sec. 6 of the bill.

Sec. 4 provides administrative money to the states to operate the commodity distribution program; this money is to be used to help with distribution and processing costs incurred by the states in the shipment of these commodities to eligible recipient agencies.

Sec. 5 provides safeguards against the waste and misuse of commodities.

Sec. 6 requires the Secretary and the states to work with private companies and eligible recipients to make it easier for eligible recipients that wish to further process the bonus commodities into a variety of end food products.

Giveaway

Dole says bill would cut food stocks

WASHINGTON (AP) — More than \$1 billion in surplus dairy and grain products would be funneled to the nation's needy next year under legislation outlined by a bipartisan group of senators.

Sen. Bob Dole, R-Kan., the bill's main sponsor, said the idea expanded on the government's recent cheese giveaway program, designed to unload massive stockpiles that were threatened by spoilage, while helping the poor.

"We've got a lot of surpluses, especially in the dairy area, and we're paying storage costs. And we've got a lot of hungry people, needy people, people out of work," Dole said at a Wednesday news conference. "It just seems to us that this might be a way to approach it."

He said the surprising demand for government cheese during last year's giveaways "dramatically revealed a real and growing need in our society that the other lifelines such as welfare, elderly feeding programs and food stamps are obviously not either reaching or satisfying."

Dole said he came up with the idea while watching a television report on areas that had food to give away, but could not because they had no money for

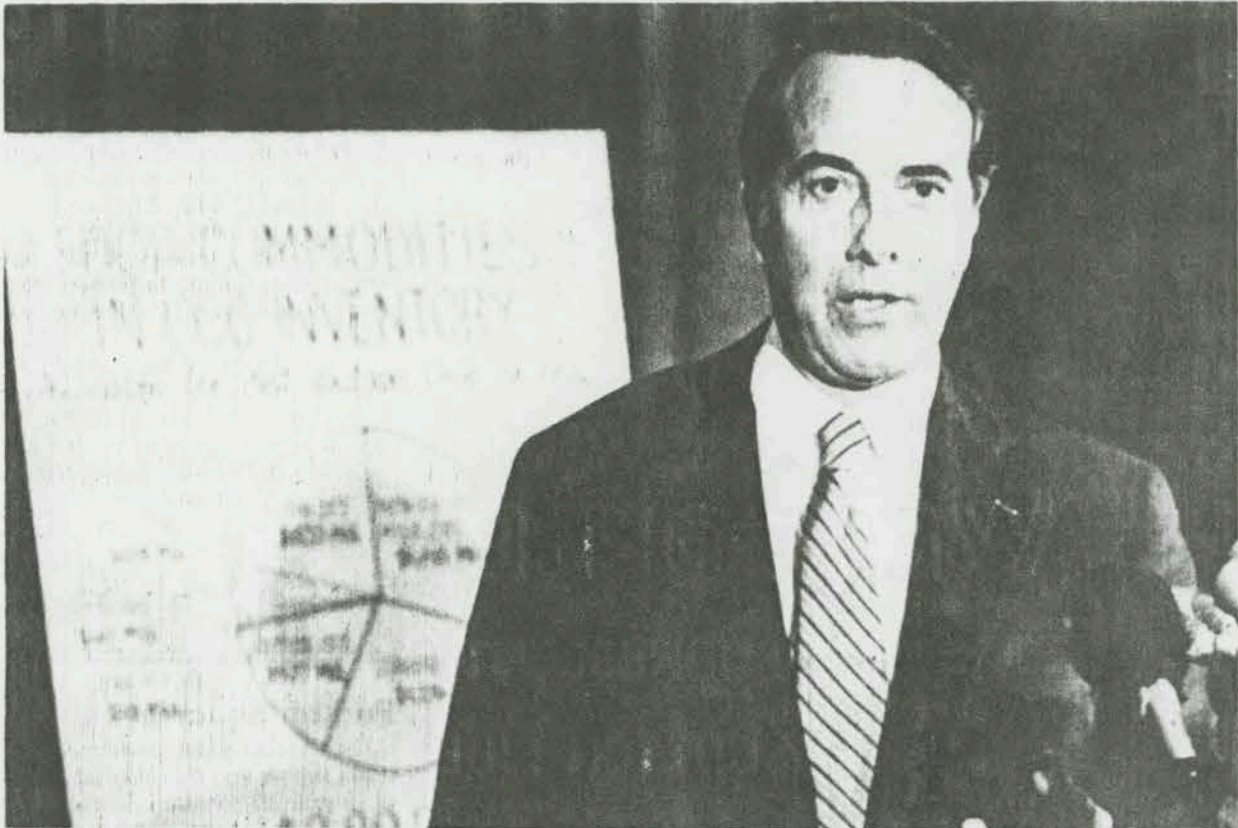
distribution. The bill makes available \$52 million to states to aid in distributing food to recipients.

Any such expense would be likely to draw objections from President Reagan's Office of Management and Budget, Dole said, but he said that the administration had not taken any position on the bill.

The bill would make available any government-owned commodities to eligible non-profit state and local agencies, including food banks, school lunch programs, soup kitchens, disaster relief agencies, child care centers and charities.

The Commodity Credit Corporation would receive requests and pay for initial distribution and processing of the bulk commodities into usable form. Monitoring would prevent stockpiling or black market trade, Dole said.

Agriculture Department officials estimated that in the first year of such a program the government would give away \$944 million, or 90 percent of the total, in cheese, butter and non-fat dry milk. The rest would be corn — both for direct use and for poultry feed — soybean oil and shortening, wheat flour, rice and honey.



FOOD FOR THE NEEDY — Sen. Robert Dole talks to reporters Wednesday on Capitol Hill to announce the details of a

bill he is co-sponsoring, "The Domestic Commodity Distribution and Food Assistance Act." (AP Wirephoto)

Editorials

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As We See It:

WICHITA EAGLE-BEACON

2/7/83

Dole Food Proposal Makes Sense

Both rural and urban Americans should applaud Sen. Bob Dole's plan to let the government give away \$1 billion worth of food it now is paying \$600,000 a day to keep in storage. Some of the food is in danger of spoiling, and the Kansas Republican feels, rightly, it would make far more sense to let it be used to nourish the nation's needy.

The Commodity Credit Corporation has about \$3.9 billion worth of food in storage, about 73 percent of it dairy products, 21 percent corn, and the rest in the form of other food staples. Other food stores that could be used to feed the poor is temporarily in limbo because some states to which surplus commodities have been assigned have no money left to pay for distribution. Michigan, with large numbers of unemployed auto workers, is one such state. So Mr. Dole's plan also would provide \$52 million for the most impoverished states to use for getting the food to those who need it. The bill would provide funds, as well, for the processing of bulk commodities that are not readily usable in their present form.

Sen. Dole got the idea a couple of months ago while watching a television news film of people waiting in long lines to receive cheese the government was giving away. It occurred to him, his office says, that if the program

were expanded to include other commodities, the makings of a more balanced diet for the undernourished might be possible, and the government could save by not having to pay out so much for storage. Also, ultimately, farmers would be helped.

The plan outlined in a bill that already has 10 sponsors, including key members of both parties, calls for the distribution of flour, corn, soybeans, cheese, butter, nonfat dry milk, rice, honey and shortening. The food would be made available to states for distribution through nonprofit organizations and agencies, including food banks, nutrition programs serving the elderly, school lunch programs, soup kitchens, churches, disaster relief agencies, and child care centers.

The idea is a splendid one. People who need help would receive it. At least temporary jobs would be created in the processing and distribution phases of it. Farmers' production no longer would have to compete with previous years' surplus in storage. And the threat of food waste through spoilage — a moral sin when millions are going hungry — would be greatly reduced.

The Dole legislation should be implemented without delay.

Editorials

In God we trust

TOPEKA CAPITAL-
JOURNAL 2/2/83

It shouldn't take a law

By its own estimate, the federal government spends more than \$628,000 a day to store surplus grain and dairy products it owns.

Last week, Sen. Bob Dole asked a very good question: "Why pay millions of dollars to store food surpluses when needy people could be eating it?"

There is no good reason.

Dole has introduced legislation to send more than \$1 billion worth of government-owned food to the needy via churches, charities, community food banks, etc.

Marshall Matz, chief lobbyist for the American School Food Service Association, raised another very good point: "If we feed the surplus to hogs and chickens, let's feed it to the children, too."

So Dole's bill also would broaden the defini-

tion of "surplus" to include flour, rice, corn, soybeans. Some of this food would go to school districts, which might be able to lower (or at least not increase) the prices they charge for school lunches.

There have been some problems associated with the government's giveaway of cheese from federal stocks, as states and Washington have had some trouble determining who should pay the cost of distributing the food.

Surely it doesn't cost \$628,000 a day to give food away. Even if it does, it's worth the difference to pay taxes for feeding needy people instead of paying taxes to hoard food. Humanitarian concern should not require an act of Congress, but if that's what it takes, let's get Dole's bill signed into law as soon as possible.

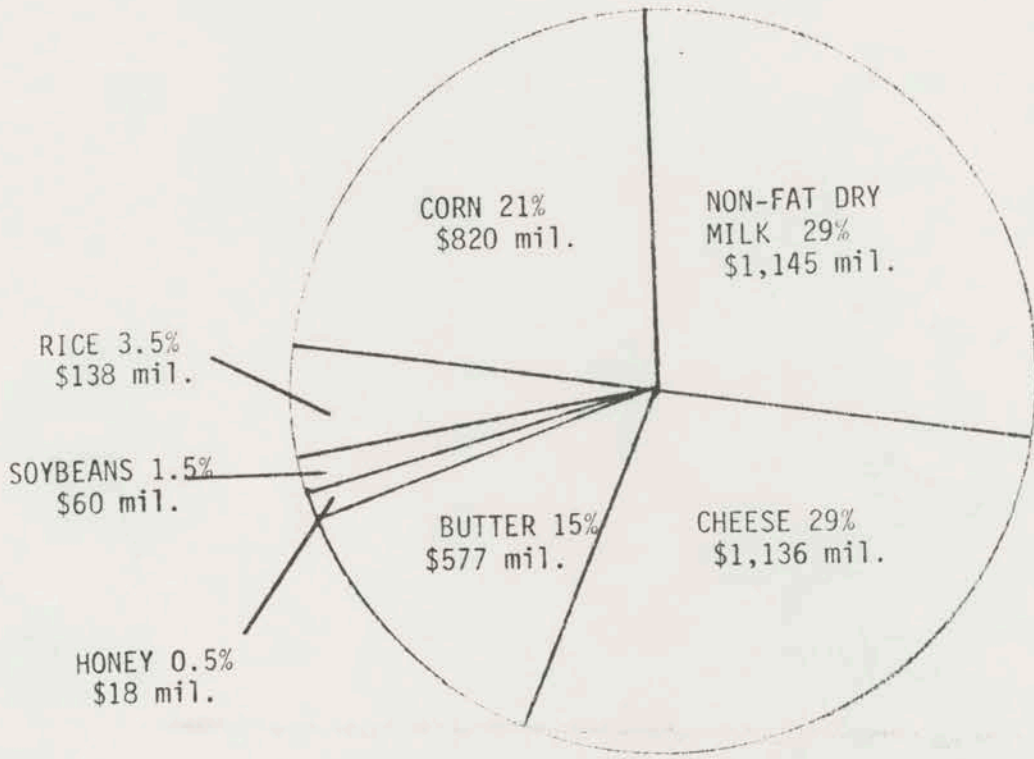
COMMODITIES DISTRIBUTED UNDER S. 17

<u>COMMODITY</u>	<u>ESTIMATED USE (MILLION UNITS)</u>	<u>PERCENT OF STOCKS</u>	<u>VALUE (\$ MILLION)</u>	<u>PERCENT OF TOTAL</u>
<u>DAIRY</u>				
CHEESE (LB)	155	20%	\$602	57.7%
BUTTER (LB)	66	17	265	25.4
NON-FAT DRY MILK (LB)	30	2.4	77	7.4
TOTAL			<u>\$944</u>	<u>90.5%</u>
<u>CORN</u>				
CORNMEAL (LB)	12.5			
CHICKEN (LB)	56.2			
TURKEY (LB)	46.8			
TOTAL (BU)	<u>8.8</u>	2.5%	\$ 22	2.1%
<u>SOYBEANS</u>				
OIL (LB)	45.4			
SHORTENING (LB)	39.0			
TOTAL (BU)	<u>8.1</u>	68%	\$ 44	4.2%
<u>WHEAT</u>				
FLOUR (LB)	100			
TOTAL (BU)	2.3	*	\$ 8	0.8%
RICE (CWT)	.350	2%	\$ 9	0.9%
HONEY (LB)	20.8	67%	\$ 16	1.5%
<u>TOTAL</u>			<u>\$1,043</u>	<u>100.0%</u>

* From International Emergency Food Reserve.

FOOD COMMODITIES
IN CCC INVENTORY

Available for distribution December 31, 1982



\$3.89 billion